CITY OF MERCED

Meeting Agenda

City Council Chamber
Merced Civic Center
2nd Floor
678 W. 18th Street
Merced, CA 95340

City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency

Monday, April 20, 2026 | **6:00 PM** | **City Council Chamber, 2nd Floor, Merced Civic Center, 678 W. 18th Street, Merced, CA 95340**

Closed Session at 5:00 PM/Regular Meeting at 6:00 PM

NOTICE TO PUBLIC/AVISO AL PÚBLICO/CEEB TOOM RAU PEJ XEEM

WELCOME TO THE MEETING OF THE MERCED CITY COUNCIL/BIENVENIDO A LA REUNIÓN DEL CONCILIO DE LA CIUDAD DE MERCED/ZOO SIAB TXAIS TOS KOJ TUAJ RAU HAUV CITY COUNCIL LUB ROOJ SAB LAJ

At least 72 hours prior to each regular City Council meeting, a complete agenda packet is available for review on the City's website at www.cityofmerced.gov or at the City Clerk's Office, 678 W. 18th Street, Merced, CA 95340. All public records relating to an open session item that are distributed to a majority of the Council will be available for public inspection at the City Clerk's Office during regular business hours. Spanish and Hmong translation is available at every regular meeting. Assisted hearing devices are available for meetings held in the Council Chamber.

Al menos 72 horas antes de cada reunión regular del Concejo Municipal, un paquete de agenda complete está disponible para su revisión en el sitio web de la Ciudad en www.cityofmerced.gov o en la Oficina del Secretario de la Ciudad, 678 W. 18th Street, Merced, CA 95340. Todos los registros públicos relacionados con un artículo de sesión abierta que se distribuyen a la mayoría del Concejo estarán disponibles para inspección pública en la Oficina del Secretario de la Ciudad durante el horario comercial habitual. La traducción al español y al Hmong está disponible en todas la reuniones regulares. Los dispositivos auditivos asistidos están disponibles para las reuniones que se celebran en el Salón del Consejo.

Sai kawg yuav tsum yog li 72 teev ua ntej rau txhua lub rooj sib tham ntawm cov Nom Tswv (City Council), yeej muaj tag nrho pob ntawv qhia txog tias rau cov neeg los nyeem hauv lub Nroog (City) qhov website www.cityofmerced.gov los sis nyob rau ntawm City Clerk's lub Office, 678 W. 18th Street, Merced, CA 95340. Tas nrho cov ntaub ntawv teev tseg no yuav muab rau cov Nom Tswv ntawm kev sab laj pub rau tsoom pej xeem sawv daws los nyeem nyob rau hauv City Clerk's lub Office thaum lub caij ua hauj lwm. Muaj txhais lus Mev thiab lus Hmoob. Cov cuab yeej pab kom hnov lus muaj nyob rau ntawm cov Nom Tswv qhov chaw sib tham Council Chamber

PUBLIC COMMENT: OBTAIN SPEAKER CARD FROM THE CITY CLERK/COMENTARIO DEL PÚBLICO / KEV HLOOV RAU TEJ PEJ XEEM TXOG KEV TAWM SUAB, NCAUS LUS:

Members of the audience who wish to address the City Council are requested to complete a speaker card available at the podium in the back of the Council Chamber. Please submit the completed card to the City Clerk before the item is called, preferably before the meeting begins.

Material may be emailed to cityclerk@cityofmerced.gov no later than 1 PM on the day of the meeting. Please specify which portion of the agenda you are commenting on, for example, Public Hearing item #, Consent item #, or Public Comments. Material received before the deadline will be sent to the City Council and will be part of the record and will be mentioned as part of the Written Petitions and Communications portion of the agenda. Any emails received by the 1PM deadline will be posted on the City's website at www.cityofmerced.gov/government/city-council/council-meetings. Any correspondence received after the 1PM deadline will be distributed to the City Council and retained for the official record.

To view video (if available) or listen to the City Council meeting live, go to the City's website www.cityofmerced.gov, YouTube, or Comcast Public Access Channel 96.

Los miembros de la audiencia que deseen dirigirse al Ayuntamiento deben completar una tarjeta de orador disponible en el podio en la parte de atrás de la Cámara del Concejo. Envíe la tarjeta completa al secretario de la ciudad antes de que se llame al artículo, preferiblemente antes de que comience la reunión.

El material puede enviarse por correo electrónico a cityclerk@cityofmerced.gov a más tardar a la 1 p.m. del día de la reunión. Especifique qué parte de la agenda está comentando, por ejemplo, el punto # de la audiencia pública, el punto # de consentimiento o los comentarios públicos. El material recibido antes de la fecha límite se enviará al Concejo Municipal y formará parte del registro y se mencionará como parte de la parte de Peticiones y Comunicaciones Escritas de la agenda. Todos los correos electrónicos recibidos antes de la fecha límite de la 1 p.m. se publicarán en el sitio web de la Ciudad en www.cityofmerced.gov/government/city-council/council-meetings. Cualquier correspondencia recibida después de la 1 p.m. se distribuirá al Concejo Municipal y se conservará para el registro oficial.

Para ver el video (si está disponible) o escuchar la reunión del Concejo Municipal en vivo, visite el sitio web de la ciudad www.cityofmerced.gov, YouTube o Comcast Public Access Canal 96.

Cov pej xeem los koom lub rooj sib tham uas xav tawm suab rau lub nroog cov Nom Tswv (City Council) muaj feem los sau ntawv hauv daim ntawv tawm suab nyob ntawm lub sam thiaj hais lus sab xis ntawm Council Chamber. Thov xa daim ntawv tawm suab no rau tus City Clerk ua ntej lub sij hawm rooj sab laj pib.

Cov ntaub ntawv tuaj yeem xa email tau rau ntawm cityclerk@cityofmerced.gov tsis pub dhau li 1 PM rau hnub lub rooj yuav sib tham. Thov qhia kom meej tias nqe twg ntawd cov txheej txheem koj xav tawm tswv yim rau, piv txwv li, Cov Lus Hais hais rau pej xeem ntawd yog nqe twg #, Cov Lus Pom Zoo ntawd yog nqe twg #. los yog cov lus tso rau Pej Xeem tawm tswv yim rau. Cov ntaub ntawv tau txais ua ntej hnub kawg yuav xa mus rau cov Nom Tswv City Council thiab yuav

yog ib feem ntawm cov ntaub ntawv khaws tseg thiab yuav raug hais raws li ib feem ntawm kev sau ntawv thov tuaj thiab kev sib hais ntawm cov txheej txheem. Txhua qhov email tau txais 1 PM ntawd yuav muab tso rau hauv Lub Nroog qhov website ntawm www.cityofmerced.gov /government/city-council/council-meetings. Txhua tsab ntawv uas tau txais tom qab 1 PM lawm yuav muab xa rau cov Nom Tswv City Council thiab yuav khaws tseg rau hauv cov ntaub ntawv cai.

Yog koj xav saib video (thaum muaj) los sis mloog cov Nom Tswv (City Council) kev sib tham, mus saib hauv City's website www.cityofmerced.gov, YouTube, los sis Comcast Public Access Channel 96.

A. CLOSED SESSION ROLL CALL

B. CLOSED SESSION

The legislative body shall provide the public with an opportunity to address the body on any item described in Closed Session [Government Code Section 54954.3(a)].

B.1. 26-294 **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION Significant exposure to litigation. Two (2) potential case. Pursuant to California Government Code Section Gov. Code § 54956.9(d)(2)

B.2. 26-295 **SUBJECT:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: City Manager; Authority: Government Code Section 54957

B.3. 26-315 **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION In RE: National Prescription Opiate Litigation, MDL 2804, Case No. 1:17-md-2804 (Remnant Defendants) Pursuant to California Government Code Section 54956.9(d)(1)

B.4. 26-324 **SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS Agency Designated Representatives: City Manager Scott McBride, City Attorney Craig Cornwell, Finance Officer Venus Rodriguez, Deputy City Manager Frank Quintero, Human Resources Manager Suzanne Fierro, LCW Legal Representative Che Johnson; Employee Organization: Merced Police Non-Sworn Association. Pursuant to California Government Code Section 54957.6

C. CALL TO ORDER

C.1. Invocation - Pastor Ceasar Johnson, Christian Life Center Merced

C.2. Pledge of Allegiance to the Flag

D. ROLL CALL

D.1. In accordance with Government Code 54952.3, it is hereby announced that the City Council sits either simultaneously or serially as the Parking Authority, the Public Financing and Economic Development Authority, and the Successor Agency to the Redevelopment Agency. City Council members receive a monthly stipend of $500.00 by Charter for sitting as the City Council; and the Mayor receives an additional $100.00 each month as a part of the adopted budget and Resolution 2024-78. The members of the Parking Authority, the Public Financing and Economic Development Authority, and the Successor Agency to the Redevelopment Agency receive no compensation.

E. REPORT OUT OF CLOSED SESSION

F. CEREMONIAL MATTERS

F.1. 26-285

SUBJECT: Proclamation - Arbor Day

REPORT IN BRIEF

Received by representatives of the City of Merced Public Works Department, Parks and Trees Division.

F.2. 26-264

SUBJECT: City Council Volunteer of the Year Awards

REPORT IN BRIEF

Council Members nominated a volunteer within their district and the Mayor nominated one at-large volunteer to highlight those who have given back to their community.

G. WRITTEN PETITIONS AND COMMUNICATIONS

H. PUBLIC COMMENT

Members of the public who wish to speak on any matter not listed on the agenda may speak during this portion of the meeting and will be allotted 3 minutes. The Mayor may propose a further limit to the time available for all speakers at the discretion of the City Council, in order to accommodate as many speakers as possible. State law prohibits the City Council from acting at this meeting on any matter raised during the public comment period. Members of the public who wish to speak on a matter that is listed on the agenda will be called upon to speak during discussion of that item.

I. CONSENT CALENDAR

Adoption of the Consent Calendar may be made by one motion of the City Council, provided that any Council member, individual, or organization may request removal of an item from the Consent Calendar for separate consideration. If a request for removal of an item from the Consent Calendar has been received, the item will be discussed and voted on separately.

I.1. 26-249

SUBJECT: Reading by Title of All Ordinances and Resolutions

REPORT IN BRIEF

Ordinances and Resolutions which appear on the public agenda shall be determined to have been read by title and a summary title may be read with further reading waived.

RECOMMENDATION

City Council - Adopt a motion waiving the reading of Ordinances and Resolutions, pursuant to Section 412 of the Merced City Charter.

I.2. 26-088

SUBJECT: Approval to Procure One (1) New Cardiac Monitor for the Fire Department and Utilize a Cooperative Purchasing Agreement (Sourcewell Contract #041823-STY, Amendments #1 and 2), in an Amount not to Exceed $60,000

REPORT IN BRIEF

Considers approving the Fire Department's request to procure one (1) new LIFEPAK 35 (LP35) Cardiac Monitor from Stryker utilizing a cooperative purchasing agreement (Sourcewell Contract #041823-STY, Amendments #1 and 2) in an amount not to exceed $60,000 and waive the competitive bidding process.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving to waive the competitive bidding requirements as stated in Section 3.04.210 of the Merced Municipal Code due to cooperative purchasing; and,

B. Approving the use of Sourcewell Contract #041823-STY, Amendments #1 and 2; and,

C. Authorizing the purchase of one (1) new cardiac monitor (LIFEPAK 35) from Stryker in an amount not to exceed $60,000; and,

D. Authorizing issuance of the Purchase Order and authorizing the City Manager or designee to execute all necessary documents.

I.3. 26-237

SUBJECT: Approval of First Amendment to the Animal Control Services Contract with the County of Merced to Extend the Term of the Agreement for One Additional Year for the Housing, Handling, Securing, Transfer and Disposition of Dogs and Cats Captured by Ordinance or Code and Delivered by the City's Designated Animal Control Provider

REPORT IN BRIEF

Considers approving a one-year amendment to the existing Animal Control Services contract with the County of Merced (Contract #329) to continue providing housing, handling, and related services for animals impounded by the City of Merced. The proposed amendment extends the contract term through June 30, 2027.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving First Amendment to Services Agreement with the County of Merced to extend the agreement for Animal Control services for one additional year through June 30, 2027; and,

B. Authorizing the City Manager to execute the necessary documents.

I.4. 26-293

SUBJECT: Approve the Purchase of Parts, Equipment, and Supplies as Necessary for Public Works Fleet Maintenance and Operations Through June 30, 2026

REPORT IN BRIEF

Considers approving the purchase of various parts, equipment, and supplies for Public Works maintenance and operations for Fiscal Year 2025/2026.

RECOMMENDATION

City Council - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.4.210 for annual supplies and services; and,

B. Approving the purchase up to $50,000 with ARI Phoenix, Inc., dba ARI Hetra, through June 30, 2026; and,

C. Approving the purchase up to $200,000 with C&R Royal SVC, Inc., through June 30, 2026; and,

D. Approving the purchase up to $150,000 with Ferguson US Holdings, Inc., through June 30, 2026; and,

E. Approving the purchase up to $100,000 with Grainger through June 30, 2026; and,

F. Approving the purchase up to $300,000 with Horizon Distributors through June 30, 2026; and,

G. Approving the purchase up to $120,000 with McCain Traffic Supply (Swarco McCain) through June 30, 2026; and,

H. Approving the purchase up to $150,000 with Municipal Maintenance Equipment through June 30, 2026; and,

I. Approving the purchase up to $250,000 with Ray Gaskin through June 30, 2026; and,

J. Approving the purchase up to $60,000 with Pacific Landscape Supply, Inc., through June 30, 2026; and,

K. Approving the purchase up to $100,000 with Pazin & Myers, Inc., through June 30, 2026; and,

L. Approving the purchase up to $120,000 with YSI, Inc., through June 30, 2026; and,

M. Authorizing the City Buyer to issue the Purchase Orders.

I.5. 26-298

SUBJECT: Approval to Purchase Elevator Modernization Services from TK Elevator Corporation Utilizing the OMNIA Cooperative Purchasing Contract #R200502 in the Amount of $431,673.63 for the Shannon Parcade Elevator Project CP250038

REPORT IN BRIEF

Considers waiving the City's competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 as a result of cooperative purchasing and approving the purchase of elevator modernization services for the Shannon Parking Structure through the OMNIA Cooperative Purchasing Program, Contract #R200502 in the amount of $431,673.63.

RECOMMENDATION

City Council - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.4.210 for purchases necessary for standardization on particular types of equipment; and,

B. Approving the purchase elevator modernization service from TK Elevator Corporation, in the amount of $431,673.63; and,

C. Authorizing the City Manager or designee to execute the contract documents, and approval of future contract amendments not to exceed 10% of the total contract price.

J. ACTION ITEMS

J.1. 26-261

SUBJECT: Approval of a Supplemental Appropriation in the Amount of $21,300 from the Unreserved, Unencumbered Fund Balance of Fund 7008 Support Services and Authorize Procurement of SB 707 Compliance Technology up to $123,824, for Public Meeting Access and Broadcasting Systems

REPORT IN BRIEF

Staff recommends that the City Council approve a supplemental appropriation of $21,300 from the unreserved, unencumbered balance of Fund 7008-Support Services, waive competitive bidding as permitted by Municipal Code, and authorize the procurement of SB 707 compliance technology for a total cost not to exceed $123,824.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving a supplemental appropriation of $21,300 from the unreserved, unencumbered fund balance in Fund 7008-Support Services and appropriating the same to Software subscription account; and,

B. Waiving the City competitive bidding requirements as permitted by Merced Municipal Code Section 3.04.210 for standardization of equipment

and cooperative purchasing; and,

C. Authorizing the increase of expenditure authority under the Sourcewell Contract #121923 by $20,872 for a total not to exceed of $520,872 for several cooperative agreements for technology and equipment for Fiscal Year 2025-26; and,

D. Authorizing the City Manager to execute a change order agreement with Granicus for $1,901; and,

E. Approving the procurement and implementation of SB 707 compliance technology, including the required components identified in this report, for a total cost of $34,546; and,

F. Approving the procurement and implementation of the optional enhancements identified in this report, for a total additional cost of $89,278.

J.2. 26-311

SUBJECT: Adoption of a Resolution of the City Council of the City of Merced, California, Rescinding Resolution 2026-17 and Establishing Inspection Procedures for Multi-Unit Substandard Buildings Policy

REPORT IN BRIEF

California AB 548 requires cities to develop policies and procedures to meet specific requirements for inspecting buildings when a housing unit is found to be substandard or in violation of state housing laws. The attached Resolution rescinds the prior policy adopted on March 16, 2026, and allows for City Council to further consider additional language for this policy.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving **Resolution 2026-18**, a Resolution of the City Council of the City of Merced, California, Rescinding Resolution No. 2026-17 and Establishing Inspection Procedures for Multi-Unit Substandard Buildings Policy; and,

B. Adopting a policy for said inspection procedures; and,

C. Authorizing the City Manager to execute the necessary documents.

J.3. 26-316

SUBJECT: Adoption of an Urgency Ordinance Establishing a Temporary Moratorium on Street Closure Encroachment Permits Pursuant to California Government Code Section 65858

REPORT IN BRIEF

Considers adopting an urgency ordinance establishing a temporary moratorium on the approval, issuance, processing, or appeal of street closure encroachment permits under Merced Municipal Code Section 12.42 and other administrative policies, while allowing limited administrative approvals under defined criteria. The moratorium will provide the City time to evaluate and implement a comprehensive regulatory framework governing street closures to ensure public safety, coordination, and consistency in application.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Ordinance 2590,** An urgency Ordinance of the City Council of the City of Merced, California, establishing a temporary moratorium on street closures, pursuant to California Government Code Section 65858; and

B. Directing staff to study and return with proposed amendments to the Merced Municipal Code to establish a comprehensive framework governing street closures, including distinctions between parades, community events, and other uses of the public right-of-way.

J.4. 26-206

SUBJECT: Consideration of Recommendation of Recreation and Parks Commission to Honor the Request to Name the Stage in Bob Hart Square Plaza, Merced Rotary Stage

REPORT IN BRIEF

Requesting Council's consideration of the application for naming the Stage in Bob Hart Square Plaza, Merced Rotary Stage; accepting and appropriating a one-time contribution of $50,000.

RECOMMENDATION

Council- Adopt a motion:

A. Requesting Council's consideration of the proposed Facility naming application by Merced Rotary Club to name the Stage in Bob Hart Square Plaza to Merced Rotary Stage; and,

B. Accepting a contribution of $50,000 from Merced Rotary Club, increase revenue in Fund 5000-Parks and Community Service CIP and appropriating the same to CP220073 Bob Hart Square Expansion for the betterment of the plaza.

J.5. 26-236

SUBJECT: Approval of a First Amendment to the Deposit and Reimbursement Agreement with University Vista Master Plan, LLC, Relating to the University Vista Annexation (Annexation #22-02) to Annex 290 Acres of Land Located at the Northwest Corner of Bellevue Road and Lake Road to the City of Merced, and Approval of a First Amendment to the Professional Services Agreement with Environmental Science Associates

REPORT IN BRIEF

Considers approving amendments to the Deposit and Reimbursement Agreement with University Vista Master Plan, LLC, and the Professional Services Agreement with Environmental Science Associates to increase the amount of the contract for environmental services and to reimburse for City staff time to manage said contract.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the First Amendment to the Deposit and Reimbursement Agreement with University Vista Master Plan, LLC, in the amount of $49,706, which includes the increase in contracted environmental services ($45,188) and management time by City staff ($4,518) for a total contracted amount of $990,748; and,

B. Approving the First Amendment to the Professional Services Agreement with Environmental Science Associates to complete Environmental Services for University Vista Annexation (Annexation #22-02) in the amount of $45,188 for a total contract amount of $900,681; and,

C. Approving an increase of revenue in the amount of $45,188 to Fund 3000-Development Services, Developer Capital Fees account and appropriating the same to Professional Services account for payment to Environmental Science Associates; and,

D. Approving an increase in revenue in the amount of $4,518 to Fund 3000-Development Services, Cost Recovery account; and,

E. Authorizing the City Manager to execute all necessary documents.

J.6. 26-296

SUBJECT: City of Merced Letter of Comment to the DRAFT 2026 Business Plan and Technical Supporting Document as Published by the California High-Speed Rail Authority

REPORT IN BRIEF

City staff prepared a Letter of Comment concerning High-Speed Rail's DRAFT 2026 Business Plan including the Technical Supporting Document. Staff is seeking direction from the City Council if they desire to submit the Letter of Comment to the High-Speed Rail Authority.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Letter of Comment to the High-Speed Rail Authority's DRAFT 2026 Business Plan including the Technical Supporting Document; and,

B. Authorizing the City Manager to send a Letter of Comment to the California High-Speed Rail Authority regarding the DRAFT 2026 Business Plan and Technical Supporting Document on behalf of the City Council of the City of Merced.

J.7. 26-279

SUBJECT: Approval of the City Council FY 2026/2027 Goals and Priorities, Including the Following Strategic Priority Areas: Public Safety and Quality of Life; Infrastructure and Transportation; Economic Development; Parks and Community Services; Fiscal Sustainability; and Governance and Engagement

REPORT IN BRIEF

Considers approving the City Council FY 2026/2027 Goals and Priorities, including the following Strategic Priority Areas: Public Safety and Quality of Life; Infrastructure and Transportation; Economic Development; Parks and Community Services; Fiscal Sustainability; and Governance and Engagement.

RECOMMENDATION

City Council - Adopt a motion approving the City Council FY 2026/2027 Goals and Priorities, including the following Strategic Priority Areas: Public Safety and Quality of Life; Infrastructure and Transportation; Economic Development; Parks and Community Services; Fiscal Sustainability; and Governance and Engagement.

K. REPORTS

K.1. 26-309

SUBJECT: Presentation and Discussion of Senate Bill 707 Teleconferencing Rule Changes to the Ralph M. Brown Act ("Brown Act")

REPORT IN BRIEF

Staff will provide an overview of the legal changes to the teleconferencing rules contains in the Brown Act as a result of the passage of Senate Bill 707 in 2025 and their impact on the City. This is the second presentation on this topic, with the first presentation occurring at the April 6, 2026 Merced City Council Meeting.

RECOMMENDATION

City Council - Discuss and provide direction to staff for further implementation and planning purposes.

L. BUSINESS

L.1. 26-247

SUBJECT: Request to Add Item to Future Agenda

REPORT IN BRIEF

Provides members of the City Council to request that an item be placed on a future City Council agenda for initial consideration by the City Council.

L.2. 26-248

SUBJECT: City Council Comments

REPORT IN BRIEF

Provides an opportunity for the Mayor and/or Council Member(s) to make a brief announcement on any activity(ies) she/he has attended on behalf of the City and to make a brief announcement on future community events and/or activities. The Brown Act does not allow discussion or action by the legislative body under this section.

M. ADJOURNMENT

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-294

Meeting Date: 4/20/2026

SUBJECT: CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION Significant exposure to litigation. Two (2) potential case. Pursuant to California Government Code Section Gov. Code § 54956.9(d)(2)

CITY OF MERCED

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Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-295

Meeting Date: 4/20/2026

SUBJECT: PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: City Manager; Authority: Government Code Section 54957

CITY OF MERCED

Merced Civic Center
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ADMINISTRATIVE REPORT

File #: 26-315 Meeting Date: 4/20/2026

SUBJECT: CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION In RE: National Prescription Opiate Litigation, MDL 2804, Case No. 1:17-md-2804 (Remnant Defendants) Pursuant to California Government Code Section 54956.9(d)(1)

CITY OF MERCED

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Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-324

Meeting Date: 4/20/2026

SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS Agency Designated Representatives: City Manager Scott McBride, City Attorney Craig Cornwell, Finance Officer Venus Rodriguez, Deputy City Manager Frank Quintero, Human Resources Manager Suzanne Fierro, LCW Legal Representative Che Johnson; Employee Organization: Merced Police Non-Sworn Association. Pursuant to California Government Code Section 54957.6

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ADMINISTRATIVE REPORT

File #: 26-285 Meeting Date: 4/20/2026

SUBJECT: Proclamation - Arbor Day

REPORT IN BRIEF
Received by representatives of the City of Merced Public Works Department, Parks and Trees Division.

ATTACHMENTS
1. Proclamation

Proclamation

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen, and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, and countless other wood products; and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal; and

WHEREAS, the City of Merced has been recognized as a Tree City USA by the National Arbor Day Foundation for the 45th consecutive year and desires to continue its tree-planting practices.

NOW, THEREFORE, I, Matthew Serratto, Mayor of the City of Merced, do hereby proclaim April 24, 2026, as ARBOR DAY in the City of Merced, and urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands, and further urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

Signed this 20th day of April 2026.

_____

Matthew Serratto, Mayor of Merced

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-264 Meeting Date: 4/20/2026

SUBJECT: City Council Volunteer of the Year Awards

REPORT IN BRIEF

Council Members nominated a volunteer within their district and the Mayor nominated one at-large volunteer to highlight those who have given back to their community.

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-249 Meeting Date: 4/20/2026

SUBJECT: Reading by Title of All Ordinances and Resolutions

REPORT IN BRIEF
Ordinances and Resolutions which appear on the public agenda shall be determined to have been read by title and a summary title may be read with further reading waived.

RECOMMENDATION
City Council - Adopt a motion waiving the reading of Ordinances and Resolutions, pursuant to Section 412 of the Merced City Charter.

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ADMINISTRATIVE REPORT

File #: 26-088 Meeting Date: 4/20/2026

Report Prepared by: Janet German, Management Analyst, Fire Department

SUBJECT: Approval to Procure One (1) New Cardiac Monitor for the Fire Department and Utilize a Cooperative Purchasing Agreement (Sourcewell Contract #041823-STY, Amendments #1 and 2), in an Amount not to Exceed $60,000

REPORT IN BRIEF
Considers approving the Fire Department's request to procure one (1) new LIFEPAK 35 (LP35) Cardiac Monitor from Stryker utilizing a cooperative purchasing agreement (Sourcewell Contract #041823-STY, Amendments #1 and 2) in an amount not to exceed $60,000 and waive the competitive bidding process.

RECOMMENDATION
City Council - Adopt a motion:

A. Approving to waive the competitive bidding requirements as stated in Section 3.04.210 of the Merced Municipal Code due to cooperative purchasing; and,

B. Approving the use of Sourcewell Contract #041823-STY, Amendments #1 and 2; and,

C. Authorizing the purchase of one (1) new cardiac monitor (LIFEPAK 35) from Stryker in an amount not to exceed $60,000; and,

D. Authorizing issuance of the Purchase Order and authorizing the City Manager or designee to execute all necessary documents.

ALTERNATIVES
1. Approve, as recommended by staff; or,
2. Approve, subject to conditions as specified by the City Council; or,
3. Deny the request; or,
4. Refer back to staff for reconsideration of specific items as requested by the Council.

AUTHORITY
Charter of the City of Merced, Section 200.

CITY COUNCIL PRIORITIES
As provided for in the FY 25/26 Adopted Budget.

DISCUSSION

Background

The Merced Fire Department (MFD) is in the final phases of a critical evolution from Basic Life Support (BLS) to Advanced Life Support (ALS) capabilities. This transition is essential to providing a higher tier of emergency medical care, allowing our personnel to perform advanced interventions and cardiac monitoring that were previously unavailable. Cardiac monitors are a critical part of our Emergency Medical Services (EMS) system and a primary tool for the diagnosis and treatment of the most serious medical conditions.

Proprietary Technology: LIFEPAK 35

To support this transition, the department is acquiring the LIFEPAK 35. This is a clinically advanced, life-saving device with proprietary tools and technology built on an intuitive platform. Its clinical decision support tools provide customizable experiences that help speed decisions with accuracy during lifesaving events. Because the LIFEPAK 35 is built to work with real-time communications and insights unique to its design, Stryker is the sole provider of this proprietary technology.

Standardization

MFD currently utilizes Stryker electrocardiogram devices on both its BLS and existing ALS units for cardiac rhythm interpretation. Maintaining a uniform fleet of Stryker equipment is a matter of public safety and vital for:

- Continuity of Care: Ensuring a seamless transition as we upgrade more units to ALS status.
- Personnel Proficiency: Providing a consistent, proprietary interface so first responders can move between vehicles without retraining on different systems.

Cooperative Purchasing and Waiver of Competitive Bidding

To facilitate this acquisition, the department recommends utilizing Sourcewell Contract #041823-STY, Amendments #1 and 2). While the city utilizes Sourcewell for other cooperative purchases, this specific request seeks authorization to leverage Sourcewell Contract #041823, Amendments #1 and 2 (Critical Care and EMS Equipment). This established procurement method allows the MFD to forego the traditional formal bid methodology by piggybacking on a nationally competitive bidding solicitation that meets the city's competitive bidding requirements. The use of this contract complies with Section 3.04.210 of the Merced Municipal Code, which permits an exemption from formal bidding when utilizing contracts awarded through a competitive process by other public agencies.

Budgetary Status and Implementation: Engine 54

The City Council previously appropriated $60,000 in the current FY 25/26 budget specifically for this purchase. This acquisition is a major milestone in our rollout:

- Progress: This purchase will provide the fourth of the five monitors needed for our department-

wide ALS rollout.
- Deployment: This unit will be placed on Engine 54.
- Completion: As soon as funds are appropriated for the fifth and final vehicle, the department will purchase the last monitor, officially completing our transition for cardiac monitors on all units.

By providing the resources necessary to advance our ALS capabilities, we are directly enhancing our ability to save lives and making our community a safer place for all residents.

IMPACT ON CITY RESOURCES
Funding is available within FY2025-26 General Fund adopted budget for this purchase.

ATTACHMENTS
1. Sourcewell Contract #041823-STY, Amendments #1 and 2
2. Quote - Stryker - LIFEPAK 35

Attachment 1

Sourcewell Contract # 041823-STY, Amendments #1 and 2

Solicitation Number: 041823

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Stryker Sales, LLC, through its Medical Division, 11811 Willows Road NE, Redmond, WA 98052 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Critical Care and EMS Equipment from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires June 30, 2027, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that (i) Supplier has good title to Equipment shipped directly to Participating Entities, free of all liens, claims, and encumbrances; (ii) the Equipment will, at the time of manufacture, in all material respects have been manufactured in conformance with the Equipment specifications; and (iii) the Equipment will in all material respects, at the time of shipment, meet the technical specifications set forth in the FDA-approved or cleared labeling. EXCEPT AS SET FORTH IN THE IMMEDIATELY PRECEDING SENTENCE, SUPPLIER HEREBY EXPRESSLY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES REGARDING THE PRODUCTS INCLUDING, BUT NOT LIMTED TO, AND FITNESS FOR A PARTICULAR PURPOSE.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal. If the Agreement is a multi-year contract, Supplier may increase pricing no more than once annually. Such price increase shall be incorporated by amendment to this Agreement and signed by Sourcewell and Supplier.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned in accordance with the return policy, incorporated by reference, at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products within thirty (30) days after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity. All shipping will be FOB destination, freight prepaid and added to the invoice.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product

Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States; such as federal, state, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract. Payment terms are net thirty (30).

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities , including their agents and employees, harmless from any third-party claims or causes of action incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. The foregoing indemnification does not apply to any claims arising from: (i) the combination of any Stryker Product with one or more non-Stryker products wherein such combination is the sole basis of the claim; (ii) the use of the Products contrary to their labeling, manuals, and/or instructions for use or (iii) modification of any Product by any person other than Stryker without Stryker's express written authorization. Stryker will have no liability hereunder unless it is notified promptly of any such claim and given control of the defense and any settlement thereof; however, any claim that obligates Sourcewell for payment of any kind may not be settled without prior consultation and written approval by the Sourcewell Board of Directors Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell

under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
   Subject to Section 13(B), Sourcewell grants to Supplier a royalty-free, non-exclusive right and license to use the trademark(s) provided to Supplier in certain advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier for use in the United States only and solely in the format provided in Exhibit A. For the avoidance of doubt, the license granted by Supplier to Sourcewell shall be limited to the following promotional materials:
   i. Sourcewell's Contract Directory located on Sourcewell's website and/or in a printed format for distribution by Sourcewell;
   ii. Sourcewell's Cooperative Purchasing (through Buy Sourcewell) located on Sourcewell's website;
   iii. Tradeshow or other conference banners prepared and approved by Sourcewell;
   iv. Award announcement emails; and
   v. Any reseller or distributor advertising or promotional flyers for distribution by Sourcewell.

2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. The sublicense granted hereunder will be subject to the terms and conditions of this Article and shall not exceed the rights granted pursuant to Section 1.b. of this Article 13. A party shall approve each use of the other party's trademarks by its respective Permitted Sublicensees. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*
   a. Neither party may alter the other party's trademarks from the form provided and must immediately comply with removal requests as to specific uses of its trademarks or logos.
   b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination*. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Each party must return all

marketing and promotional materials, including signage, provided by the other party or dispose of it according to requesting party's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers to Participating Entities that offer Equipment, Products, or Services available under this Contract and utilizes the terms of this Contract while offering pricing lower than this Contract, must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the term of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an “AM BEST” rating of A- or better, with the following required coverage and limits of insurance:

1. *Workers’ Compensation and Employer’s Liability.*
Workers’ Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in the required amounts listed below:

Required limits:
$2,000,000 each accident for bodily injury by accident
$2,000,000 policy limit for bodily injury by disease

$2,000,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. Coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Required Limits:
$3,000,000 each occurrence Bodily Injury and Property Damage
$2,000,000 Personal and Advertising Injury
$4,000,000 aggregate for products liability-completed operations
$4,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Required Limits:
$3,000,000 each accident, combined single limit

4. *Umbrella Insurance*.

Intentionally omitted

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's network security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Required limits:
$2,000,000 per occurrence or claim
$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be issued by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to include Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to vicarious liability of Sourcewell and/or its Participating Entities which may arise out of activities, "operations," or "work" performed by Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that except with respect to any claim or loss that arise from the negligence or willful misconduct of Sourcewell and/or its Participating Entities, the commercial general liability insurance coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the workers' compensation and employer's liability and commercial automobile liability insurance policies required by this Contract. The waiver must apply to all deductibles and/or self-insured retentions applicable to such insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTIONINTENTIONALLY OMITTED.

F. SELF-INSURANCE. Notwithstanding any other insurance requirements within this Agreement to the contrary, to the extent allowed by applicable law or regulation, Supplier shall be permitted to comply with these insurance requirements through a program of self-insurance

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

This Agreement is the entire, final, complete, and fully integrated agreement between Sourcewell **and** Supplier for the benefit of any Participating Entity with respect to the subject matter hereof and supersedes any prior agreements or communications between the parties, whether written, oral, electronic or otherwise.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. EQUAL EMPLOYMENT OPPORTUNITY. Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal

Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

By: DocuSigned by: Jeremy Schwartz C0FD2A139D06489...

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 9/14/2023 | 4:41 PM CDT

Stryker Sales, LLC, through its Medical Division

By: DocuSigned by: Anne Mullally 6CE0778B706449D...

Anne Mullally

Title: Vice President and General Manager

Date: 9/15/2023 | 6:56 AM PDT

Approved:

By: DocuSigned by: Chad Coauette 48BAF71B0894454...

Chad Coauette

Title: Executive Director/CEO

Date: 9/15/2023 | 8:58 AM CDT

Exhibit A

Stryker Trademark Usage

stryker

Logo position, spacing and size

Position

- Stryker logo must appear prominent and not compete with word marks, surrounding text, images or other visual elements.
- Our preferred logo placement is horizontal; however, Sourcewell can position Stryker logo vertically.
- When horizontally positioned, place Stryker logo in either the top left or top right corner of the layout.
- When horizontally positioned, Stryker prefers Sourcewell places Stryker logo above all other text and in a position that doesn't appear aligned with any visual elements other than a color field and/or dimensional frame.
- When vertically positioned, Stryker logo must be the most dominant element on the layout (for example, up the side of a trade show banner).
- Avoid overuse of Stryker logo by using only one logo per layout and refrain from using our logo multiple times across a multi-page document.
- Stryker logo must appear on the first page or section of a document.

Clear space

- Provide clear space around our logo to clearly identify it as our master brand.
- The diagram below demonstrates the minimum space required; clear space is equal to 1.5 times the height of our logo.

Minimum size

- When using Stryker logo, maintain a minimum size of 1" (25.4mm) in print applications to maintain brand presence.
- The goal is to maximize the size of Stryker logo in proportion to the size of the layout.

Clear space

stryker

1" (25.4mm)

Minimum size

Do not:

- use any color except black for Stryker logo.
- use Stryker logo with a registration mark (®).
- show Stryker logo upside down or reflected.
- angle or tilt except at a 90° angle.
- violate clear space in any way.
- show Stryker logo at minimum size in a large-scale layout.
- show Stryker logo oversized on a layout relative to the scale of the other visual elements.
- use Stryker logo with other text; instead, spell out "Stryker" or "Stryker's" when using Stryker name.
- translate Stryker logo; however, Sourcewell can translate our Stryker in text.
- include Stryker logo as part of another trademark or service mark.
- alter any part of Stryker logo.
- skew or distort Stryker logo.
- animate Stryker logo; except in videos.
- add a line above or below Stryker logo.
- crop Stryker logo.
- use Stryker logo at a low resolution.
- use Stryker logo vertically with text that has more dominance.
- add shadows or shading.
- add a border.
- use an outline.
- use on unapproved background colors.
- place in a shape (for example, a circle or triangle) unless placed on a square or rectangular.
- place business, function, region, service names or word marks on the same line as Stryker logo.

RFP 041823 - Critical Care and EMS Equipment

Vendor Details

Company Name:	Stryker Sales, LLC
Does your company conduct business under any other name? If yes, please state:	Howmedica Osteonics Corp
Address:	2825 Airview Blvd. Kalamazoo, MI 49002
Contact:	Ted Harris
Email:	ted.harris@stryker.com
Phone:	615-512-4890
HST#:	38-2902424

Submission Details

Created On:	Monday March 06, 2023 16:19:47
Submitted On:	Friday April 14, 2023 13:58:59
Submitted By:	Bobby Flanagan
Email:	Robert.Flanagan@stryker.com
Transaction #:	34aa1fbb-1f4f-420c-825f-d4a930e802a5
Submitter's IP Address:	64.208.103.178

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond “N/A” if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Stryker Sales, LLC, through its Medical Division	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Stryker Sales, LLC, through its Medical Division	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	Not applicable	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	75AF1, [No CAGE code for SYK SALES CORP; All Govt Contracts through SYK Corp]	*
5	Proposer Physical Address:	11811 Willows Road NE Redmond, WA, 98052	*
6	Proposer website address (or addresses):	https://www.stryker.com/us/en/emergency-care.html	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the “Proposer’s Assurance of Compliance” on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Jennifer Collins Manager, Strategic Pricing and Contracts Tel: 425 867 4685 Email: jennifer.collins@stryker.com Address: 11811 Willows Road NE Redmond, WA, 98052	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Ted Harris, Manager, Strategic Accounts Tel: 615 512 4890 Email: ted.harris@stryker.com Address: 11811 Willows Rd. NE, Redmond, WA 98052	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Maggie Wang, Associate Manager, Bids & Proposals Tel: 425-867-4216 Email: maggie.wang1@stryker.com Address: 11811 Willow Rd NE, Redmond, WA 98052	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	

10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	About Stryker Stryker is one of the world's leading medical technology companies and, together with our customers, is driven to make healthcare better. We offer innovative products and services in Orthopaedics, Medical and Surgical, and Neurotechnology and Spine that help improve patient and hospital outcomes. As the pioneer in portable defibrillation and monitoring technology, Stryker's Emergency Care business continues to define the standard for cardiac emergency care equipment, solutions and services. We are the world leader in developing, manufacturing, selling and servicing emergency care products. The company pioneered defibrillation technology over 68 years ago and continues to design and develop advanced emergency medical devices for in-hospital and out-ofhospital use. The company's LIFEPAK defibrillators have been carried to the top of Mount Everest and launched into orbit on the International Space Station. More than 800,000 units are in use today on fire and rescue rigs, ambulances, hospital crash carts and in thousands of public access locations worldwide. Global Presence Stryker serves a global market of thousands of customers in over 100 countries that use our products every day to protect their communities. We are well-positioned to continue serving the worldwide medical community for generations to come. Stryker Emergency Care employs over 1,000 team members worldwide. Approximately 700 of these team members are based in Redmond, WA. Vision and Mission We have been involved in emergency medical care for more than 68 years and lead the industry in developing products that monitor or treat patients in emergency medical situations. We develop technologies and design devices according to the unique needs of our customers and our goal is to provide complete solutions for cardiorespiratory emergencies. Everything is designed for customers, to work with them- whether it is accessories, disposables, flexible energy dosing or data management solutions that help them capture patient data and learn from it to improve patient care. Our approach to product development is with the values our customers expect front and center: quality, innovation, durability and reliability. We hold ourselves to rigorous quality and innovation standards, and firmly believe that good enough is never good enough when you are talking about devices used on a daily basis in a variety of emergency care environments. We are always innovating our product and clinical technologies and looking for ways to improve our processes— because our customers and their patients depend on it. MISSION: Together with our customers, we make healthcare better.	*
11	What are your company's expectations in the event of an award?	If Stryker is the winner, Stryker will negotiate in good faith mutually benefitial terms following award issuance.	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Stryker Corporation Annual Report has been uploaded to the attachment section. Stryker Sales, LLC, through its Medical Division is a wholly owned affilate of Stryker Corporation.	*
13	What is your US market share for the solutions that you are proposing?	In 2022, our prehospital business captured 69% of market share. We are unique in that we have solutions that equip the back of the ambulance with everything from monitor/defibrillaotrs, to cots and fasteners, to data solutions, and beyond. We are unmatched when it comes to the breadth of products and service that we can provide our customers. Our flagship product lines have captured majority market share in their respective categories as described below: • LIFEPAK 15 (monitor/defibrillators in pre-hospital): 55% • LIFEPAK CR2, HeartSine (AEDs in pre-hospital and public access): 30% • Transport equipment (cots, fasteners, chairs in prehospital): 94% • LUCAS 3 (mechanical chest compression systems in pre-hospital): 80%	*
14	What is your Canadian market share for the solutions that you are proposing?	This submittal reflects U.S. proposal and applies to US participating entities only. Products, services and T&Cs outside the U.S. may vary by country. Please refer to Proposal submitted by Stryker Canada team for information.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No. Stryker has never petitioned for bankruptcy protection. Instead, the whole Stryker corperation has persevered, delivered outstanding sales growth and made progress on our strategy for many years, making the Stryker brand stronger than ever.	*

16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Stryker is the manufacturer and service provider of equipment as proposed in this RFP. All technical support, trainings and education, ProCare services will be conducted by Stryker employees. No third party like distributor/dealer/reseller will be involved.	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Stryker's Medical division certifies that it is the original equipment manufacturer (OEM) or sole source distributor of parts for Emergency Care products. All parts are either manufactured by Stryker or outside suppliers and are new, tested and approved for use on Stryker's products. Our field service team uses OEM parts for repairs and has exclusive use of certain proprietary tools for diagnostics and repairs. Please refers to Section 6 of the pdf. proposal for relevant sole source certificatations.	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	No suspension or Debarment applies to Stryker.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	At Stryker, we owe our achievements to our dedicated employees. Below are some recent honors we've received for our business results, workplace culture and philanthropic activities: • 2022 Best Workplaces for Millennials: : Great Places to Work • 2022 Best Workplaces in Manufacturing and Production: : Great Places to Work • 2022 100 Best Companies to Work For: : Great Places to Work • 2022 Best Workplaces Canada: Great Places to Work • 2022 World's Best Workplaces: Great Places to Work • 2022 Don Clifton Strengths-Based Culture Award • 2022 Best Places to Work for LGBTQ+ Equality: 100% Corporate Equality Index • 2021 Military Friendly Employer: Silver • 2021 Reader's Choice A Top 50 Employer: Woman Engineer Magazine • 2021 Reader's Choice A Top 50 Employer: Minority Engineer Magazine • 2022 Companies that Care: People Magazine • 2021 Change the Future: Fortune Please see a full list of company awards at this link: www.stryker.com/us/en/about/awards/awards.html	*
20	What percentage of your sales are to the governmental sector in the past three years	75-80%	*
21	What percentage of your sales are to the education sector in the past three years	2-3%	*
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	NASPO (No Transport on Contract) 2020:$15.3M, 2021: $15.4M, 2022: $15.9M Savvik(Treatment and Transport) 2020: $5.3M 2021: $14.2M 2022: $16.5M	*
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	GSA Contract: Federal Supply Schedule (FSS) 2020: $61.6M 2021: $66.8M 2022: $51M SOSA Contract: none	*

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Mount Vernon Fire Dept.	Deborah Norman	(914)490-0131 Email: dnorman@cmvny.com	*
Sable Altura Fire Dept.	Chief Rich Solomon	(303)364-7187 Email: Solomon.Rich@sablealturafire.org	*
Akron Fire and EMS	Chief Chris Karakis	(330)903-1101 (mobile)	*

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
NEW YORK CITY FIRE DEPT AND MED EQUIP	Government	New York - NY	FDNY replaced their Philips defibrillators with LIFEPAK 15s and LIFEPAK CR2s, and replaced Ferno cots with Stryker power stretchers and loading systems.	$35,697	$39,767,262	*
NEW YORK CITY OFFICE OF EMER AND MGMT	Government	New York - NY	Purchased LIFEPAK 15 defibrillator/monitors to combat the pandemic.	$4,707,735	$23,538,676	*
MIAMI DADE FIRE RESCUE	Government	Florida - FL	Miami Dade replaced 99 LIFEPAK 15 defibrillators in 2021, and replaced 72 power cots in 2022. They purchased 125 LIFEPAK CR2 AEDs in 2022 and added 20 Lucas 3 chest compression devices to their fleet. Miami Dade airport purchased 40 CR2 AEDs, and Miami Dade Fleet Management purchased 50 CR2 AEDs.	$4,365	$7,468,898	*
ESCAMBIA COUNTY EMS	Government	Florida - FL	Escambia County purchased 50+ LIFEPAK 15 defibrillator/monitors, 37 Power Pro XT cots, 140 CR2 AEDs, 50 Lucas chest compression devices, and ProCare service plans for all of the above.	$51,124	$7,464,160	*
SOUTH DAKOTA DEPT OF HEALTH	Government	South Dakota - SD	SD Statewide LIFEPAK standardization project	$182,532	$7,118,773	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	

26	Sales force.	Stryker Emergency Care is committed to providing unmatched professional support through our Sales and Field Service Representatives who are strategically located throughout the U.S. to make us a customer centered organization. Our pre-hospital account manager team is the largest in comparison to our competitors with 291 Emergency Care account managers supporting customer needs. While everyone will be responsive and timely during the purchase process, Stryker has built a model that allows us to truly serve and partner with customers before, during, and after the sales.	*
27	Dealer network or other distribution methods.	Stryker is the manufacturer and service provider of equipment as proposed in this RFP. No dealer or distributor will be involved.	*
28	Service force.	Stryker has made in our Field Service team that provides on-site product maintenance and repair. This team consists of 310 ProCare technicians nationwide and allows us to take the approach of conducting necessary equipment repairs at your location versus requiring you to ship devices in and wait for replacement units. Repairs by the numbers Enhance equipment life: Of those surveyed, 85 percent of EMS customers reported the life of their equipment has been extended because of ProCare Services. Equipment experts: ProCare technicians receive over 200 hours of equipment training, and have an average tenure of 12 years with Stryker. Proactive approach:In 2019, ProCare Services did preventive maintenance inspections on over 83,450 pieces of EMS equipment. Increased efficiency: 86 percent of EMS customers surveyed reported they are able to operate more efficiently because of ProCare Services. The Quality Management System of Stryker's Medical division is ISO 13485:2016 certified.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	If ordering Capital Goods 1. Customer calls(phone at 800 327 0770 option 1) or emails our Customer Service Team to get the contact information of the account manager for their region. 2. Customer reaches out to Account Manager letting them know what is needed. 3. Account Manager creates quote for items. 4. Customer creates PO meeting all requirements based on the quote. 5. PO is submitted back to the Account Manager 6. Account Manager submits order and confirms with customer. If ordering parts, accessories or disposables: 1. Customer can call or email our Customer Service Team for a price quote. 2. PO meeting all requirements is created by customer based on pricing quote. 3. PO emailed in to medicalcustomerservice@stryker.com 4. Customer Service Team would process and send confirmation. If ordering services: Stryker won't be using any distributors / subcontracts for ProCare Contract execution. All work will be done locally or in our factory depot by Stryker employees. Stryker provides copies of work orders describing all work performed, parts used and labor time involved with the repair. Customers can also access on our online ProCare portal should they choose to do so.	*
30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Stryker ProCare is the largest on-site OEM team in the pre-hospital space for maintaining, repairing, and serving customers equipment needs in North America. Our competitive difference is that we provide people who handle all device needs at your facilities versus being required to organize, track, box, and ship devices back to corporate headquarters for maintenance and repair.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Stryker is able to provide products and accessories to entities where 3rd party carrier can reach in US.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Not applicable	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	This submittal reflects U.S. proposal and applies to US participating entities only. Products, services and T&Cs outside the U.S. may vary by country. Please refer to Proposal submitted by Stryker Canada team for information.	*

34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Stryker is able to serve through the proposed contract throughout the whole US.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There's no additional requirements or restrictions to entities in Hawaii and Alaska. As there is no local Hawaii stock available for these Stryker items and these items will be shipped from our mainland warehouses. We are not able to provide timeliness of deliveries at this time based on specific product availability and carrier processes, but products will be shipped as soon as possible in the order it was placed.	*

Table 7: Marketing Plan

Line Item	Question	Response *	
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Co-op contracts are vital components of Stryker Emergency Care's marketing and sales strategy. The Sourcewell contract will be promoted internally with flyers, a road map, links to our internal marketing database, and education calls with our outside sales team of over 200 representative. For external marketing efforts, we keep a large library of product resources online for customers to easily access: www.stryker.com/us/en/emergency-care/product-resources.html Additionally, we share a library of videos featuring product in-service instructions, best practice tips, survivor stores, and more all available online: www.stryker.com/us/en/emergency-care/news and www.youtube.com/@StrykerEMS1 Please download this file to see a sample of our marketing collateral: https://we.tl/t-4vJsEZkENy	*
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Stryker uses a host of digital marketing efforts to promote our mission of Together, we save lives. We are active on Facebook, LinkedIn and Twitter and use these platforms to connect with our customers and share valuable information regarding our product and educational offerings. We actively optimize our web properties through SEO monitoring and metadata/alt tag updates to provide the most up-to-date information as well as increase our visibility in online searches on both Google and Bing. We also work on improving our website CX to bring the best web experience possible to our customers and prospects. Our digital advertising focuses on connecting our prospective customers with sales reps in an efficient manner that drives quick and meaningful connections to build long lasting relationships built on trust and performance.	*
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Stryker will expect Sourcewell to promote the value and benefits of co-op contracting and what differentiates Sourcewell from other contracting entities in the EMS market. More specifically, we would like for Sourcewell to make members aware of the new contract, what products/services are available, and provide the information about the awardees. Stryker will leverage the contract actively with the appropriate market segment customers through our dedicated team of field represantives that solely serve the EMS, Fire, Ambulance and Education markets. We will also promote the contract internally with active efforts from the Stryker marketing team. We are always open do joint promotions and other marketing efforts.	*
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	1. Purchasing agents – Must be approved & registered as user. 2. Documentation – Order confirmation and order status change confirmation 3. History – Order details, purchasing details, shipping status. 4. Pricing – customer contract pricing loaded for all eligible items, list price vs contract pricing views. 5. Payment options – Purchase orders, credit cards (Visa, MC, Amex). 6. Subscription re-ordering 7. Favorites list. 9. Returns – Form to initiate returns. 10. Support – Telephone & email available. 11. Notifications – Email notifications when out of stock items are back in stock. 12. Security – Meets PCI Data security standards. Please visit our store at https://stryker-corporation-emergency-care.mybigcommerce.com/. Preview code: f6lxvznnsf is needed to access the website. Government customers often use these web sources to purchase products: GSA eBuy and ECAT (Electronic Catalog).	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	As one of the world's leading medical technology companies, we are driven to make healthcare better by creating innovative products and services that improve patient outcomes. To deliver the full potential of these innovations, customers must be trained on their safe and effective use. We support care team member learning in many parts of the world through a full range of virtual trainings on our MedEd portal, including trainings delivered in virtual reality. Please visit https://www.stryker.com/us/en/training-and-education/medical-and-surgical-equipment--/emergency-care/emergency-care.html#upcoming-events for a comprehensive selections of webinars, online courses and others resources. In addition, training is included with equipment purchase. With over 291 Emergency Care account managers, 310 field service representatives, 15 field clinical specialists, we ensure every customer has access to personalized, hands-on training across the communities we serve.	*
41	Describe any technological advances that your proposed products or services offer.	Stryker Emergency Care pioneered external defibrillation over 68 years ago and today continues to be the world market leader. LIFEPAK 15, the only monitor on market with ability to deliver over 200J Energyseries, offers 360J Biphasic Energy (Stryker Exclusive)	*
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	We are committed to reducing our environmental impact on the world through responsible, sustainable operations. In 2022, we reduced carbon emissions by 20 percent for all Stryker facilities compared to a 2019 baseline. We have made a commitment to becoming carbon neutral for all Stryker facilities by 2030 and powering 100 percent renewable electricity by 2027. The local Stryker Environmental Alliance chapters identify environmental opportunities at each site. Stryker is also proactively working to reduce both what we use and what we leave behind. We're tracking our progress and installing global reporting systems, setting goals for manufacturing and looking at our use of resources across the business. We're also partnering with our customers to reduce what is left behind in landfill waste and grow resources that will help the planet, like national forests. Stryker has also made a committment to be Carbon neutral for all facilities by 2030 - https://www.stryker.com/content/m/c/2020-comprehensive-annual-report/performance-and-governance/corporate-responsibility-strategy.html	*
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Stryker is committed to achieving excellence as an environmental steward by conserving natural resources, promoting energy efficiency and eliminating waste. Our goal is to divert the highest possible amount of materials from the landfill through recycling. We strive to meet or exceed all relevant laws, regulations and other environmental legislation which are applicable to our business like e-waste and universal waste. Physio-Control strives to address chemicals of concern, and is RoHS, WEEE and battery directive compliant and conducts bio-compatibility testing on targeted materials. For additional information, please refer to: Corporate Responsibility: https://www.stryker.com/us/en/about/corporate-responsibility.html Stryker Recycling: https://www.strykeremergencycare.com/recycling/	*

44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	Stryker Corporation does not hold any of the referenced certifications but we are committed to partnering with and providing opportunities for suppliers that do (http://www.stryker.com/en-us/corporate/AboutUs/SupplierDiversity/index.htm). Stryker is increasing the representation of disability-, LGBTQ-, minority-, veteran and women-owned businesses and small businesses in our supply chain and we engage suppliers that reflect the diversity of our customers and their patients, our employees and our communities. We are continually working to promote and facilitate diverse supplier engagement as a component of our overall corporate responsibility efforts. In 2022, Stryker's North American spend was over $300M with diverse-owned businesses and over $890M with small businesses. Examples include: Disability Owned Business Enterprise (DOBE), Lesbian, Gay, Bisexual, Transgender Owned Business Enterprise (LGBTBE), Minority Owned Business Enterprise (MBE), Veteran Owned Business Enterprise (VBE), Woman Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Historically Underutilized Business (HUBZone), Service-disabled Veteran Owned Small Business (SDVOSB), Small Disadvantaged Business (SDB), Veteran Owned Small Business (VOSB), and Woman Owned Small Business (WOSB). Stryker Supplier Diversity We are also committed to serving our communities and creating a healthy, diverse, equitable and inclusive workplace where employees thrive. Stryker has several employee resource groups (ERG) that promote a culture of inclusion and belonging by amplifying our diversity, equity, and inclusion initiatives – with a focus on supporting and enhancing career development and providing education in the work environment. Examples include: • Stryker Women's Network (SWN): fostering an open and inclusive culture with a focus on attracting, developing, and retaining talented women • Women in Science and Engineering (WISE): accelerating growth of women in Stryker with technical expertise • Stryker's Allies for Equality (SAFE): championing LGBTA authenticity at work • Stryker's African Ancestry Network (SAAN): making Stryker a career destination for Black employees • Stryker's Emerging Professionals (SEP): engaging and inspiring the next generation • SOMOS Hispanic/Latinx network: celebrating diversity while advocating for the Hispanic/Latinx community • Stryker's Veterans Association (SVA): supporting, recruiting, developing, and retaining veteran employees while giving back to our military communities • Allies for All Abilities (3A): positively changing the lives of employees, families, and communities with visible and invisible disabilities • Asian Community Empowerment (ACE): promoting Asian cultural diversity and professional development Stryker Employee Resource Groups	*

45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	What can you expect from a partnership with Stryker: • Harness the power of a systems-based approach: One integrated system of equipment, devices and data empowers your teams to improve clinical care and enhances operational performance. • Depend on Stryker's technology: Drive better care with resuscitation technology like the LIFEPAK 15 monitor/defibrillator and the LUCAS 3 chest compression system integrated with Stryker's data solutions. With easy access to support and continuing education, rely on us as the innovative partner you trust most. • Overcome the challenges you face every day: From event scenes and long-distance patient transport to tight budgets and complex documentation, rely on a trusted system from Stryker to stay ready, respond effectively and review quickly for ongoing performance improvement. • Readiness: Handle your team's demands with insight into performance, readiness, systems and equipment, turning data into measurable improvement. • Response: Enable more effective care with an integrated system of equipment, CPR devices, monitor/defibrillators and data solutions that help improve your ability to handle time-dependent emergencies like cardiac arrest, STEMI, stroke or sepsis and other emergent care needs. • Review: Automatically access or share data, review performance, and identify improvements so your team can work more efficiently, stretch budgets and streamline billing. What you can expect from our products: • Power-PRO Ambulance Cot and Power-LOAD Fastener System: Stryker collaborates closely with customers to design and develop transport equipment to help reduce caregiver injury and increase patient care. Powered transport equipment can help with some of the common challenges facing EMS today including obesity, medic shortage and medic retention. Stryker offers a program that financially guarantees at least a 50% reduction in cot-related injuries pertaining to raishing, lowering, loading and unloading cots and 100% reduction in missed safety hooks while unloading cots with Stryker's powered cot and Power-LOAD powered cot fastener in full power operation. If not, Stryker will refund the price paid for the powered cots and Power-LOAD cot fastening systems. • LIFEPAK 15 Monitor/Defibrillator, LIFEPAK CR2, and LIFEPAK 1000 Defibrillator: Depend on durable, reliable, and easy-to-use LIFEPAK monitor/defibrillators. Provide high energy quickly (only monitor to deliver energy up to 360j to help difficult to defibrilate patients), monitor patient information such as EtC02, Sp02, SpMet and send data ahead to the receiving caregiving team to save time, ease handoffs and help drive improved patient outcomes. • LUCAS 3 Chest Compression System: Contribute to improved cardiac arrest outcomes with the LUCAS 3, v3.1 chest compression system. CPR quality, consistency and continuity matter. Provide Guidelines-compliant compressions — in most working conditions — while freeing responders to safely focus on assessment, care and transport. • McGRATH MAC Video Laryngoscope: Improve the view and gain better guidance for placement to reduce intubation difficulty. Enhance airway management with one durable, easy-to-use and cost-effective device. Maximize visualization of the airway with the McGRATH MAC video laryngoscope. • LIFENET System: Drive better care with the LIFENET System. Alert the receiving providers, share patient data and capture information to enhance team efficiency. • CODE-STAT Data Review Software and Service: Drive improved performance with data review software and services. Enhance quality and efficiency when you can easily access, share, analyze and review data from any LIFEPAK device. Customize documentation and gain advanced reporting for the insights you need to improve care, team performance and operational efficiency. • ProCare Services: When lives are at stake, you need someone who takes a proactive approach to keeping your equipment up and running. With ProCare, you can count on trusted field-based experts dedicated to caring for your equipment, so you can focus on what truly matters – saving lives. We're your ideal service partner and will provide you with OEM expertise as well as propriety diagnostics tools that help us fix equipment efficiently and effectively.	*

Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	Please refer to Stryker Limited Warranty for details.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Yes, if the product is modified or used in a way that is not part of the instructions for use, it may affect warranty coverage. Reference the Operations and Maintenance manuals for proper usage. Please visit this link to see a detailed warranty description of Stryker's Emergency Care products: https://techweb.stryker.com/Terms_Conditions/Warranty/Warranty_and_Compliance_Statement_Emergency_Care_2022.pdf	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	No for US. This submittal reflects U.S. proposal and applies to US participating entities only. Products, services and T&Cs outside the U.S. may vary by country. Please refer to Proposal submitted by Stryker Canada team for information.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Stryker is the original equipment manufacturer and will be the only factory authorized service provider with access to proprietary software necessary to perform proper maintenance and repairs. No items made by other manufacturers will be offered in this proposal.	*
51	What are your proposed exchange and return programs and policies?	If Customer desires to return a purchased product, Customer must call its local Stryker representative or the Stryker regional sales office for information on credit or replacement of any purchased and non-expired product. A Returned Material Authorization (RMA) number will be provided and must be clearly identified on the carton of any returned product. Customer must return the product to Stryker in its original packaging, unopened, and undamaged, except for product that was received in a damaged condition or as otherwise authorized by Stryker, which product may be returned in its existing condition. Stryker will not accept the return of a non-defective and conforming product if Customer breaks the security seal on the product. Stryker will provide an RMA and accept the return of any product under any of the following circumstances: a) Stryker shipped the product in error; b) Customer received the product after the product's expiration date; c) Customer received the product in a damaged condition; d) The product is recalled and must be removed from the market; or e) Stryker specifically authorizes the return of the product (a 15% restocking fee may apply). Product must be returned within 30 working days from the date the Customer receives the product or within 30 working days from the date the Customer receives notice of recall, if applicable. Upon receipt of a properly returned product, Stryker will apply a full credit to Customer's account or provide replacement. Customer is advised that product returned without an RMA number, or not otherwise authorized, will not be accepted and will be returned to Customer at Customer's expense.	*
52	Describe any service contract options for the items included in your proposal.	Service contracts will be available for all equipment included with this bid. Service contracts include: 2-hour call back time, 24-72 hour repair turnaround, a Stryker-trained service specialist, Service parts, labor, and travel, Preventive maintenance, Proper PM documentation for Joint Commission, DNV, CMS, Dedicated service representative. (Service flyer included with bid proposal)	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	All invoices issued under this Agreement are to be paid within thirty (30) days of the date of the invoice.	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	Through Stryker's Flex Financial business, we provide a range of smart alternatives designed to fit your organization's needs. We offer flexibility beyond a cash purchase - enabling you to acquire our full portfolio of products. Ask your Sales Representatives for assistance in finding the financial solution that best fits your needs.	*
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Samples of Work orders have been uploaded to the required section.	*
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	ACH is our preferred payment method.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	List price is established by three primary inputs: - Cost of goods/manufacture - Customer's willingness to pay - Competitive/market pressure Standard/list pricing and the Sourcewell discounted price are included in the pdf proposal and uploaded as a separate attachment in the pricing Section as required.	*
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Pricing is based on the category of the products, ranging from 10% to 40% discount. Please refer to the pdf proposal or separate pricelist for details.	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	No special discounts or rebate programs will be offered. Products or services will be sold at the discount level as advised in the pdf price list.	*
60	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	All products or services are quoted in the pdf price list. If the required item is not available in the pricelist, the participating entity can contact local Sales Account Manager through https://www.stryker.com/us/en/emergency-care/contact.html for advice.	*
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Freight will be prepaid and added to the invoice. Sales tax applies if applicable. No additional charges for pre-delivery inspection, installation, set up, mandatory training, or initial inspection.	*
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Shipping charges depend on the method of shipping customer chooses and the total dollar amount of the order. Freight value will be advised at check out, prepaid and added to the invoice.	*
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	As there is no local Hawaii or Alaska stock available for these Stryker items, these items will be shipped from our mainland warehouses. We are not able to provide timeliness of deliveries at this time based on specific product availability and carrier processes, but products will be shipped as soon as possible in the order it was placed. This submittal reflects U.S. proposal and applies to US participating entities only. Products, services and T&Cs outside the U.S. may vary by country. Please refer to Proposal submitted by Stryker Canada team for freight, shipping and delivery terms	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	All equipment and accessories will be sold directly through Stryker and shipped through 3rd party carriers. No special distribution channel will be used.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Stryker is aware that the pricing proposed here may vary from other publicly available pricing. We hope there is understanding in the marketplace that with the current and unprecedented economic environment, Stryker has had to make pricing adjustments. The pricing posed here is not a growing profit center for Stryker but is based on global economic changes, inflation, and dramatic increases in transportation, materials, and labor costs. Pricelists publicly available are likely under review and negotiated under different circumstances.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	Stryker employs a contract coordinator position tasked with post-award management of contract requirements, including sales reporting and sales administration fees.	*
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Stryker will utilize annual revenue generated by this contract and view success as consistent year over year growth.	*
68	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	1%	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Please refer to the proposal that is uploaded to the portal.	*
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	All prducts and services is included in the proposal.	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional

comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments	
71	Cardiac monitors, defibrillators	(●) Yes ( ) No	LIFEPAK 15	*
72	Automated External Defibrillator (AED) used by emergency responders	(●) Yes ( ) No	LIFEPAK CR2, LIFEPAK 1000 HearSine	*
73	CPR Assist Devices	(●) Yes ( ) No	LUCAS 3	*
74	Patient movement devices and systems	(●) Yes ( ) No	Stryker transport products	
75	Critical Care assist equipment such as IV pumps, ventilation equipment	( ) Yes (●) No		
76	Portable equipment including suction units, vital monitoring equipment including but not limited to pulse oximetry, pulse, blood pressure and carbon monoxide levels	( ) Yes (●) No		
77	Bags and other transportation devices to carry equipment and supplies for patient and provider care and protection	( ) Yes (●) No		
78	Immobilization equipment such as backboard, KED boards, spider straps, head and neck immobilization	( ) Yes (●) No		
79	Emergency medical supplies as they are related to Critical Care and EMS Equipment	(●) Yes ( ) No	Yes	*

80	Services and accessories complementary to the above offerings 71 - 79 including training, installation, testing, maintenance, and warranty programs	(•) Yes ( ) No	Stryker offers an e-procurement website where customers may directly purchase accessories and disposables. To order 24/7 at our store at https://shop.stryker.com/. All training is included for all purchased equipment. We recommend that all personnel attend training on the equipment to understand the full benefits and features of the equipment. Please visit https://www.stryker.com/us/en/training-and-education/medical-and-surgical-equipment--/emergency-care/emergency-care.html#upcoming-events for a comprehensive selections of webinars, online courses and others resources, or contact your Account Manager for specific needs. Each sold equipment includes installation guide. Call Stryker service at 1-800-327-0770 if you need help after installation. Stryker offers Limited Warranty at no charge as stated in Section 4 of the pdf. proposal. Additional year of coverage provided via ProCare Service is optional and the cost is included in this quote. Packages are available for all emergency equipment including cots, chairs, fasteners, chest compression systems, defibrillators and monitors. Contact your account manager or visit stryker.com/procare to learn more about our comprehensive service plans.	*

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- Pricing - Stryker Sourcewell Price File FINAL.pdf - Friday April 14, 2023 13:37:10
- Financial Strength and Stability - 2023. 02 Stryker SEC Report.pdf - Wednesday April 05, 2023 00:06:58
- Marketing Plan/Samples - Samples of Marketing Materials (1).zip - Wednesday April 05, 2023 00:23:25
- WMBE/MBE/SBE or Related Certificates - stryker-2022-comprehensive-report.pdf - Tuesday April 11, 2023 20:00:40
- Warranty Information - 2023.02 Stryker Emergency Care Warranty.pdf - Tuesday March 21, 2023 16:02:35
- Standard Transaction Document Samples - Stryker Sample--Work Order Service Report_Redacted.pdf - Tuesday April 11, 2023 20:09:02
- Upload Additional Document - 2023. 04 Sourcewell EMS Equipment RFP Proposal _Stryker.pdf - Friday April 14, 2023 13:41:28

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.

3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.

5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.

6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.

7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.

8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

11. Proposer its employees, agents, and subcontractors are not:
    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;

    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or

    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Maggie Wang, Associate Manager, Bids & Proposals, Stryker Sales, LLC, through its Medical Division

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_9_RFP_041823_Critical_Care_EMS Tue April 11 2023 09:23 AM	☑	1
Addendum_8_RFP_041823_Critical_Care_EMS Wed April 5 2023 04:50 PM	☑	1
Addendum_7_RFP_041823_Critical_Care_EMS Tue April 4 2023 08:26 AM	☑	2
Addendum_6_RFP_041823_Critical_Care_EMS Wed March 29 2023 04:03 PM	☑	1
Addendum_5_RFP_041823_Critical_Care_EMS Thu March 23 2023 03:39 PM	☑	1
Addendum_4_RFP_041823_Critical_Care_EMS Wed March 22 2023 06:32 PM	☑	1
Addendum_3_RFP_041823_Critical_Care_EMS Thu March 9 2023 03:32 PM	☑	2
Addendum_2_RFP_041823_Critical_Care_EMS Tue March 7 2023 07:36 PM	☑	1
Addendum_1_RFP_041823_Critical_Care_EMS Fri March 3 2023 02:40 PM	☑	1

AMENDMENT #1
TO
CONTRACT # 041823-STY

THIS AMENDMENT is effective upon the date of the last signature below by and between **Sourcewell** and **Stryker Sales, LLC** (Supplier).

Sourcewell awarded a contract to Supplier to provide Critical Care and EMS Equipment to Sourcewell and its Participating Entities, effective September 15, 2023, through June 30, 2027 (Contract).

Supplier wishes to amend its response to Question 27 of the Proposal, now reserving the right to periodically approve certain Distributors (as described in Article 2.C.) on a case-by-case basis as needed from time to time.

Except as amended above, the Contract remains in full force and effect.

Sourcewell

By: DocuSigned by: Jeremy Schwartz C0FD2A139D06489...

Jeremy Schwartz, Director of Operations/CPO

Date: 12/23/2023 | 1:07 PM CST

Approved:

By: DocuSigned by: Chad Coauette 48BAF71B0894454...

Chad Coauette, Executive Director/CEO

Date: 12/23/2023 | 8:38 PM CST

Stryker Sales, LLC

By: DocuSigned by: Jennifer Collins 582450E9392F40D...

Jennifer Collins

Title: Manager, Strategic Pricing & Contracts

Date: 12/22/2023 | 2:19 PM CST

AMENDMENT #2
TO
CONTRACT # 041823-STY

THIS AMENDMENT is effective upon the date of the last signature below by and between **Sourcewell** and **Stryker Sales, LLC** (Supplier).

Sourcewell awarded a contract to Supplier to provide Critical Care and EMS Equipment to Sourcewell and its Participating Entities, effective September 15, 2023, through June 30, 2027 (Contract).

Supplier wishes to amend the Contract's Proposal to modify its discount structure.

NOW, THEREFORE, the parties amend the Contract as follows:

> Line item 58 in "Table 11: Pricing and Delivery" of the Proposal is deleted in its entirety and replaced with the following:
>
> "Pricing is based on the category of products, ranging from 8% to 40% discount. See the price list for details."

Except as amended by this Amendment, the Contract remains in full force and effect.

Sourcewell

By: Signed by: Jeremy Schwartz C0FD2A139D06489...

Jeremy Schwartz, Chief Procurement Officer

Date: 10/14/2024 | 2:16 PM CDT

Stryker Sales, LLC

By: DocuSigned by: Anne Mullally 6CE0778B706449D...

Anne Mullally, VP and General Manager

Date: 10/14/2024 | 11:10 AM PDT

Attachment 2

Quote – Stryker – LIFEPAK 35

stryker

Merced FD LP35 3.27.26

Quote Number:	11282366	Remit to:	Stryker Sales, LLC 21343 NETWORK PLACE CHICAGO IL 60673-1213 USA
Version:	1	Division:	Medical
Prepared For:	MERCED CITY FIRE DEPT	Rep:	Angela Rouse
	Attn:	Email:	angela.rouse@stryker.com
		Phone Number:	

Quote Date:	03/30/2026
Expiration Date:	06/28/2026
Contract Start:	03/27/2026
Contract End:	03/26/2027

Delivery Address		Sold To - Shipping		Bill To Account	
Name:	MERCED CITY FIRE DEPT	Name:	MERCED CITY FIRE DEPT	Name:	CITY OF MERCED
Account #:	20168035	Account #:	20168035	Account #:	20126463
Address:	99 E 16TH ST	Address:	99 E 16TH ST	Address:	678 W 18TH ST
	MERCED		MERCED		MERCED
	California 95340-5020		California 95340-5020		California 95340-4708

Equipment Products:

#	Product	Description	Qty	Sell Price	Total
1.0	70335-000042	LP35,EN-US,MAS-SP/CO,MED-CO2,SUN-NIBP,12L,WIFI/ CELL/LN/CPRIN,STD,BT	1	$47,118.38	$47,118.38
2.0	11335-000008	LIFEPAK 35 Storage Bag Kit	1	$468.00	$468.00
3.0	11260-000073	Shoulder Strap	1	$58.50	$58.50
5.0	11996-000520	LNCS-II Reusable rainbow 8-wavelength Pediatric Sensor	1	$763.50	$763.50
6.0	11996-000519	LNCS-II Reusable rainbow 8-wavelength Adult Sensor	1	$693.75	$693.75
7.0	11140-000102	LIFEPAK FLEX Battery Charger	1	$2,340.00	$2,340.00
8.0	11140-000131	AC Power Cord (North America, hospital grade)	1	$84.75	$84.75
			Equipment Total:		$51,526.88

Data Solutions:

#	Product	Description	Qty	Sell Price	Total
4.0	11150-000020	LIFEPAK Cellular Modem, North America	1	$1,170.00	$1,170.00
			Data Solutions Total:		$1,170.00

stryker

Merced FD LP35 3.27.26

Quote Number:	11282366	Remit to:	Stryker Sales, LLC 21343 NETWORK PLACE CHICAGO IL 60673-1213 USA
Version:	1	Division:	Medical
Prepared For:	MERCED CITY FIRE DEPT	Rep:	Angela Rouse
	Attn:	Email:	angela.rouse@stryker.com
		Phone Number:	

Quote Date:	03/30/2026
Expiration Date:	06/28/2026
Contract Start:	03/27/2026
Contract End:	03/26/2027

Price Totals:

Estimated Sales Tax (8.250%):	$4,250.97
Shipping and Handling:	$812.12
Grand Total:	$57,759.97

Prices: In effect for 30 days

Terms: Net 30 Days

Shipping & Handling Includes:
Standard freight, special packaging, semi rigging cranes, labor & delivery of equipment to final location, removal of all packaging, pre-delivery site check, education/training

Terms and Conditions:
Deal Consummation: This is a quote and not a commitment. This quote is subject to final credit, pricing, and documentation approval. Legal documentation must be signed before your equipment can be delivered. Documentation will be provided upon completion of our review process and your selection of a payment schedule. Confidentiality Notice: Recipient will not disclose to any third party the terms of this quote or any other information, including any pricing or discounts, offered to be provided by Stryker to Recipient in connection with this quote, without Stryker's prior written approval, except as may be requested by law or by lawful order of any applicable government agency. A copy of Stryker Medical's terms and conditions can be found at https://techweb.stryker.com/Terms_Conditions/index.html.

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-237 Meeting Date: 4/20/2026

Report Prepared by: Jeremy Salyers, Lieutenant Merced Police Department

SUBJECT: Approval of First Amendment to the Animal Control Services Contract with the County of Merced to Extend the Term of the Agreement for One Additional Year for the Housing, Handling, Securing, Transfer and Disposition of Dogs and Cats Captured by Ordinance or Code and Delivered by the City's Designated Animal Control Provider

REPORT IN BRIEF

Considers approving a one-year amendment to the existing Animal Control Services contract with the County of Merced (Contract #329) to continue providing housing, handling, and related services for animals impounded by the City of Merced. The proposed amendment extends the contract term through June 30, 2027.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving First Amendment to Services Agreement with the County of Merced to extend the agreement for Animal Control services for one additional year through June 30, 2027; and,

B. Authorizing the City Manager to execute the necessary documents.

ALTERNATIVES

1. Approve as recommended by staff; or
2. Deny the request; or
3. Refer back to staff for reconsideration of specific items; or
4. Continue to a future City Council Meeting.

AUTHORITY

City Charter Section 200 and Merced Municipal Code Section 3.04.210.

CITY COUNCIL PRIORITIES

As provided for in the 2026-2027 Proposed Budget.

DISCUSSION

The County of Merced operates the Merced County Animal Shelter, which provides housing, handling, securing, transfer, and disposition services for animals impounded by the City of Merced.

The County remains the only local provider capable of delivering these services at the required capacity and regulatory compliance levels.

The City's designated Animal Control personnel capture and transport animals within the city limits to the Merced County Animal Shelter, where the County provides sheltering, care, and disposition services as required.

The current agreement between the City of Merced and the County of Merced established a three-year term for these services beginning in July 2023. Staff is requesting approval to extend the contract for one additional year, allowing services to continue uninterrupted while the City evaluates future long-term service options. The County of Merced is currently working to align all participating agency contracts, so they expire during the same year. Extending the City's contract for one additional year at the current rate will align the City of Merced's agreement with other agencies that utilize animal services through Merced County.

From July 2023 through June 2026, the City of Merced will incur the following expenditures related to animal control services under this agreement:

Staffing Costs
A fixed rate of $19,047.14 per month, totaling $685,697.04 during this period.

Animal Services Costs
An average rate of $10,000 per month, totaling $360,000.00.

Vehicle Costs
A fixed cost of $109,296.92 allocated toward two vehicles used to support animal control operations.

These costs represent the City's share of staffing, operational services, and equipment necessary for the continued provision of animal control and shelter services.

The proposed amendment will extend the contract term through June 30, 2027. The estimated costs below are provided by Merced County Animal Shelter for one-year of service:

Staffing Costs
$19,047.14 per month × 12 months = $228,566

Animal Services Operational Costs
Average $9,167 per month × 12 months = $110,000

Total Estimated One-Year Cost = $338,566

With this amendment, the estimated total contract cost for the four-year period will be $1,493,559.96, calculated as follows:

Original Contract Total: $1,154,993.96
Estimated One-Year cost: $338,566

Estimated Total Contract: $1,493,559.96

Approval of this amendment will allow the City to continue receiving essential animal housing and shelter services without disruption while maintaining compliance with state and local requirements related to animal control and shelter operations.

IMPACT ON CITY RESOURCES

No budget appropriation is needed; funding for the contract extension will be incorporated into the annual budget process.

Continuing the agreement with the Merced County Animal Shelter ensures that City maintains a reliable and cost-effective solution for animal housing, sheltering, and disposition services.

ATTACHMENTS

1. Merced County Animal Services Contract #329 2023-2026 EXECUTED
2. Merced County Animal Services Contract #329 Amendment #1 Exp 6-30-27

AGREEMENT FOR SPECIAL SERVICES
BETWEEN
CITY OF MERCED
AND
MERCED COUNTY
CONTRACT NO. _____

THIS AGREEMENT, is made and entered into by and between the County of Merced, a political subdivision of the State of California, (hereinafter referred to as "County"), and City of Merced, located at 678 West 18th Street, Merced, California 95340 (hereinafter referred to as "City").

WHEREAS, County desires to contract with City for special services which consist of stray animal housing and disposal assistance to the City's designated animal control provider; and

WHEREAS, City is specially trained, experienced, and competent to perform such services in connection with existing facilities upon warrant that the City has the authority to transfer ownership of the animals to County following the legally required holding period; and

WHEREAS, City is prepared to provide a formal release/intake slip acceptable to the Division of Animal Control of Merced County; and

WHEREAS, the parties agree that all released animals are subject to all applicable California State Laws, Title 7 of the Merced County Code, and to all current policies and procedures of the Merced County Division of Animal Control, including adoption and euthanasia; and

WHEREAS, the parties desire to set forth herein the terms and conditions under which said services shall be furnished.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereby agree as follows:

1. COUNTY RESPONSIBILITIES - SCOPE OF SERVICES

County shall provide housing, handling, securing, transfer and disposition of dogs and cats captured by ordinance or code and delivered by City's designated animal control provider and/or residents of the City of Merced, as follows:

A. Services will be provided for cats and dogs identified as stray animals with a formal release/intake slip.

MERCED COUNTY CONTRACT NO. 2023174

B. Animals other than cats or dogs will be accepted at the sole discretion of County and based on County's ability to provide adequate housing, and or humane confinement. County must approve any such request for service before the animal is delivered, if such request is made during normal business hours. After County's normal business hours, City will be notified of County's inability to provide adequate housing, and or humane confinement of the animal, by the next business day. City will be given a reasonable amount time not to exceed two (2) business days to relocate the animal if required. Additional relocation time may be granted by County on a case-by-case basis. Any animals not relocated will be subject to the terms and conditions outlined in Section 4.H of this Agreement.

C. County reserves the right to refuse service to City, if in its sole opinion County is unable to provide adequate care, housing or humane confinement for any animal brought to County by City.

D. County will provide medical care as it deems necessary, for any animal City brings into the County's facility in need of such care without a record of medical treatment. In the event a City of Merced resident brings a stray animal to County requiring medical care, County will make a reasonable effort to contact City prior to providing any medical care. If in the sole opinion of County the condition of the animal is stable and the life or health of the animal is not in immediate danger, City will be contacted and the animal transferred into care of the City designated provider. In the event that qualified medical care is provided by County, a licensed veterinarian designated by County will determine the minimal level of care required. This care may include but not be limited to a physical exam, diagnostic x-ray, pharmaceutical treatment or euthanasia. City will be responsible for all costs associated with medical care, including any required follow-up care, in addition to other charges imposed pursuant to this Agreement.

E. County will not perform euthanasia services for any injured/sick animal brought in by City without a signed formal release slip which indicates the reason for the euthanasia. During normal business hours City must notify County of the need for euthanasia services and shall not leave the animal unless it has been accepted by County. Under no circumstances will any injured or sick animal requiring euthanasia be left in County's facility after hours. Verbal authorization for euthanasia will not be accepted unless in the sole opinion of County the animal is experiencing irremediable suffering as defined in § 17006 of the Food and Agricultural Code. If the animal is not experiencing irremediable suffering, County will not accept any such animal and City will be responsible for its disposition. Under no circumstances will County provide to City any controlled substance or medication unless prescribed or approved by County's contract veterinarian.

F. County will not accept any animal found within the city limits of Merced directly from a citizen of the City of Merced, until County has contacted City and obtained an incident number relating to the animal.

2. CITY'S RESPONSIBILITES

A. Warrant in writing that City has the authority to transfer the ownership of the animals.

B. Prepare a formal release/intake slip acceptable to the Merced County Sheriff's Office Animal Services Bureau for each animal delivered to County including those requiring disposal. For animals that are to be housed by County the formal release/intake slip must provide information to allow for identification of each animal, the date of original custody, the animal's location when placed in custody, and all relevant information concerning custody, special holds, incidents of injury and attack, microchip identification, claims of ownership and medical treatment.

C. Certify that any animal except those that City identifies on the formal release/intake slip as subject to an administrative hearing or court order, may become the property of County after the required holding period and that County may dispose of the animal at its sole discretion.

D. City may request County carry out any action ordered by the Courts or Administrative Hearing process. City must provide County a copy of the written order before the requested service will be performed. The copy must clearly state the requested action and City's authority to enforce such action. If City elects to carry out the ordered disposition, County will not assist City unless such assistance is requested by City and approved by County. City may cancel any such request at their discretion.

E. Accept responsibility for payment of compensation as set forth herein.

F. City shall ensure any injured or sick animal brought to County has received first aid appropriate to the degree of injury/illness or qualified medical care as required by State Law. City will ensure documentation of such treatment is provided to County at the time of the animal intake. Written documentation containing the required treatment information may be attached to the animal's formal release/intake slip to satisfy these requirements. If qualified Medical Care is provided, City shall provide a copy of the medical record, which contains information regarding diagnosis, treatment, any follow up care or any medications required. Employees or agents of City shall not leave any injured or sick animal at County's facility without first providing qualified medical care as required by §597.1 (C)(I) of the California Penal Code.

G. City shall comply with County's established shelter intake policies and procedures. City will be notified in writing of any changes to this intake policy or procedure. It is the City's responsibility to notify County of any circumstance that prevents City from following County's intake policy or procedure.

H. City will check each animal brought to County for microchip identification, license, ID tag, tattoo, or other types of animal identification. City is responsible for making a reasonable effort to contact the owner of any such animal and advise them of the animal's location and status. City shall make an annotation of this effort on the formal release/intake form. Animals, which

pose a serious threat of personal injury, are exempt from this requirement. An annotation must be made on the intake/release card to notify County that the check has not been accomplished.

I. The City shall provide the County with compensation for additional personnel and vehicle to ensure the formal release/intake slip provides the information to allow for identification of each animal, the date of original custody, the animal's location when placed in custody, and all relevant information concerning custody, special holds, incidents of injury and attack, microchip identification, claims of ownership, medical treatment and assist in the return of "Trap Neuter Return" (TNR) cats back to the City of Merced.

J. City is responsible for any found animal within the City limits of Merced, and turned in the County facility directly from a citizen of the City of Merced. This will include owner releases and strays.

K. City is responsible for removing any Special holds placed on Animals by City. Electronic communication of the hold removal is acceptable. Additional fees may be incurred subject to the terms and conditions outlined in Section 4 "COMPENSATION," of this Agreement.

L. City is responsible for compliance of applicable State Law, Code or regulation regarding the humane transport or treatment of an animal while it is in their care, custody or control.

3. TERM

The term of this Agreement shall commence on the 1st day of July, 2023, and continue until the 30th day of June, 2026, unless sooner terminated in accordance with the sections entitled "TERMINATION FOR CONVENIENCE", "TERMINATION FOR CAUSE", or "CONDITION SUBSEQUENT TO NON-APPROPRIATION OF FUNDING", as set forth elsewhere in this Agreement.

4. COMPENSATION

City agrees to pay County:

A. Eighty-five dollars and no cents ($85.00) per live animal, eight (8) weeks of age or older for the first four (4) days of housing. In the case of rabies quarantine, ten (10) days of housing.

B. Seventy-five dollars and no cents ($75.00) per animal for euthanasia services requested by City.

C. Ten dollars and no cents ($10.00) per litter, where the animals are less than eight (8) weeks of age and housed less than two (2) days.

D. Ten dollars and no cents ($10.00) per deceased animal brought to County for disposal.

E. Eight thousand six hundred sixty-three dollars and eighty-one cents ($8,663.81) per month for .75 FTE Animal Control Supervisor and an

additional three percent (3%) increase each fiscal year for the life of the Agreement.

F. Ten thousand three hundred eighty-three dollars and thirty-three- cents ($10,383.33) per month for two .7 FTE Animal Care Specialist and an additional three percent (3%) increase each fiscal year for the life of the contract.

G. Up to sixty thousand dollars and no cents ($60,000.00) for the initial purchase of a van along with Merced County mileage rate cost per mile.

H. County will charge actual cost to City for all services provided for animals requiring special handling, housing or care.

I. City occasionally places a special hold on animals for rabies quarantine, which does not exceed ten (10) days in duration. For animals housed under this type of special hold, County agrees to charge City a standard per animal fee. If the holding period is extended at the request of City, County will charge City the County's established daily board fee, as posted on the County's website per animal for each day beyond the initial ten (10) day period.

J. If City requests an animal be held by County for a purpose other than rabies quarantine, County will charge City the County's applicable daily board fee, as posted on the County's website per animal, held beyond County's minimum holding period of four (4) days. Under the terms of this agreement, City is responsible for notifying County that the hold is no longer necessary. Unless County fault is mutually established, all fees will continue to accrue until such notification is made.

K. County will charge City for all fees associated with any service County provides under the terms of this agreement which are the responsibility of City. With exception to the fees already set forth in this Agreement, any other fee(s) so charged will be at the established rate for any such service listed on County's current fee schedule as posted on the County's website.

L. If City provides County with proof of ownership and verifiable owner information, County may recover all costs incurred for the housing and care of the animal from the owner. If County is unable to establish proof of ownership or verify the information provided is sufficient to recover costs, City will be billed under the terms of this Agreement.

M. In the event any City animal is ordered returned to the owner at no charge either by City, Court Order or Administrative Hearing, City shall be responsible for all fees incurred by County.

No fee will be assessed for:

A. Animals redeemed or released by their owners after payment of costs.

B. Animals which have been designated as escaped or missing by County which have been housed less than two (2) days.

Written notification of any fee adjustment will be sent to the address indicated under Section 6, "NOTICES" of this Agreement. Any fee adjustments will take effect upon Merced County Board of Supervisors approval.

5. TERMS OF PAYMENT

Payment shall be only for full and complete satisfactory performance of the services required to be provided herein and as set forth under Section 1, "SCOPE OF SERVICES." Payment shall be made in the following manner:

County shall submit monthly itemized invoices, or alternate documentation as deemed appropriate in advance by City, for services it has provided and for the amount owed under this Agreement. Invoices shall be forwarded to the City at the City address indicated under Section 6, "NOTICES" of this Agreement.

By invoice or agreed alternate documentation County may:

A. Detail by task the service performed by County.

B. Detail the per animal charges.

C. Show the cumulative cost for all tasks performed to date.

D. Provide timecards and actual payroll expenses related to assigned staff providing service by County.

E. Provide any additional information deemed appropriate by County to notify City of the need for payment.

The fee due hereunder shall be paid to County within thirty (30) days following receipt of the invoice or agreed alternate documentation.

Any and/or all payments made under this Agreement shall be paid by check, payable to the order of the County and be mailed or delivered to County at:

Merced County Sheriff's Office Animal
Services Bureau
2150 Shuttle Drive
Atwater, CA 95301

County may request that City mail the check to County, to such other address as County may from time to time designate to City. Such request must be made in writing in accordance with the procedures as outlined under Section 6, "NOTICES".

6. NOTICES

All notices, requests, demands or other communications under this Agreement shall be in writing. Notice shall be sufficiently given for all purposes as follows:

A. Personal Delivery. When personally delivered to the recipient, notice is effective upon delivery.

B. First Class Mail. When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.

C. Certified Mail. When mailed by certified mail, return receipt requested, notice is effective upon receipt, if delivery is confirmed by a return receipt.

D. Overnight Delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Any correctly addressed notice that is refused, unclaimed or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messengers or overnight delivery service.

Information for notice to the parties to this Agreement at the time of endorsement of this Agreement is as follows:

County of Merced c/o Animal Services Bureau 2150 Shuttle Drive Atwater CA. 95301	City of Merced 678 West 18th Street Merced CA. 95340 Attn: Chief of Police

Any party may change its address by giving the other party notice of the change in any manner permitted by this Agreement.

7. CONDITION SUBSEQUENT TO NON-APPROPRIATION OF FUNDING

The services provided to City pursuant to this Agreement is based on County's continued receipt of funding for the purpose of this Agreement, as well as the receipt of local, county, state and/or federal funding for this purpose. The parties acknowledge that the nature of government finance is unpredictable, and that the rights and obligations set forth in this Agreement are therefore contingent upon the receipt and/or appropriation of the necessary funds. In the event that funding is terminated, in whole or in part, for any reason, at any time, this Agreement and all obligations of the County arising from this Agreement shall be immediately discharged. County agrees to inform City no later than ten (10) calendar days after

the County determines, in its sole judgment, that funding will be terminated and the final date for which services will be available. Under these circumstances, all billing or other claims for compensation or reimbursement by County arising out of performance of this Agreement must be submitted to County prior to the final date for which funding is available. In the alternative, County and City may agree, in such circumstance, to a suspension or modification of either party's rights and obligations under this Agreement. Such a modification, if the parties agree thereto, may permit a restoration of previous contract terms in the event funding is reinstated. Also in the alternative, if funding is provided to the County in the form of promises to pay at a later date, whether referred to as "government warrants", "IOU's", or by any other name, the County may, in its sole discretion, provide similar promises to provide services to the City, which the City hereby agrees to accept until cash funding becomes available.

8. TERMINATION FOR CONVENIENCE

This Agreement, notwithstanding anything to the contrary herein above or hereinafter set forth, may be terminated by County or City at any time without cause or legal excuse by providing the other party with ninety (90) calendar days written notice of such termination.

9. TERMINATION FOR CAUSE

If City or County materially defaults in the performance of or repeatedly fails to comply with any of its obligations under this Agreement, or otherwise breaches this Agreement ("Default"), City or County may, in addition to any other remedies it may have, provide City or County with written notice of Default specifying the provision(s) or term(s) of this Agreement that relate to the Default and/or lack of compliance. City's or County's written notice of Default shall provide fifteen (15) calendar days from the date of proper mailing of such notice allowing for full and satisfactory correction of default or full compliance. Should City or County thereafter fail to proceed with all reasonable diligence to fully cure the Default, City or County may terminate this Agreement for cause by giving five (5) calendar days written notice. In the event of any proceeding by or against the City or County, including, but not limited to, bankruptcy, insolvency, appointment of a receiver or trustee, or an assignment for the benefit of creditors, City or County may exercise at its election its right of termination under this Section.

10. COMPENSATION AND LIABILITY FOR DAMAGES UPON TERMINATION

County shall be entitled to receive compensation for any work completed prior to issuance of the notice of termination. Neither party, however, shall be relieved of liability to the other for damages sustained by either party by virtue of any breech of the Agreement, regardless of whether this Agreement was terminated for convenience or for cause.

11. MODIFICATION OF THE AGREEMENT

Notwithstanding any of the provisions of this Agreement, the parties may agree to amend this Agreement. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto. No oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

12. INSURANCE

Prior to the commencement of work, and as a precondition to this agreement, both parties shall maintain insurance or self-insurance coverage for its wrongful acts, errors and/or omissions arising from the performance of its duties under this agreement with minimum limits of:

Commercial General Liability (CGL) $1,000,000 per occurrence covering products and completed operations, bodily injury, personal injury and property damage;

Automobile Liability insurance with limits no less than $1,000,000 per accident for bodily injury and property damage;

Professional Liability (Errors and Omissions): $1,000,000 limit per occurrence covering City's wrongful acts, errors and omissions;

and Workers Compensation Insurance as required according to the California Labor Code, including Employers' Liability limits of $1,000,000 per accident, during the term of the Agreement.

Each party shall provide the other certificates of insurance upon request. Each party and its officers, employees and agents shall be endorsed to the other's CGL policy as additional insured, using ISO form CG2026 or an alternate form that is at least as broad as form CG2026, as to any liability arising from the performance of this Agreement.

13. INDEMNIFICATION

The City shall indemnify, defend, and hold harmless the County, its Board of Supervisors, officers, employees, agents and assigns from and against any and all claims and losses, liabilities or damages, demands and actions, including payment of reasonable attorney fees, arising out of or resulting from any action or inaction on the part of City in relation to the performance of this Agreement, whether in tort, contract, or otherwise. This duty shall include, but not be limited to, claims for bodily injury, property damage, personal injury, and contractual damages or otherwise alleged to be caused to any person or entity including, but not limited to employees, agents and officers of City.

The County shall indemnify, defend, and hold harmless the City, its officers, employees, agents and assigns from and against any and all claims and losses, liabilities or damages, demands and actions, including payment of reasonable attorney fees, arising out of or resulting from any action or inaction on the part of County in relation to the performance of this Agreement, whether in tort, contract, or otherwise. This duty shall include, but not be limited to, claims for bodily injury, property damage, personal injury, and contractual damages or otherwise alleged to be caused to any person or entity including, but not limited to employees, agents and officers of County.

Where fault is determined to have been comparative, principles of comparative fault will be followed, and each party shall bear the proportionate cost of any damage attributed to the fault of that party, its officers, directors, agents, employees, volunteers, or subcontractors.

The Parties acknowledge that by entering into this Agreement no party waives or intends to waive any immunities to which they would be entitled in the absence of the Agreement.

Each party shall promptly notify the other party of any claims or legal actions arising out of the performance of this Agreement.

14. INDEPENDENT ENTITIES

It is mutually understood and agreed that each party is an independent entity in the performance of the work duties and obligations devolving upon City under this Agreement. County shall neither have, nor exercise any control or direction over the methods by which City shall perform the assigned work and functions other than as specifically detailed in the Scope of Services of this Agreement. The contractual interest of County is to assure that the services covered by this Agreement shall be performed and rendered in a competent, efficient and satisfactory manner.

It is agreed that no employer-employee relationship is created and each party shall responsible for withholding, reporting and payment of any federal, state or local taxes; any contributions or premiums imposed or required by workers' compensation; any unemployment insurance; any social security income tax; and any other obligations from statutes or codes applying to City, or its subcontractors and employees, if any.

It is mutually agreed and understood that City, its subcontractors and employees, if any, shall have no claim under this Agreement or otherwise against the County for vacation pay, sick leave, retirement or social security benefits, occupational or non-occupational injury, disability or illness, or loss of life or income, by whatever cause.

City shall insure that all its personnel and employees, subcontractors and their employees, and any other individuals used to perform the contracted services are aware and expressly agree that County is not responsible for any benefits, coverage or payment for their efforts.

15. RECORDS, INFORMATION AND REPORTS

Each party shall maintain full and accurate records with respect to all matters covered under this Agreement. To the extent permitted by law, County shall have free access at all proper times or until the expiration of four (4) years after the furnishing of services to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all data, documents, proceedings, and activities pertaining to this Agreement.

16. OWNERSHIP OF DOCUMENTS

To the extent permitted by law, all technical data, evaluations, plans, specifications, reports, documents, or other work products developed by City hereunder are the exclusive property of County and upon request of County shall be delivered to County upon completion of the services authorized hereunder. In the event of termination, all finished or unfinished documents and other materials, if any, at the option of County, and to the extent permitted by law, shall become the property of the County. City may retain copies thereof for its files and internal use.

Any publication of information directly derived from work performed or data obtained in connection with services rendered under this Agreement must be first approved by County.

17. QUALITY OF SERVICE

City shall perform its services with care, skill, and diligence, in accordance with the applicable professional standards currently recognized by such profession, and shall be responsible for the professional quality, technical accuracy, completeness, and coordination of all reports, designs, drawings, plans, information, specifications, and/or other items and services furnished under this Agreement.

City shall, without additional compensation, correct or revise any errors or deficiencies immediately upon discovery in its reports, drawings, specifications, designs, and/or other related items or services.

18. PERSONAL SATISFACTION AS A CONDITION PRECEDENT

The obligations of County as provided in this Agreement are expressly conditioned upon City's compliance with the provisions of this Agreement to the personal satisfaction of the County. County shall determine compliance in good faith as a reasonable person would under the circumstances.

19. ENTIRE AGREEMENT

This Agreement and any additional or supplementary document or documents incorporated herein by specific reference contain all the terms and conditions agreed upon by the parties hereto, and no other contracts, oral or otherwise, regarding the subject matter of this Agreement or any part thereof shall have any validity or bind any of the parties hereto.

20. COUNTY NOT OBLIGATED TO THIRD PARTIES

County shall not be obligated or liable hereunder to any party other than City.

21. LAWS, LICENSES, PERMITS AND REGULATIONS

City and County agree to comply with all State laws and regulations that pertain to construction, health and safety, labor, minimum wage, fair employment practice, equal opportunity, and all other matters applicable to City and County, their sub-grantees, Contractors, or subcontractor, and their work.

City shall possess and maintain all necessary licenses, permits, certificates and credentials required by the laws of the United States, the State of California, County of Merced and all other appropriate governmental agencies, including any certification and credentials required by County. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this Agreement and constitutes grounds for the termination of this Agreement by County.

22. LIMITED EFFECT OF WAIVER OR PAYMENT

No waiver by either party of any default, breach or condition precedent shall be valid unless made in writing and signed by the parties hereto. No oral waiver of any default, breach or condition precedent shall be binding on any of the parties hereto. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder.

City will secure at its own expense all personnel required to perform the City's obligations under this Agreement. All obligations of the City will be performed by City or under its supervision, and all personnel engaged in the work shall be qualified to perform such services.

23. APPLICABLE LAW; VENUE

All parties agree that this Agreement and all documents issued or executed pursuant to this Agreement as well as the rights and obligations of the parties hereunder are subject to and governed by the laws of the State of California in all respects as to interpretation, construction, operation, effect and performance. No

interpretation of any provision of this Agreement shall be binding upon County unless agreed in writing by County and counsel for County.

Notwithstanding any other provision of this Agreement, any disputes concerning any question of fact or law arising under this Agreement or any litigation or arbitration arising out of this Agreement, shall be tried in Merced County, unless the parties agree otherwise or are otherwise required by law.

24. BREACH OF CONTRACT

Upon breach of this Agreement by either party, either party shall have all remedies available to it both in equity and/or at law.

25. SUCCESSORS IN INTEREST

All the terms, covenants, and conditions of this Agreement shall be binding and in full force and effect upon any successors in interest and assigns of the parties hereto. This paragraph shall not be deemed as a waiver of any of the conditions against assignment set forth herein.

26. CONFLICT OF INTEREST

City covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of this Agreement. City shall ensure that no conflict of interest exists between its officers, employees, or subcontractors, and the County. City shall ensure that no County officer or employee in a position that enables them to influence this Agreement will have any direct or indirect financial interest resulting from this Agreement. City shall ensure that no County employee shall have any relationship to the City or officer or employee of the City, nor that any such person will be employed by City in the performance of this Agreement without immediate divulgence of such fact to the County.

27. NONDISCRIMINATION IN EMPLOYMENT, SERVICES, BENEFITS AND FACILITIES

City and any subcontractors shall comply with all applicable federal, state, and local Anti-discrimination laws, regulations, and ordinances and shall not unlawfully discriminate, deny family care leave, harass, or allow harassment against any employee, applicant for employment, employee or agent of County, or recipient of services contemplated to be provided or provided under this Agreement, because of race, ancestry, marital status, color, religious creed, political belief, national origin, ethnic group identification, sex, sexual orientation, age (over 40), medical condition (including HIV and AIDS), or physical or mental disability. City shall ensure that the evaluation and treatment of its employees and applicants for employment, the treatment of County employees and agents, and recipients of services are free from such discrimination and harassment.

City represents that it is in compliance with and agrees that it will continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.), the Fair Employment and Housing Act (Government Code §§ 12900 et seq.), and ensure a workplace free of sexual harassment pursuant to Government Code 12950 and regulations and guidelines issued pursuant thereto.

City agrees to compile data, maintain records and submit reports to permit effective enforcement of all applicable antidiscrimination laws and this provision.

City shall include this nondiscrimination provision in all subcontracts related to this Agreement and when applicable give notice of these obligations to labor organizations with which they have Agreements.

28. CAPTIONS

The captions of each paragraph in this Agreement are inserted as a matter of convenience and reference only, and in no way define, limit, or describe the scope or intent of this Agreement or in any way affect it.

29. SEVERABILITY

If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable or invalid, in whole or in part, for any reason, the validity and enforceability of the remaining provisions, or portion of them, will not be affected. Compensation due to County from the City may, however, be adjusted in proportion to the benefit received despite the removal of the effected provision.

30. DUPLICATE COUNTERPARTS

This Agreement may be executed in duplicate counterparts, each of which shall be deemed a duplicate original. The Agreement shall be deemed executed when it has been signed by both parties.

31. COVID-19 REQUIREMENTS

City, at City's sole expense, shall follow all State and local laws, rules, regulations, guidelines, and orders related to the COVID-19 pandemic in the performance of its work under this Agreement. This shall include, but not be limited to, creating a COVID-19 worksite-specific prevention plan prior to conducting City's business/activity. City is encouraged to frequently reference www.covid19.ca.gov for information on State requirements for operation of specified businesses/activities.

Signature page to follow

COUNTY OF MERCED

By _____
Scott Silveira
Chair, Board of Supervisors

AUG 8 2023
Dated

CITY OF MERCED

By _____ for
~~Stephanie Dietz~~ Frank Quintero
Acting City Manager

7/19/23
Dated

APPROVED AS TO LEGAL FORM
MERCED COUNTY COUNSEL

By _____
Jenna Anderson

7-31-23
Dated

APPROVE AS TO LEGAL FORM
MERCED CITY ATTORNEY

By _____

6 / 2 9 / 2 0 2 3
Dated

329
FUNDS/ACCOUNTS VERIFIED

7/19/23
FINANCE OFFICE DATE V-677

Funds available. dc 7/18/23
10003550-511013 PL 7/18/23
$460,000.00

CITY of MERCED, CALIFORNIA
INCORPORATED APRIL 1, A.D. 1889

ATTEST:
CITY CLERK

BY _____ 7-19-22
Assistant/Deputy City Clerk

AMENDMENT NO. 1
TO
CONTRACT NO. 2023174
BETWEEN
MERCED COUNTY
AND
CITY OF MERCED

THIS Amendment to Contract No.2023174, is executed by and between the County of Merced, a political subdivision of the State of California, (hereinafter referred to as "County"), and City of Merced (hereinafter referred to as "City").

This Amendment is hereby annexed to and made a part of the printed part of the Agreement to which it is attached or modifies the existing Agreement between the parties. In each instance in which the provisions of this Amendment shall contradict or be inconsistent with the provisions of the printed portion of the original Agreement and any previous amendments, the provision of this Amendment shall prevail and govern, and the contradicted or inconsistent provisions shall be deemed amended accordingly. Both parties agree that there is new and adequate consideration for this Amendment.

This Amendment shall be deemed to have been duly approved when executed by both parties to the original Agreement. Once duly approved, this Amendment shall become effective as of the date signed by the Chairman of the Merced County Board of Supervisors.

MODIFICATIONS:

1. Section 3, entitled "TERM", is amended to read as follows:

   The term of this Agreement shall commence on the 1st day of July, 2023, and continue until the 30th day of June, 2027, unless sooner terminated in accordance with the sections entitled “TERMINATION FOR CONVENIENCE”, “TERMINATION FOR CAUSE”, or “CONDITION SUBSEQUENT TO NON-APPROPRIATION OF FUNDING”, as set forth elsewhere in this Agreement.

Except as herein modified, all terms and conditions in said Agreement as heretofore approved remain unchanged and in full force and effect.

Signature page to follow

County of Merced

By _____
Daron McDaniel
Chairman Board of Supervisors

_____
Dated

APPROVED AS TO LEGAL FORM
MERCED COUNTY COUNSEL

By _____
Jenna M. Anderson
Chief Civil Litigator

_____
Dated

City of Merced

By _____
Scott McBride
City Manager

_____
Dated

APPROVED AS TO LEGAL FORM
MERCED CITY ATTORNEY

By Craig A. Cornwell
Dated 3/1/2026

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-293 Meeting Date: 4/20/2026

Report Prepared by: Ken F. Elwin, PE, Director of Public Works

SUBJECT: Approve the Purchase of Parts, Equipment, and Supplies as Necessary for Public Works Fleet Maintenance and Operations Through June 30, 2026

REPORT IN BRIEF
Considers approving the purchase of various parts, equipment, and supplies for Public Works maintenance and operations for Fiscal Year 2025/2026.

RECOMMENDATION
City Council - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.4.210 for annual supplies and services; and,

B. Approving the purchase up to $50,000 with ARI Phoenix, Inc., dba ARI Hetra, through June 30, 2026; and,

C. Approving the purchase up to $200,000 with C&R Royal SVC, Inc., through June 30, 2026; and,

D. Approving the purchase up to $150,000 with Ferguson US Holdings, Inc., through June 30, 2026; and,

E. Approving the purchase up to $100,000 with Grainger through June 30, 2026; and,

F. Approving the purchase up to $300,000 with Horizon Distributors through June 30, 2026; and,

G. Approving the purchase up to $120,000 with McCain Traffic Supply (Swarco McCain) through June 30, 2026; and,

H. Approving the purchase up to $150,000 with Municipal Maintenance Equipment through June 30, 2026; and,

I. Approving the purchase up to $250,000 with Ray Gaskin through June 30, 2026; and,

J. Approving the purchase up to $60,000 with Pacific Landscape Supply, Inc., through June 30, 2026; and,

K. Approving the purchase up to $100,000 with Pazin & Myers, Inc., through June 30, 2026; and,

L. Approving the purchase up to $120,000 with YSI, Inc., through June 30, 2026; and,

M. Authorizing the City Buyer to issue the Purchase Orders.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items; or,
5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

City of Merced Charter Section 3.04.210 - Exemptions from Competitive Bidding:

Except as otherwise provided in this chapter, competitive bidding requirements for purchases in excess of twenty-five thousand dollars ($25,000.00), the "bidding threshold", may be waived with the approval of the city council. Waivers may be authorized for, but are not limited to, cooperative purchasing in conjunction with other governmental entities, professional services, annual service or supply agreements, or purchases necessary for standardization on particular types of equipment. The bidding threshold shall be adjusted for inflation utilizing the same index and methodology as the bidding threshold in Section 3.04.080 of this code.

CITY COUNCIL PRIORITIES

As provided for in the 2025-26 Adopted Budget.

DISCUSSION

The City of Merced Public Works Department utilizes multiple vendors for the purchase of various parts, equipment, materials, supplies, and limited services. These supplies and services are essential to daily operations and may be for ongoing maintenance, unforeseen repair work, or in response to an accident that damages City infrastructure.

At the July 7, 2025 Council meeting, Council approved waiving competitive bidding and approving the purchase of various parts, equipment, and supplies for Public Works maintenance and operations for Fiscal Year 2025/2026, including some of the vendors listed within this report (ATTACHMENT 1). As the year has progressed, staff's initial estimate of expenses has been revised to anticipate expenses through June 30, 2026.

Listed below are typical parts, supplies, materials, and services purchased from each vendor:

<u>Multiple City Divisions:</u>

- Horizon Distributors *(increase amount from $200,000 to $300,000)*
    - Irrigation and landscape equipment, materials, and supplies.

- Ferguson US Holdings, Inc. *(increase amount from $100,000 to $150,000)*
  - Waterline appurtenances, plumbing supplies, etc.

- Grainger *(increase amount from $75,000 to $100,000)*
  - An assortment of small tools, equipment, and products used in daily public works operations including valves, tubing, etc.

Fleet Division:

- ARI Phoenix, Inc., dba ARI Hetra *(not on previous report; requesting $50,000)*
  - Vehicle parts and other consumables for the continued maintenance of City equipment; heavy duty lift inspections.

- C&R Royal SVC, Inc. *(increase amount from $140,000 to $200,000)*
  - Vehicle parts (filters, windshield wipers, etc.), oils/lubricants, and other consumables for the continued maintenance of City vehicles and equipment.

- Municipal Maintenance Equipment *(increase amount from $80,000 to $150,000)*
  - Vehicle parts and vehicle repair/parts installation services.

- Ray Gaskin *(increase amount from $110,000 to $250,000)*
  - Vehicle parts and vehicle repair/parts installation services.

- Pazin & Myers, Inc. *(not on previous report; requesting $100,000)*
  - Hydraulic oil for equipment.

Parks/Trees Division:

- Pacific Landscape Supply, Inc. *(not on previous report; requesting $60,000)*
  - Playground fill material (fiber).

Streets Division:

- McCain Traffic Supply dba Swarco McCain *(increase amount from $75,000 to $120,000)*
  - Traffic signal components

WWTP Division:

- YSI, Inc. *(increase amount from $90,000 to $120,000)*
  - Turbidity meters, probes, and related equipment.

Any purchase order issued for services will include a provision on the purchase order requiring the vendor to provide a valid quote delineating the costs for services and related supplies to complete

the work.

The Public Works Department is requesting Council waive competitive bidding requirements to allow for the continued purchase of various parts, equipment, materials, supplies and services used in ongoing Public Works maintenance and operations.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed. Funding is available within the Fiscal Year 2025-26 budget.

ATTACHMENTS

1. PW Admin Report July 7, 2025

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 25-590 Meeting Date: 7/7/2025

Report Prepared by: Ken F. Elwin, Director of Public Works

SUBJECT: Approval to Waive the Competitive Bidding Requirements and Approve the Purchase of Parts, Equipment, and Supplies as Necessary for Public Works Maintenance and Operations Through June 30, 2026

REPORT IN BRIEF

Considers approving to waive the City's competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 and approving the purchase of various parts, equipment, and supplies for Public Works maintenance and operations for Fiscal Year 2025/2026.

RECOMMENDATION

City Council - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.4.210 for annual supplies and services; and,

B. Approving the purchase up to $45,000 with Ag Trans Repair through June 30, 2026; and,

C. Approving the purchase up to $100,000 with All-Phase Electric Supply through June 30, 2026; and,

D. Approving the purchase up to $75,000 with AZCO Supply, Inc., through June 30, 2026; and,

E. Approving the purchase up to $300,000 with Badger Meter through June 30, 2026; and,

F. Approving the purchase up to $115,000 with Brisco Enterprises through June 30, 2026; and,

G. Approving the purchase up to $140,000 with C&R Royal SVC, Inc. (NAPA Auto Parts) through June 30, 2026; and,

H. Approving the purchase up to $100,000 with California Collision, Inc. through June 30, 2026; and,

I. Approving the purchase up to $100,000 with Central Valley Trucking through June 30, 2026; and,

J. Approving the purchase up to $50,000 with Dom's Electric/Merced Bearing through June 30, 2026; and,

K. Approving the purchase up to $60,000 with Electric Drives, Inc. through June 30, 2026; and,

L. Approving the purchase up to $80,000 with Evantec Supply through June 30, 2026; and,

M. Approving the purchase up to $75,000 with Ewing Irrigation through June 30, 2026; and,

N. Approving the purchase up to $100,000 with Ferguson through June 30, 2026; and,

O. Approving the purchase up to $80,000 with Fisher Scientific through June 30, 2026; and,

P. Approving the purchase up to $60,000 with Flo Line Technology Inc. through June 30, 2026; and,

Q. Approving the purchase up to $75,000 with Flottweg Separation Technology through June 30, 2026; and,

R. Approving the purchase up to $50,000 with Fresno Truck Center through June 30, 2026; and,

S. Approving the purchase up to $300,000 with Golden State Emergency Vehicle through June 30, 2026; and,

T. Approving the purchase up to $105,000 with GP Norton through June 30, 2026; and,

U. Approving the purchase up to $75,000 with Grainger through June 30, 2026; and,

V. Approving the purchase up to $60,000 with Hach Company through June 30, 2026; and,

W. Approving the purchase up to $100,000 with Harrison's Collision Repair through June 30, 2026; and,

X. Approving the purchase up to $80,000 with Harvest Technology LLC through June 30, 2026; and,

Y. Approving the purchase up to $50,000 with Holt of California through June 30, 2026; and,

Z. Approving the purchase up to $200,000 with Horizon Distributors through June 30, 2026; and,

AA. Approving the purchase up to $50,000 with Howk Well & Equipment Co Inc. through June 30, 2026; and,

AB. Approving the purchase up to $200,000 with Hydrologics through June 30, 2026; and,

AC. Approving the purchase up to $100,000 with Industrial Electrical Company through June 30, 2026; and,

AD. Approving the purchase up to $75,000 with International Coatings through June 30, 2026; and,

AE. Approving the purchase up to $170,000 with Interstate Truck Center through June 30, 2026;

and,

AF. Approving the purchase up to $250,000 with Jam Services through June 30, 2026; and,

AG. Approving the purchase up to $100,000 with Jorgensen & Sons, Inc., through June 30, 2026; and,

AH. Approving the purchase up to $125,000 with Kellogg's Supply through June 30, 2026; and,

AI. Approving the purchase up to $100,000 with Martin Marietta Materials through June 30, 2026; and,

AJ. Approving the purchase up to $60,000 with McAuley Motors through June 30, 2026; and,

AK. Approving the purchase up to $75,000 with McCain Traffic Supply through June 30, 2026; and,

AL. Approving the purchase up to $110,000 with Mclaughlin Waste Equipment through June 30, 2026; and,

AM. Approving the purchase up to $100,000 with Meister Sealcoat & Supplies LLC through June 30, 2026; and,

AN. Approving the purchase up to $150,000 with Merced Truck and Trailer through June 30, 2026; and,

AO. Approving the purchase up to $80,000 with Municipal Maintenance Equipment through June 30, 2026; and,

AP. Approving purchases up to $50,000 with Muniquip LLC through June 30, 2026; and,

AQ. Approving purchases up to $70,000 with Nutrien Ag Solutions through June 30, 2026; and,

AR. Approving purchases up to $80,000 with O'Reilly Auto Parts through June 30, 2026; and,

AS. Approving the purchase up to $75,000 with Platt Electric Supply through June 30, 2026; and,

AT. Approving the purchase up to $250,000 with PrivITation Consulting Corp through June 30, 2026; and,

AU. Approving the purchase up to $110,000 with Ray Gaskin Service through June 30, 2026; and,

AV. Approving the purchase up to $125,000 with Razzari Dodge through June 30, 2026; and,

AW. Approving the purchase up to $75,000 with Razzari Ford through June 30, 2026; and,

AX. Approving the purchase up to $60,000 with RDO Equipment Co through June 30, 2026; and,

AY. Approving the purchase up to $90,000 with Rockwell Engineering & Equipment Co through June 30, 2026; and,

AZ. Approving the purchase up to $50,000 with Ron Smith Buick through June 30, 2026; and,

BA. Approving the purchase up to $100,000 with Ronny Martinez dba Premier Collision Center through June 30, 2026; and,

BB. Approving the purchase up to $50,000 with Ruckstell CA Sales through June 30, 2026; and,

BC. Approving purchases up to $250,000 with Schoettler Tire through June 30, 2026; and,

BD. Approving purchases up to $70,000 with Shape Incorporated through June 30, 2026; and,

BE. Approving purchases up to $60,000 with Smith & Loveless Inc. through June 30, 2026; and,

BF. Approving purchases up to $100,000 with Southern Tire Mart through June 30, 2026; and,

BG. Approving the purchase up to $80,000 with Stockton Tri through June 30, 2026; and,

BH. Approving the purchase up to $100,000 with Target Specialty Products through June 30, 2026; and,

BI. Approving the purchase up to $50,000 with TBA Auto Parts through June 30, 2026; and,

BJ. Approving the purchase up to $85,000 with Tesco through June 30, 2026; and,

BK. Approving the purchase up to $300,000 with Trojan Technologies Group through June 30, 2026; and,

BL. Approving the purchase up to $115,000 with USA Bluebook through June 30, 2026; and,

BM. Approving the purchase up to $75,000 with West Coast Materials, LLC, through June 30, 2026; and,

BN. Approving the purchase up to $85,000 with Wilbur-Ellis Company through June 30, 2026; and,

BO. Approving the purchase up to $80,000 with Willie Electric Supply Co through June 30, 2026; and,

BP. Approving the purchase up to $90,000 with YSI, Inc., through June 30, 2026; and,

BQ. Authorizing the City Manager to execute the necessary documents; and,

BR. Authorizing the City Buyer to issue the Purchase Orders.

ALTERNATIVES
1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items; or,
5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY
City of Merced Charter Section 3.04.210 - Exemptions from Competitive Bidding:

Except as otherwise provided in this chapter, competitive bidding requirements for purchases in excess of twenty-five thousand dollars ($25,000.00), the "bidding threshold", may be waived with the approval of the city council. Waivers may be authorized for, but are not limited to, cooperative purchasing in conjunction with other governmental entities, professional services, annual service or supply agreements, or purchases necessary for standardization on particular types of equipment. The bidding threshold shall be adjusted for inflation utilizing the same index and methodology as the bidding threshold in Section 3.04.080 of this code.

CITY COUNCIL PRIORITIES
As provided for in the 2025-26 Adopted Budget.

DISCUSSION
The City of Merced Public Works Department utilizes multiple vendors for the purchase of various parts, equipment, materials, supplies, and limited services. These supplies and services are essential to daily operations and may be for ongoing maintenance, unforeseen repair work, or in response to an accident that damages City infrastructure.

Listed below are typical parts, supplies, materials, and services purchased from each vendor:

<u>Fleet Division:</u>

- AG Trans Repair ($45,000)
    - Vehicle parts and vehicle repair/parts installation services.

- C& Royal SVC, Inc. ($140,000)
    - Vehicle parts (filters, windshield wipers, etc.), oils/lubricants, and other consumables for the continued maintenance of City vehicles and equipment.

- California Collision Inc. ($100,000)
    - Vehicle parts and vehicle repair/parts installation services.

- Fresno Truck Center ($50,000)

- Vehicle parts and vehicle repair/parts installation services.

- Golden State Emergency Vehicle ($300,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Harrison's Collision Repair ($100,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Holt of California ($50,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Interstate Truck Center ($170,000)
  - Vehicle parts and vehicle repair/parts installation services.

- McAuley Motors ($60,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Merced Truck & Trailer ($150,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Municipal Maintenance Equipment ($80,000)
  - Vehicle parts and vehicle repair/parts installation services.

- O'Reilly Auto Parts ($80,000)
  - Vehicle parts (filters, windshield wipers, etc.), oils/lubricants, and other consumables for the continued maintenance of City vehicles and equipment.

- Ray Gaskin Service ($110,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Razzari Dodge ($125,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Razzari Ford ($75,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Ron Smith Buick ($50,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Ronny Martinez dba Premier Collision Center ($100,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Ruckstell CA Sales ($50,000)
  - Vehicle parts and vehicle repair/parts installation services.

- Schoettler Tire ($250,000)
    - Tires for various vehicle and equipment.

- Southern Tire Mart ($100,000)
    - Tires for various vehicle and equipment.

- TBA Auto Parts ($50,000)
    - Vehicle parts and vehicle repair/parts installation services.

Refuse Division:

- McLaughlin Waste Equipment ($110,000)
    - Refuse containers, lids, and related parts.

- Stockton Tri ($80,000)
    - Refuse containers, lids, and related parts.

Facilities Division:

- PrivITation Consulting Corp ($250,000)
    - HVAC automation, repair, and related services.

Streets Division:

- AZCO Supply, Inc. (75,000)
    - Traffic signal components.

- International Coatings ($75,000)
    - Traffic paint, stencils, and related supplies.

- Jam Services ($250,000)
    - Traffic signal and streetlight parts, equipment, and materials.

- McCain Traffic Supply ($75,000)
    - Traffic signal components.

- Meister Sealcoat & Supplies LLC ($100,000)
    - Crack fill materials.

- Tesco ($85,000)
    - Traffic signal and streetlight parts, equipment, and materials.

- West Coast Materials, LLC ($75,000)

- Aggregate base, fill-sand, and related materials.

Water/WWTP Divisions:

- Badger Meter ($300,000)
  - Water meters and related parts, equipment, and supplies.

- Dom's Electric/Merced Bearing ($50,000)
  - Pumps, bearings, shafts, motors, and pipe fittings for equipment at the WWTP.

- Electric Drives Inc. ($60,000)
  - Pumps, bearings, shafts, motors, and pipe fittings for equipment at the WWTP.

- Evantec Supply ($80,000)
  - Laboratory equipment and supplies.

- Fisher Scientific ($80,000)
  - Laboratory equipment and supplies.

- Flo Line Technology Inc. ($60,000)
  - WWTP pump parts, solar dryer parts for moles, glass, contactors and specialty parts for headworks (grit classifier, centrifugal and submersible pumps).

- Flottweg Separation Technologies ($75,000)
  - Replacement parts for equipment at the WWTP, as well as equipment maintenance services.

- Hach Company ($60,000)
  - Laboratory equipment and supplies, as well as equipment maintenance services.

- Harvest Technology LLC ($80,000)
  - WWTP pump parts, solar dryer parts for moles, glass, contactors and specialty parts for headworks (grit classifier, centrifugal and submersible pumps).

- Howk Well & Equipment Co Inc. ($50,000)
  - Pumps, bearings, shafts, motors, and pipe fittings for equipment at the WWTP.

- Hydrologics ($200,000)
  - NoDES filter bags.

- Muniquip LLC ($50,000)
  - WWTP pump parts, solar dryer parts for moles, glass, contactors and specialty parts for headworks (grit classifier, centrifugal and submersible pumps).

- Nurien Ag Solutions ($70,000)
    - Farm chemicals such as insecticides, herbicides, and fertilizer.

- Rockwell Engineering & Equipment Co ($90,000)
    - Pumps, bearings, shafts, motors, and pipe fittings for equipment at the WWTP.

- Shape Incorporated ($70,000)
    - WWTP pump parts, solar dryer parts for moles, glass, contactors and specialty parts for headworks (grit classifier, centrifugal and submersible pumps).

- Smith & Loveless Inc. ($60,000)
    - WWTP pump parts, solar dryer parts for moles, glass, contactors and specialty parts for headworks (grit classifier, centrifugal and submersible pumps).

- Trojan Technologies Group ($300,000)
    - UV lamps and related equipment or supplies.

- Wilbur-Ellis Company ($85,000)
    - Herbicides, fertilizers, soil amendments, and related products.

- Willie Electric Supply Co ($80,000)
    - VFD (Variable Frequency Drive) replacements and related parts, equipment, and supplies.

- YSI, Inc. ($90,000)
    - Turbidity meters, probes, and related equipment.

<u>Multiple Public Works Divisions:</u>

- All Phase Electric Supply ($100,000)
    - Electrical supplies, tools, and materials.

- Brisco Enterprises ($115,000)
    - Aggregate base, fill-sand, ready mix concrete, and related materials.

- Central Valley Trucking ($100,000)
    - Aggregate base, fill-sand, and related materials.

- Ewing Irrigation ($75,000)
    - Irrigation and landscape equipment, materials, and supplies.

- Ferguson ($100,000)
    - Waterline appurtenances, plumbing supplies, etc.

- GP Norton ($100,000)
  - Irrigation and backflow supplies, related parts and equipment.

- Grainger ($75,000)
  - An assortment of small tools, equipment, and products used in daily public works operations including valves, tubing, etc.

- Horizon Distributors ($200,000)
  - Irrigation and landscape equipment, materials, and supplies.

- Industrial Electrical Company ($100,000)
  - Electrical/mechanical parts and parts installation/repair services.

- Jorgensen & Sons, Inc. ($100,000)
  - Fire extinguisher replacement and maintenance *(amount includes purchases combined with out City departments, such as Fire and Airport).*

- Kellogg's Supply ($125,000)
  - Rakes, shovels, small tools, plumping/irrigation supplies, hoses, etc.

- Martin Marietta Materials ($100,000)
  - Aggregate base, fill-sand, ready mix concrete, and related materials.

- Platt Electric Supply ($75,000)
  - Electrical supplies, equipment, and products.

- Target Specialty Products ($100,000)
  - Herbicides and related application equipment, materials, and supplies.

- USA Bluebook ($115,000)
  - An assortment of small tools, equipment, and products used in daily public works operations including valves, tubing, etc.

Any purchase order issued for services will include a provision on the purchase order requiring the vendor to provide a valid quote delineating costs for services and related supplies to complete the work.

The Public Works Department is requesting Council waive competitive bidding requirements to allow for the continued purchase of various parts, equipment, materials, supplies and services used in ongoing Public Works maintenance and operations.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed. Funding is available within the Fiscal Year 2025-26 budget.

ATTACHMENTS

None.

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-298 Meeting Date: 4/20/2026

Report Prepared by: Cosmo Orduñez, Public Works Manager-Internal Services

SUBJECT: Approval to Purchase Elevator Modernization Services from TK Elevator Corporation Utilizing the OMNIA Cooperative Purchasing Contract #R200502 in the Amount of $431,673.63 for the Shannon Parcade Elevator Project CP250038

REPORT IN BRIEF
Considers waiving the City's competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 as a result of cooperative purchasing and approving the purchase of elevator modernization services for the Shannon Parking Structure through the OMNIA Cooperative Purchasing Program, Contract #R200502 in the amount of $431,673.63.

RECOMMENDATION
City Council - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.4.210 for purchases necessary for standardization on particular types of equipment; and,

B. Approving the purchase elevator modernization service from TK Elevator Corporation, in the amount of $431,673.63; and,

C. Authorizing the City Manager or designee to execute the contract documents, and approval of future contract amendments not to exceed 10% of the total contract price.

ALTERNATIVES
1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items; or,
5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY
City of Merced Charter Section 3.04.210 - Exemptions from Competitive Bidding:

Except as otherwise provided in this chapter, competitive bidding requirements for purchases in excess of twenty-five thousand dollars ($25,000.00), the "bidding threshold", may be waived with the approval of the city council. Waivers may be authorized for, but are not limited to, cooperative

purchasing in conjunction with other governmental entities, professional services, annual service or supply agreements, or purchases necessary for standardization on particular types of equipment. The bidding threshold shall be adjusted for inflation utilizing the same index and methodology as the bidding threshold in Section 3.04.080 of this code.

CITY COUNCIL PRIORITIES
As provided for in the 2025-26 Adopted Budget.

DISCUSSION
The City of Merced Public Works Department - Internal Services Division is responsible for maintaining City-owned facilities, including the Shannon Parcade located at 639 W. 18th Street. The existing elevator systems at this facility are aging and require modernization to ensure reliability, safety, and compliance with current codes and accessibility standards.

The proposed project includes modernization of two hydraulic elevator units, replacement and upgrades of key mechanical and electrical components, and improvements to fire and life safety systems. Benefits of the modernization include durability and reliability, improved fire and life safety features, reduced operational costs, and enhanced service performance.

Staff is recommending the use of the OMNIA Cooperative Purchasing Program to procure these services from TK Elevator Corporation. The OMNIA contract has been competitively solicited and awarded in accordance with public procurement requirements, allowing the City to leverage cooperative pricing and avoid duplicative bidding processes.

Utilizing the OMNIA Cooperative Purchasing contract provides cost savings, ensures competitive pricing, and expedites project delivery. In addition, TK Elevator is the original equipment manufacturer and service provider, making them uniquely qualified to perform the modernization work efficiently and ensure compatibility with existing systems.

Therefore, staff is requesting that the City Council wave the competitive bidding requirements and approve the purchase through the OMNIA Cooperative Purchasing contract in the amount of $431,673.63, plus contingency up to 10% of the total estimated cost.

IMPACT ON CITY RESOURCES
This project was established as a Capital Improvement Project and funding is available within project CP250038. Project CP250038 includes $350,000 from Fund 9100-Parking Authority and the remaining contract amount from Fund 7007-Facilities Maintenance.

ATTACHMENTS
1. TK Elevator Contract

SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 2026, 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 TK Elevator Corporation, a Delaware Corporation, whose address of record is 3711 W Swift Avenue, Fresno, CA 93722, (hereinafter referred to as "Contractor").

WHEREAS, City is undertaking a project to repair the Shannon Parcade elevator via Contractor's Omnia Partners Contract No. R200502; and,

WHEREAS, Contractor represents that it possesses the professional skills to provide elevator maintenance and repair services 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 Contractor shall furnish the following services: Contractor shall provide the elevator maintenance services described in Exhibit "A" attached hereto.

No additional services shall be performed by Contractor 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 Director of Public Works or designee. However, the means by which the work is accomplished shall be the sole responsibility of the Contractor.

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 Contractor may change the requirements in said Schedule.

3. TERM OF AGREEMENT. The term of this Agreement shall commence on March 1, 2026, and end on June 30, 2028. City shall have the option to renew this Agreement for three (3) additional one (1) year terms for the additional maximum period of three (3) years ending as of June 30, 2031.

4. COMPENSATION. Payment by the City to the Contractor 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 Contractor agrees to provide all services required under the Scope of Services in Exhibit "A" in exchange for the compensation amount and schedule of payment set forth in Exhibit "A" not-to-exceed the sum of $431,673.63.

5. METHOD OF PAYMENT. Compensation to Contractor shall be paid by the City after submission by Contractor 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 Contractor relating to the matters covered by this Agreement shall be the property of the City, and Contractor 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. CONTRACTOR'S BOOKS AND RECORDS. Contractor 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 Contractor 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 Contractor is an independent contractor and that its employees shall not be employees of or have any contractual relationship with the City. Contractor shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should Contractor desire any insurance protection, the Contractor is to acquire same at its expense.

In the event Contractor or any employee, agent, or subcontractor of Contractor 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, Contractor 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 Contractor 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. Contractor 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 Contractor or Contractor's officers, employees, volunteers, and agents during performance of this Agreement; Contractor 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 Contractor or its employees, subcontractors, or agents, or by the quality or character of Contractor'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 Contractor 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 Contractor 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, Contractor 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, Contractor 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) Contractor 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) Contractor 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 Contractor.

(iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Contractor 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) Contractor 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) Contractor 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 Contractor.

(iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Contractor 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. 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).

e. Certificate of Insurance. Contractor 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 Contractor'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 Contractor 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 Contractor 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 Contractor from the Department of Industrial Relations. Theses wage rate determinations are to be posted by the Contractor at the job site in accordance with Section 1773.2 of the California Labor Code.

d. Contractor 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 Contractor 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 Contractor 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 Contractor that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor 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. Contractor shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by Contractor in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

Contractor 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 Contractor 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, Contractor 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 Contractor 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:_____
D. Scott McBride
City Manager

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY:_____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY

BY: Craig Cornwell 2/23/2026
City Attorney Date

ACCOUNT DATA:
M. VENUS RODRIGUEZ, FINANCE OFFICER

BY:_____
Verified by Finance Officer

{Signatures continued on next page}

CONTRACTOR
TK Elevator Corporation,
a Delaware Corporation

Signed by:
BY: Michael Brown
1BBBE291F33949F...
(Signature)

Michael Brown
(Typed Name)

Its: Contract Analyst Supervisor
(Title)

BY: _____
(Signature)

_____
(Typed Name)

Its: _____
(Title)

Taxpayer I.D. No. 62-1211267

ADDRESS: 940 Riverside Parkway
Sacramento, CA 95605

TELEPHONE: N/A
FAX: N/A
E-MAIL: michael.e.brown@tkelevator.com

Modernization Proposal

Merced Parcade

March 26,2025, 2025

Purchaser:	City Of Merced	Location:	Shannon Parcade
Address:	638 W 18th St Merced, CA 95340-4708	Address:	638 W 18th St Merced, CA 95340-4708

OMNIA PARTNERS

TK Elevator R200502

TK Elevator Corporation (hereinafter "TK Elevator") is dedicated to delivering City Of Merced (hereinafter "Purchaser") the safest, highest quality vertical transportation solutions. I am pleased to present this customized Proposal (the "Proposal") in the amount of$431,673.63 inclusive of Bond and all applicable sales and use taxes to modernize the elevator equipment described in the pages that follow at the above-referenced location.

Our modernization package is engineered specifically for your elevator system and will include the elevator mechanical and electrical components being replaced, refurbished or retained.

Benefits of Modernization include:

- Increased durability and reliability
- Improved fire and life safety features
- Decreased waiting times
- Reduced energy consumption
- Reduced operational cost
- Reduced troubleshooting time

This Proposal shall remain in effect for the next thirty (30) days unless it is revoked earlier by TK Elevator in writing. The price above is subject to escalation - even after Purchaser's acceptance of this Proposal – under certain circumstances including TK Elevator being subjected to increased charges by its suppliers for any of the applicable materials and/or components due to supply chain issues; the imposition of new or increased taxes, tariffs, or other charges imposed by applicable governmental authorities; TK Elevator being subjected to increased charges from its shippers and/or freight forwarders; any material called for in this Proposal being released into production more than 6 months following the written acceptance of this Proposal; or any work described in this Proposal is not completed by December 31, 2025.

In the event you have any questions regarding the content of this Proposal, please do not hesitate to contact me. We appreciate your consideration.

Kent Tapping
kent.tapping@tkelevator.com

EXHIBIT A

Modernization Proposal

SCOPE OF WORK

Grouping Name: 3500

Equipment Type: Hydraulic	Speed: 150 fpm
3 Stops (3 Front /0 Rear)	Capacity: 3500 lbs.

Units Included

Building Address	Nickname	State Serial #
638 W 18th St	3	[redacted]

Description of Work

Controller

- TAC 32 Controller (Includes Options listed below)
  - Auto Light and Fan Feature
  - Car Independent Service
  - Electronic Door Detector
  - Hoistway Access
- Seismic Features
- Solid State Starter
- Battery Lowering
- eMax Monitoring Device Provisions

Power Unit

- Oil Citgo NZ
- EP-125 Power Unit (Submersible)
- Seismic Requirements for EP units
- 2" Shutoff Valve Kit (Pump)
- Overspeed Valve Kit for 2"

Jack

- Packing Replacement
- Pipe Stands

Car

- 21" Toe guard
- Fan: Two Speed
- Car Top Exit Switch
- Car Top Inspection Station

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Hoistway

- Steel Tape with Mounting hardware, Selector and magnets (terminal limits included)
- TAC 32 Field Friendly Wiring Package Includes single traveling cable, hoistway wiring, interlock wiring, interlock connectors, and serial wiring.

Pit

- 2" Shutoff Valve Kit (Pit)
- Pit Stop Switch

Cab

- New SS Car Door

Door Equipment

- New GAL Door Operator
- Gibs
- Closer
- Hoistway Hanger / Hanger Rollers
- Interlocks
- Pick Up Rollers
- Micro Light Door Detector

Car Fixtures

- Main Car Station Includes Options Below:
- • Applied Panel
- Vandal Resistant Floor Buttons
- Debranded Car Station (No Logo)
- Cast Braille Plates for Car Features
- Standard Key Switch Package
  - Fan
  - Light
  - Independent
  - Stop
  - Inspection
- Emergency Light mounted in COP
- 2004 and later Fire Service Phase II Features (includes instructions signage)
- Handicap Signal (Passing signal)
- Position Indicator (2" CE Segmented)
- ADA Phone System integral with COP (Rath)
- Speaker Pattern for Intercom System/ADA Phone
- No Smoking (Verbiage Engraved on COP)
- Locked Service Cabinet
- Certificate Window
- GFI Outlet
- #4 Stainless Steel Finish (441)
- Emergency Light Test Button/Keyswitch
- Car Riding Lantern (Standard) #4 S/S (441)

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Hall Fixtures

- Hoistway Access
- Hall Lanterns/PI's
- Fire Service Phase I Key Switch
- Fire Service Phase I Engraved Instructions
- Fusion Hall Lanterns (Standard) White Up/Down LED's #4 S/S (304)
- Horizontal Fusion Hall Position Indicator (2" Digital) #4 S/S (304)
- Hoistway Jamb Braille (Pair of Standard) (# of Floors)
- Car Identification Plate (Pair)
- Hoistway Access Switch (Standalone)
- Hall Station Fixtures (Surface Mounted)
    - Appendix O (Polycarbonate insert flame)
    - Fusion (#4 S/S (304))

The following items will be completed by third party labor or suppliers through the coordination of TK:

- Electrical code required upgrades in machine room and pit.
- Upgrade pump room fire panel to include fire recall for elevators.
- Install landing fire recall devices, program and test.

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Grouping Name: 2500

Equipment Type: Hydraulic	Speed: 150 fpm
3 Stops (3 Front /0 Rear)	Capacity: 2500 lbs.

Units Included

Building Address	Nickname	State Serial #
638 W 18th St	4	[redacted]

Description of Work

Controller
- TAC 32 Controller (Includes Options listed below)
  - Auto Light and Fan Feature
  - Car Independent Service
  - Car Traveling Lantern
  - Electronic Door Detector
  - Hoistway Access and Enable
- Seismic Features
- Solid State Starter
- Battery Lowering in Controller
- eMax Monitoring Device Provisions

Power Unit
- Oil Citgo NZ
- EP-125 Power Unit (Submersible)
- Seismic Requirements for EP units
- 2" Shutoff Valve Kit
- Overspeed Valve Kit for 2"

Jack
- Packing Replacement
- Pipe Stands

Car
- 21" Toe guard
- Fan: Two Speed
- Car Top Exit Switch
- Car Top Inspection Station (Stand Alone)

Hoistway
- Steel Tape with Mounting hardware, Selector and magnets (terminal limits included)
- TAC 32 Field Friendly Wiring Package Includes single traveling cable, hoistway wiring, interlock wiring, interlock connectors, and serial wiring.

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Pit

- 2" Shutoff Valve Kit (Pit)
- Pit Stop Switch

Cab

- New SS Car Door

Door Equipment

- New GAL Door Operator
- Gibs
- Closer
- Hoistway Hanger / Hanger Rollers
- Interlocks
- Pick Up Rollers
- Micro Light (Front)

Car Fixtures

- Main Car Station Includes Options Below
- • Applied Panel
- Vandal Resistant Floor Buttons
- Debranded Car Station (No Logo)
- Cast Braille Plates for Car Features
- Standard Key Switch Package
  - Fan
  - Light
  - Independent
  - Stop
  - Inspection
- Emergency Light mounted in COP
- 2004 and later Fire Service Phase II Features (includes instructions signage)
- Handicap Signal (Passing signal)
- Position Indicator (2" CE Segmented)
- ADA Phone System integral with COP (Rath)
- Speaker Pattern for Intercom System/ADA Phone
- No Smoking (Verbiage Engraved on COP)
- Locked Service Cabinet
- Certificate Window
- Default Engravings
- GFI Outlet
- Emergency Light Test Button/Keyswitch
- TAC Serial Boards (Main)
- Car Riding Lantern (Standard) #4 S/S (441)

Hall Fixtures

- Fire Service Phase I Key Switch
- Fire Service Phase I Engraved Instructions

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- Fusion Hall Lanterns (Standard) White Up/Down LED's #4 S/S (304)
- Horizontal Fusion Hall Position Indicator (2" Digital) #4 S/S (304)
- Hoistway Jamb Braille
- Car Identification Plate (Pair)
- Hoistway Access Switch (Standalone)
- Hall Stations (Surface Mounted) with
  - Appendix O (Polycarbonate insert flame)
  - Fusion (#4 S/S (304))

The following items will be completed by third party labor or suppliers through the coordination of TK:

- Electrical code required upgrades in machine room and pit.
- Upgrade pump room fire panel to include fire recall for elevators.
- Install landing fire recall devices, program and test.

1. Key Tasks and Approximate Lead Times

Key Tasks to be performed to be performed by Purchaser prior to equipment fabrication:

a. Execution of this Proposal
b. Payment for pre-production and engineering
c. Approval of layout (if applicable)
d. Execution of TK Elevator's Material Release Form

Approximate Durations/Lead Times

Contract execution (can run concurrently with layout drawing package preparation and approval)	Varies
Survey and Order of Materials (additional time required for cab, signal, entrance preparation and approval, if applicable)	4 - 6 Weeks
Fabrication time (from receipt of all approvals, fully executed contract, Material Release Form and initial progress payment)	9 - 12 Weeks
Modernization of elevator system (Per Unit): (Upon completion of all required preparatory work by others)	4 -6 Weeks

The durations or lead times listed above are strictly approximations that can vary due to factors both within and outside of TK Elevator's control, are subject to change without notice to Purchaser and shall not be binding on TK Elevator.

2. Payment Terms

25% of the price set forth in this Proposal as modified by options selected from the section entitled "Value Engineering Opportunities & Alternates" (if applicable) will be due and payable as an initial progress payment within 30 days from TK Elevator's receipt of a fully executed copy of this Proposal. This initial progress payment will be applied to project management, permits, engineering and shop drawings, submittals, and drilling mobilizations (if

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required). The material will not be ordered until this payment is received, and the parties have both executed this Proposal and the Material Release Form.
50% of the price set forth in this Proposal as modified by options selected from the section entitled "Value Engineering Opportunities & Alternates" (if applicable) shall be due and payable when the material described above has been furnished. Material is considered furnished when it has been received at the jobsite or TK Elevator staging facility. Supporting documentation of materials stored shall be limited to stored materials certificates of insurance and bills of lading. Receipt of this payment is required prior to mobilization of labor.

25% of the price set forth in this Proposal shall be made as progress payments throughout the life of the project. In the event TK Elevator fails to receive payment within thirty (30) days of the date of a corresponding invoice, TK Elevator reserves the right to demobilize until such a time that the payments have been brought up to date, and TK Elevator has the available manpower.

It is agreed that there will be no withholding of retainage from any billing and by the customer from any payment.

The payment terms breakdown above shall be considered the Schedule of Values for the project as written. Billing shall be submitted on or before the 25th day of the month according to the payment schedule above and accompanied by a form of G702-703 pay application/schedule of values and a conditional waiver, the format of which is hereby acknowledged and accepted.

The use of online Portals for the submission of billing shall follow the terms of the Proposal and Customer agrees to permit billing in accordance with the executed contract terms. Portal access and usage is to be provided free of additional charge to TK Elevator and any additional cost for such use is to be reimbursed to TK Elevator via a reimbursable change order immediately upon acceptance.

Purchaser agrees that TK Elevator shall have no obligation to complete any steps necessary to provide Purchaser with full use and operation of the installed equipment until such time as TK Elevator has been paid 100% both of the price reflected in this Proposal and for any other work performed by TK Elevator or its subcontractors in furtherance of this Proposal. Purchaser agrees to waive any and all claims to the turnover and/or use of that equipment until such time as those amounts are paid in full.

Proposal price:		$426,673.63
Bonds:		$5,000.00
Estimated contract price:		$431,673.63
Initial progress payment:	(25%)	$107,918.43
Material furnished:	(50%)	$215,836.81
Total of remaining progress payments:	(25%)	$107,918.41

Any work that Purchaser may require prior to turnover of the equipment that is outside of the scope described in this Proposal - other than Temporary Use as described below - will be performed only after the full execution of a mutually agreeable change order and only at the following rates:

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Mechanic (Standard) per hour	$380.00
Mechanic (OT) per hour	$641.00
Team (Standard) per hour	$684.00
Team (OT) per hour	$1,154.00

Rates are not inclusive of any per diem, mileage or other expenses which may be dependent on jobsite location

3. Warranty

TK Elevator warrants any equipment it installs as described in this Proposal against defects in material and workmanship for a period of one (1) year from the date of Purchaser's execution of TK Elevator's "Final Acceptance Form" on the express conditions that all payments made under this Proposal and any mutually agreed-to change orders have been made in full and that such equipment is currently being serviced by TK Elevator. In the event that TK Elevator's work is delayed for a period greater than six (6) months, the warranty shall be reduced by the amount of the delay. This warranty is in lieu of any other warranty or liability for defects. TK Elevator makes no warranty of merchantability and no warranties which extend beyond the description in this Proposal, nor are there any other warranties, expressed or implied, by operation of law or otherwise. Like any piece of fine machinery, the equipment described in this Proposal should be periodically inspected, lubricated, and adjusted by competent personnel. This warranty is not intended to supplant normal maintenance service and shall not be construed to mean that TK Elevator will provide free service for periodic examination, lubrication, or adjustment, nor will TK Elevator correct, without a charge, breakage, maladjustments, or other trouble arising from normal wear and tear or abuse, misuse, improper or inadequate maintenance, or any other causes other than defective material or workmanship. In order to make a warranty claim, Purchaser must give TK Elevator prompt written notice at the address listed on the cover page of this Proposal and provided all payments due under the terms of this Proposal and any mutually agreed to written change orders have been made in full, TK Elevator shall, at its own expense, correct any proven defect by repair or replacement. TK Elevator will not, under any circumstances, reimburse Purchaser for cost of work done by others, nor shall TK Elevator be responsible for the performance of any equipment that has been the subject of service, repair, replacement, revisions or alterations by others. If there is more than one (1) unit which is the subject of work described in this Proposal, this section shall apply separately to each unit as accepted.

4. Preventative Maintenance Program

This Proposal does not include any maintenance, service, repair or replacement of the equipment or any other work not expressly described herein. TK Elevator may submit a separate proposal to Purchaser covering the maintenance and repair of this equipment to be supplied to Purchaser at an additional cost. In the event the Purchaser and TK Elevator have a new or existing maintenance Agreement in effect at the time of the acceptance of this proposal and/or during the scope of this work, the terms of the Agreement shall remain in full force and effect throughout the performance of this scope of work and continue throughout the duration of the stated term in that Agreement.

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5. Work Not Included

There are certain items that are not included in this Proposal, many of which must be completed by Purchaser prior to and as a condition precedent to TK Elevator's performance of its work as described in this Proposal. In order to ensure a successful completion of this project, it shall be solely Purchaser's responsibility to coordinate its own completion of those items with TK Elevator. The following is a list of those items that are not included in this Proposal:

A. Hoistways and Equipment Rooms

1. At time of initial inspection the below conditions were satisfactory, in the event these conditions change, TK Elevator will identify discrepancies with the City of Merced and agree upon corrective action.
   a. A dry legal hoistway, properly framed and enclosed, and including a pit of proper depth and overhead. This is to include steel safety beam, inspection or access platforms, access doors, sump pump, lights, waterproofing and venting as required; dewatering of pit(s) and required permanent screening/
   b. A dry legal machine/control room, with clear rollable access adequate for the elevator equipment, including floors, trap doors, properly sized legal machine room doors, gratings, machine room or roof access platforms, roof/loading protection, ladders, railings, foundations, all hoist beams, lighting, ventilation sized per the TK Elevator shop drawings and/or code requirements. Purchaser must maintain machine/control room (or machine/control space within the shaft for MRL equipment) temperature between 55 and 90 degrees Fahrenheit, with relative humidity less than 95% non-condensing at all times.
   c. Adequate bracing of entrance frames to prevent distortion during wall construction.
   d. All grouting, fire caulking, cutting, x-ray and removal of walls and floors, patching, coring, setting of sleeves/knockouts, penetrations and painting (except as specified) and removal of obstructions required for elevator work; along with all proper trenching and backfilling for any underground piping and/or conduit.
   e. All labor and materials necessary to support the full width of the hoistway at each landing for anchoring or welding TK Elevator sill supports, steel angles, sill recesses;
   f. The furnishing, installing and maintaining of the required fire rating of elevator hoistway walls, including the penetration of firewall by elevator fixture boxes;
   g. Ensuring that the elevator hoistways and pits are dewatered, cleaned and properly waterproofed;

B. Electrical and Life Safety:

1. Purchaser shall provide a dedicated, analog telephone or data line to the elevator telephone or communication device; one additional data line per group of elevators for diagnostic capability wired to designated controller;

2. Purchaser shall provide the following:
   a. suitable connections from the power main to each controller and signal equipment feeders as required, including necessary circuit breakers and fused mainline disconnect switches per N.E.C. prior to installation. Suitable power supply capable of operating the new elevator equipment under all conditions;
   b. piping and wiring to controller for mainline power, car lighting, and any other building systems that interface with the elevator controls per N.E.C. Articles 620-22 and 620-51;
   c. any required hoistway / wellway, machine room, pit lighting and/or 110v service outlets;
   d. conduit and wiring for remote panels to the elevator machine room(s) and between panels. Remote panels required by local jurisdictions are not included in this proposal;
   e. a bonded ground wire, properly sized, from the elevator controller(s) to the primary building ground; and all remote wiring to the outside alarm bell as requested by all applicable code provisions;
   f. installed sprinklers, smoke/heat detectors on each floor, machine room and hoistways / wellways, shunt trip devices (not self-resetting) and access panels as may be required as well as normally open dry contacts for

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smoke/heat sensors, which shall be terminated by Purchaser at a properly marked terminal in the elevator controller;
g. a means to automatically disconnect the main line and the emergency power supply to the elevator prior to the application of water in the elevator machine room that shall not be self-resetting;
h. emergency power supply including automatic time delay transfer switch and auxiliary contacts with wiring to the designated elevator controller and along with electrical cross connections between elevator machine rooms for emergency power purposes;
i. the following emergency power provisions are not included: interface in controller, pre-testing and testing, emergency power keyswitches;
j. emergency power operation is included as part of the design of the elevator control system and based on each car in the group only, to properly sequence, one at a time to the programmed landing, and park. The design requires that the generator, transfer switch, and related circuitry are sufficient to run this function or any other function for any building other system that is associated with this project. In the event that the generator, transfer switch, and related circuitry are not sufficient, TK Elevator will provide Purchaser with a written change order for Purchaser's execution.
k. a dry set of contacts which close 20 seconds prior to the transfer from normal power to emergency power or from emergency power to normal power whether in test mode or normal operating conditions in the event that an emergency power supply will be provided for the elevator;
l. confirmation that the emergency standby power generator and/or building can accept the power generated to and from the elevator during both Hi-Speed and Deceleration. In cases where the generator and/or building load is not electrically sized to handle the power return from the regen drive, additional separate chopper and resistor units are available for purchase but not included in this proposal. The additional chopper and resistor units allow regenerated power to be dissipated in the resistor bank and not sent back into the building grid.

6. Working Hours, Logistics and Mobilization

a. All work described in this Proposal shall be performed during TK Elevator's regular working days - defined as Monday thru Friday and excluding IUEC recognized holidays – and regular working hours – defined as those hours regularly worked by TK Elevator modernization mechanics at the TK Elevator branch office that will provide labor associated with the performance of the work described in this Proposal - unless otherwise specified and agreed to in writing by both TK Elevator and Purchaser (hereinafter TK Elevator's regular working days and regular working hours shall be collectively defined as "normal working hours"). TK Elevator shall be provided with uninterrupted access to the elevator hoistway and machine room areas to perform work during normal working hours.
b. Purchaser shall provide on-site parking to all TK Elevator personnel at no additional cost to TK Elevator.
c. Purchaser shall provide traffic control, lane closures, permits and flagmen to allow suitable access/unload of tractor trailer(s).
d. Purchaser agrees to provide unobstructed tractor-trailer access and roll-able access from the unloading area to the elevator or escalator hoistways or wellways (as applicable).
e. Purchaser will be required to sign off on the Material Release Form, which will indicate the requested delivery date of equipment to the site. If Purchaser is not ready to accept delivery of the equipment within ten (10) business days of the agreed upon date, Purchaser will immediately make payments due for equipment and designate an area adjacent to the elevator shaft where Purchaser will accept delivery. If Purchaser fails to provide this location or a mutually agreeable alternative, TK Elevator is authorized to warehouse the equipment at the TK Elevator warehouse or designated distribution facility at Purchaser's risk and expense. Purchaser shall reimburse TK Elevator for all costs due to extra handling and warehousing. Storage beyond ten (10) business days will be

assessed at a rate of $100.00 per calendar day for each unit listed in this Proposal, which covers storage and insurance of the elevator equipment and is payable prior to delivery.
f. Purchaser agrees to provide a dry and secure area adjacent to the hoistway(s) at the ground level for storage of the elevator equipment and tools within ten (10) business days from receipt at the local TK Elevator warehouse. Any warranties provided by TK Elevator for vertical transportation equipment will become null and void if equipment is stored in any manner other than a dry, enclosed building structure. Any relocation of the equipment as directed by Purchaser after initial delivery will be at Purchaser's expense.
g. TK Elevator includes one mobilization to the jobsite. A mobilization fee of $5,000.00 per crew per occurrence will be charged for pulling off the job or for any delays caused by others once material has been delivered and TK Elevator's work has commenced.
h. Access for this project shall be free and clear of any obstructions. A forklift for unloading and staging material shall also be provided by Purchaser at no additional cost.
i. Purchaser shall provide an on-site dumpster. TK Elevator will be responsible for cleanup of elevator/ escalator packaging material; however, composite cleanup participation is not included in this Proposal.
j. The hiring of a disposal company which MUST be discussed prior to any material being ordered or work being scheduled. TK Elevator will provide environmental services ONLY if this is specifically included under the "Scope of Work" section above. TK Elevator assumes no responsibility and/or liability in any way whatsoever for spoils or other contamination that may be present as a result of the cylinder breach and/or other conditions present on the work site.
k. One or more of the units described in this Proposal will be out of service and unavailable to move passengers and/or property during entire duration of the performance of the work described in this Proposal until re-certified by the applicable authority(ies) having jurisdiction and in good standing with payment schedules.
l. If site specific rules and regulations classify the elevator pit as confined space, elevator pits will need to reclassify a permit-required space to a non-permit required space prior to mobilization.

7. Temporary Use, Inspection and Turnover

a. Unless required by specification, TK Elevator will not provide for "temporary use" of the elevator(s) described in this Proposal prior to completion and acceptance of the complete installation. Temporary use shall be agreed to via a change order to this Proposal which shall require Purchaser's execution of TK Elevator's standard Temporary Use Agreement. Cost for temporary use of an elevator shall be $200.00 per calendar day per hydraulic elevator and $250.00 per calendar day for each traction elevator for rental use only, excluding personnel to operate. All labor and parts, including callbacks required during the temporary use period will be billed at TK Elevator's standard local billing rates. In the event that an elevator must be provided for temporary use, TK Elevator will require 30 days to perform final adjustments and re-inspection after the elevator has been returned to TK Elevator with all protection, intercoms and temporary signage removed. This duration does not include any provisions for finish work or for repairs of same, which shall be addressed on a project-by-project basis. Cost for preparation of controls for temporary use, refurbishment due to normal wear and tear, readjustment and re-inspection is $5,000.00 per elevator up to 10 floors. For projects above 10 stops, an additional cost of $1,500.00 / 10 floors shall apply. These costs are based on work performed during normal working hours. Temporary use excludes vandalism or misuse. Any required signage, communication devices, elevator operators, and protection are not included while temporary use is being provided. All overtime premiums for repairs during the temporary use period will be billed at TK Elevator's local service billing rates.
b. The Proposal price set forth above includes one (1) inspection per unit by the applicable authority having jurisdiction if required by the government of the locality where the equipment is located. In the event the equipment fails that inspection due to no fault of TK Elevator, TK Elevator will charge Purchaser for both the cost

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of each re-inspection which shall be $1,500.00 and a remobilization fee which shall be $5,000.00 via change order prior to scheduling a re-inspection.

c. Upon notice from TK Elevator that the installation and/or modernization of the equipment is complete, Purchaser will arrange to have present at the jobsite a person authorized to make the final inspection and to execute TK Elevator's "Final Acceptance Form." The date and time that such person will be present at the site shall be mutually agreed upon but shall not be more than ten (10) business days after the date of TK Elevator's notice of completion to Purchaser unless both TK Elevator and Purchaser agree to an extension of that ten (10) day period in writing. Such final inspection and execution of TK Elevator's "Final Acceptance Form" shall not be unreasonably delayed or withheld.

d. Should the Purchaser or the local authority having jurisdiction require TK Elevator's presence at the inspection of equipment installed by others in conjunction with the work described in this Proposal, Purchaser agrees to compensate TK Elevator for its time at TK Elevator's current billing rate as posted at its local office.

e. At the conclusion of its work, TK Elevator will remove all equipment and unused or removed materials from the project site and leave its work area in a condition that, in TK Elevator's sole opinion, is neat and clean.

f. Purchaser agrees to accept a live demonstration of equipment's owner-controlled features in lieu of any maintenance training required in the bid specifications.

g. Purchaser agrees to accept TK Elevator's standard owner's manual in lieu of any maintenance, or any other, manual(s) required in the bid specifications.

8. MAX

MAX is a cloud based Internet of Things (IoT) platform that we, at our election, may connect to your elevators and escalators by means of installation of a remote-monitoring device or modem (each a "device"). MAX will analyze the unique signal output of your equipment 24/7 and when existing or potential outages are identified, MAX will automatically communicate with our dispatch centers. When appropriate, the dispatch center will alert our technicians during normal working hours. These MAX alerts provide the technician with precise diagnostics detail, which greatly enhances our ability to fix your equipment right the first time, MAXimizing the equipment uptime.

a. Purchaser authorizes TK Elevator and its employees to access purchaser's premises to install, maintain and/or repair the devices and, upon termination of the service agreement, to remove the same from the premises if we elect to remove.

b. TK Elevator is and shall remain the sole owner of the devices and the data communicated to us by the devices. The devices shall not become fixtures and are intended to reside where they are installed. TK Elevator may remove the devices and cease all data collection and analysis at any time.

c. If the service agreement between TK Elevator and Purchaser is terminated for any reason, TK Elevator will automatically deactivate the data collection, terminate the device software and all raw data previously received from the device will be removed and/or expunged or destroyed.

d. Purchaser consents to the installation of the devices in your elevators and to the collection, maintenance, use, expungement and destruction of the daily elevator data as set forth in this agreement.

e. The devices installed by TK Elevator contain trade secrets belonging to us and are installed for the use and benefit of our personnel only.

f. Purchaser agrees not to permit purchaser personnel or any third parties to use, access, tamper with, relocate, copy, disclose, alter, destroy, disassemble or reverse engineer the device while it is located on purchaser's premises.

g. The installation of this equipment shall not confer any rights or operate as an assignment or license to you of any patents, copyrights or trade secrets with respect to the equipment and/or any software contained or imbedded therein or utilized in connection with the collection, monitoring and/or analysis of data.

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9. Additional Terms and Conditions

a. In no event shall TK Elevator be responsible for liquidated, consequential, indirect, incidental, exemplary, and special damages associated with the work described in this Proposal.
b. This Proposal is made without regard to compliance with any special purchasing, manufacturing or construction/installation requirements including, but not limited to, any socio-economic programs, such as small business programs, minority or woman owned business enterprise programs, or local preferences, any restrictive sourcing programs, such as Buy American Act, or any other similar local, state or federal procurement regulations or laws that would affect the cost of performance. Should any such requirements be applicable to the work described in this Proposal, TK Elevator reserves the right to modify this Proposal or rescind it altogether.
c. TK Elevator is an equal opportunity employer.
d. TK Elevator's performance of the work described in this Proposal is contingent upon Purchaser furnishing TK Elevator with any and all necessary permission or priority required under the terms and conditions of government regulations affecting the acceptance of this Proposal or the manufacture, delivery or installation of the equipment. All applicable sales and use taxes, permit fees and licenses imposed upon TK Elevator as of the date of the Proposal are included in the price of the Proposal. Purchaser is responsible for any additional applicable sales and use taxes, permit fees and licenses imposed upon TK Elevator after the date of the Proposal or as a result of any law enacted after the date of the Proposal.
e. All taxes, tariffs, duties, permit and/or license fees imposed upon TK Elevator as of the date of the execution of this Proposal are included in the price of the Proposal. After the date of acceptance of this Proposal and in addition to the Proposal price, Purchaser is also responsible to pay TK Elevator for any new (or any increase in): (1) applicable taxes, tariffs, duties, permit and/or license fees; (2) charges from its suppliers for any of the applicable materials and/or components: (A) due to supply chain issues, the imposition of new or increased taxes, tariffs, or other charges by applicable governmental authorities; (B) if the release of materials called for in this Proposal occurs after the mileston mentioned earlier in this Proposal; and/or (C) if the completion of work called for in this Proposal occurs after the milestone mentioned earlier in this Proposal; and/or (3) charges from TK Elevator's shippers and/or freight forwarders.
f. Purchaser agrees to provide TK Elevator's personnel with a safe place in which to work and TK Elevator reserves the right to discontinue work at the jobsite whenever, in TK Elevator's sole opinion, this provision is being violated.
g. The pricing set forth in this Proposal assumes that the elevator pits will not be classified as a confined space. TK Elevator will follow its standard safety policy and procedures. Any job specific safety requirements over and above TK Elevator's standard practices and policies may require additional costs.
h. TK Elevator will furnish and install all equipment in accordance with the terms, conditions, scope and equipment nomenclature as noted herein. Requested changes or modifications to such provisions will require a written change order issued on the Purchaser's letterhead and accepted by TK Elevator in writing prior to the execution of such work. This change order shall detail the current contract price, the amount of the change, and new contract value.
i. This Proposal does not include a schedule for the work described and any such schedule shall be mutually agreed upon by an authorized representative of both TK Elevator and Purchaser in writing before becoming effective.
j. In the event asbestos material is knowingly or unknowingly removed or disturbed in any manner at the jobsite, Purchaser shall monitor TK Elevator's work place and prior to and during TK Elevator's manning of the job, Purchaser shall certify that asbestos in the environment does not exceed .01 fibers per cc as tested by NIOSH 7400. In the event TK Elevator's employees or those of TK Elevator's subcontractors are exposed to an asbestos hazard, PCP's, lead or other hazardous substances, Purchaser agrees, to the fullest extent permitted by law, to indemnify, defend, and hold TK Elevator harmless from all damages, claims, suits, expenses, and payments

Modernization Proposal

resulting from such exposure. Identification, notification, removal and disposal of asbestos containing material, PCP's lead or other hazardous substances are the responsibility of the Purchaser.

k. TK Elevator retains title to and a security interest in all equipment it supplies – which TK Elevator and Purchaser agree can be removed without material injury to the real property – until all payments including deferred payments and any extensions thereof, are made. In the event of any default by Purchaser on any payment, or any other provision of this Proposal, TK Elevator may take immediate possession of the equipment and enter upon the premises where it is located – without legal process – and remove such equipment or portions thereof, irrespective of the matter of its attachment to the real estate or the sale, mortgage or lease of the real estate. Pursuant to the Uniform Commercial Code, and at TK Elevator's request, Purchaser agrees to execute any financial or continuation statements which may be necessary for TK Elevator to file in public offices in order to perfect TK Elevator's security interest in such equipment.

l. TK Elevator reserves the right to assign payments owed to TK Elevator under this Proposal.

m. TK Elevator shall not be liable for any loss, damage or delay caused by acts of government, labor troubles, strikes, lockouts, fire, explosion, theft, floods, riot, civil commotion, war, malicious mischief, acts of God or any cause beyond its control.

n. The rights of TK Elevator under this Proposal shall be cumulative and the failure on the part of the TK Elevator to exercise any rights hereunder shall not operate to forfeit or waive any of said rights. Any extension, indulgence or change by TK Elevator in the method, mode or manner or payment or any of its other rights shall not be construed as a waiver of any of its rights under this Proposal.

o. In the event TK Elevator engages a third party to enforce the terms of this Proposal, and/or to collect payment due hereunder, either with or without suit, Purchaser agrees to pay all costs thereof together with reasonable attorney's fees. Purchaser does hereby waive trial by jury and does hereby consent to the venue of any proceeding or lawsuit under this Proposal to be in the county where the work covered by this Proposal is located.

p. TK Elevator can furnish Certificate of Workers' Compensation, Bodily Injury and Property Damage Liability Insurance coverage to Purchaser upon written request.

q. Should loss of or damage to TK Elevator's material, tools or work occur at the project site, Purchaser shall compensate TK Elevator for such loss, unless such loss or damage results from TK Elevator's own acts or omissions.

r. Purchaser, in consideration of TK Elevator performing the services set forth in this Proposal, to the fullest extent permitted by law expressly agrees to indemnify, defend, save harmless, discharge, release and forever acquit TK Elevator Corporation, TK Elevator Manufacturing, Inc., their respective employees, officers, agents, insurers, affiliates, and subsidiaries (hereinafter singularly a "TK Elevator party" and collectively the "TK Elevator parties") from and against any and all claims, demands, suits, and proceedings for loss, property damage (including damage to the equipment which is the subject matter of this Proposal), personal injury or death that are alleged to either have arisen out of or be connected with the sale, marketing, presence, use, misuse, maintenance, installation, removal, modernization, manufacture, design, operation or condition of the equipment that is the subject matter of this Proposal or the labor and materials furnished in connection with this Proposal. Purchaser's duty to indemnify a TK Elevator party does not apply to the extent that the loss, property damage (including damage to the equipment which is the subject matter of this Proposal), personal injury or death is determined to be caused by or resulting from the negligence of that TK Elevator party. Purchaser recognizes that its obligation to defend the TK Elevator parties under this clause, which is separate and apart from its duty to indemnify the TK Elevator parties, includes payment of all attorneys' fees, court costs, judgments, settlements, interest and any other expenses of litigation arising out of such claims, demands, suits or proceedings.

s. Purchaser further expressly agrees to name Tk Elevator Corporation and TK Elevator Manufacturing, Inc. along with their respective officers, agents, affiliates and subsidiaries as additional insureds in Purchaser's liability and any excess (umbrella) liability insurance policy(ies). Such insurance must insure TK Elevator Corporation and TK

Modernization Proposal

Elevator Manufacturing, Inc. for those claims and/or losses referenced in the above paragraph and those claims and/or or losses arising from the negligence of TK Elevator Corporation and TK Elevator Manufacturing, Inc. Such insurance must specify that its coverage is primary and non-contributory. Purchaser hereby waives its right of subrogation.

t. TK Elevator's participation in any controlled insurance program is expressly conditioned upon review and approval of all controlled insurance program information and documentation prior to enrollment. Any insurance credits if applicable, will be provided at that time.

u. Unless so mutually agreed upon in a separate signed agreement, TK Elevator shall not be required to interact or correspond with any third party with whom Subcontractor is not in privity of contract concerning matters pertinent to this Agreement.

v. The Purchaser must inform TK Elevator if Purchaser is, or becomes, an individual or entity that is - or that is majority owned or controlled by a party that is - included on any list of restricted parties maintained by (i) the United States of America; (ii) the United Nations; (iii) the European Union or any EU member state; (iv) the UK; or (v) any other national authority binding the parties of this contract.

In case the Purchaser, or any other beneficiary of this transaction, e.g. the end-user, is or becomes an individual or entity that is - or that is majority owned or controlled by a party that is - included on any list of restricted parties, TK Elevator reserves the right to cancel this Proposal immediately.

If the goods subject to this Proposal would be exported, re-exported, resold, used, transferred or otherwise disposed of in violation of any sanctions applicable to TK Elevator, TK Elevator also reserves the right to cancel this Proposal immediately. In this respect, the Purchaser shall be obliged to disclose the final delivery address, end-user and end-use of the goods upon request - insofar as legally permissible - and to notify TK Elevator of all circumstances that indicate an aforementioned infringement.

"Sanctions" means here any economic, trade or financial sanctions, laws, regulations, embargoes or restrictive measures imposed, enacted, administered or enforced by any Sanctions Authority. "Sanctions Authority" means (i) the US;(ii) the UN Security Council;(iii) the EU and any EU member state;(iv) the UK; or(v) any governmental institutions of any of the foregoing which administer Sanctions, including HM Treasury, OFAC, the US State Department and the US Department of the Treasury.

10. Piping Clarifications

The current condition of the existing conduit and piping is solely based upon observations during time of jobsite visit. No covers or ceilings were disassembled to determine additional factors that may impede the use of existing conduit or hydraulic pipe.

In the event that the existing pipe or conduit is not reusable, a change order will be issued to for the additional work scope.

11. Electrical and Life Safety Clarifications

Code related Electrical upgrades will be completed as per scope identified by Wild Electric in Amendment 1

Code related FirePanel upgrades will be completed as per scope identified by RGE in Amendment 2

WILD ELECTRIC
Electrical Contractors & Engineers

SBE #1793136 | DIR #1000003088
CA Electrical Contractors License No: 500696
CO Electrical Contractor License No: EC.0102090

4626 EAST OLIVE AVENUE FRESNO, CA 93702
OFFICE (559)251-7770 CELL (559)341-8851

March 25th, 2025
TKE – Elevator Modernization
Shannon Parkade M St and w 18th St Merced
Wild Electric is pleased to provide you with a cost estimate to perform the work at Shannon Parkade as requested.

Work will be performed for (2) elevator cars/pits

Scope of work: Electrical

1. Upgrade light in pit to 4' LED weather tight. All fittings and boxes in pit to be weathertight
2. Replace outlets to GFCI and replace any setscrew fittings and boxes with weatherproof bell boxes as needed in pit.
3. Install new Elevator controller disconnect. With aux contact
4. Pipe and pull new wiring from the controller disconnect to the controller. Pull new aux contact wires
5. Install new 240v single phase disconnect for cab power. Pipe from disconnect to new controller
6. Install GFI for sump pump in the pit.
7. pipe from 120v panel to outlet in machine room to separate cab and elevator room 120vpower.
8. Identify elevator room light circuit/label. Isolate feed If tied to any other circuits

Scope of work: Fire life safety

1. Install conduit from Simplex controller in pump room to elevator landings.
2. Install mounting boxes at devise locations
3. Pull fire cable from pump room to device mounting boxes.
4. Provide dedicated 120v circuit from electrical room to fire life saftey panel, provided by others. wild electric will mount new panel.

This excludes any additions or repairs not in scope.
If you have any questions, please do not hesitate to call me. This estimate is good for 30 days.
-Garrett Church, Project Manager

R.G.E., INC.

Fire Protection Specialist

License No. 803674
37 W Goshen Ave
Clovis, CA 93611
559-349-9448
rgefire@yahoo.com

Sales
Engineering
Service

05/10/23

TK Elevator Corporation

Attn: Kent TappingS
RE: Shannon Parkcade Merced-Elevator Recall

RGE is pleased to present the following quotation on the above referenced project for your consideration.

Proposal
RGE will replace the existing fire alarm panel in fire pump room. RGE will install an FX-4000 Fire Alarm Panel and install addressable modules as required for existing devices. RGE will install heat detectors at each elevator landings and smoke detector and 3 addressable relays in each elevator machine room.
Wild Electric is to furnish a complete conduit system and install RGE furnished data cable. Wild Electric is to furnish a dedicated 20-amp circuit (120v) from electrical room to new fire alarm panel. RGE will program and test the system for proper operation. RGE will furnish drawing for installation.

Proposal Terms
Net 30 Days

Proposal Exclusions
Patching, painting, conduit, dedicated circuit

Proposal Validity
This proposal is valid for thirty days from the date of this proposal letter and is subject to a mutual agreement. A signed and dated Purchase Order is required before work is started.

Sincerely,

Ron Gulke
Project Engineer

Modernization Proposal

Acceptance

Purchaser's acceptance of this Proposal and its approval by an authorized manager of TK Elevator will constitute exclusively and entirely the agreement between the parties for the goods and services herein described and full payment of the sum of Four Hundred Thirty One Thousand Six Hundred Seventy Three Dollars and Sixty Three Cents ($431,673.63) inclusive of all applicable sales and use taxes.

All other prior representations or regarding this work, whether written or verbal, will be deemed to be merged herein and no other changes in or additions to this Proposal will be recognized unless made in writing and properly executed by both parties as a change order. Should Purchaser's acceptance be in the form of a purchase order or other similar document, the provisions of this Proposal will exclusively govern the relationship of the parties with respect to this transaction. No agent or employee shall have the authority to waive or modify any of the terms of this Proposal without the prior written approval of an authorized TK Elevator manager.

City Of Merced (Purchaser):	TK Elevator Corporation Management Approval
By:	By:
(Signature of Authorized Individual)	(Signature of Branch Representative)
	Robert Preston Branch Manager
(Print or Type Name)	
(Print or Type Title)	
(Date of Acceptance)	(Date of Execution)

TK Elevator

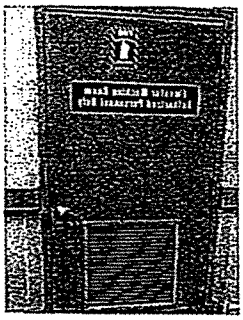
Elevator Modernization Projects - *Related Work / Work by Others*

Unless noted as included within TK Elevator's proposal scope of work, the following work has not been included in our standard proposal. The standard "related work" also known as "work by others," is outlined below for your information and in order to provide you with a full understanding of the associated costs involved with the elevator modernization project. A check list at the end of this form has been provided to assist in the identification process. A TK Elevator representative will assist you identifying the actual items required for your specific project. The most common items required by various Authorities Having Jurisdiction (AHJ) are:

- [ ] **MACHINE ROOM DOOR MECHANISM** - Machine room doors must have self-locking, self-closing mechanisms.

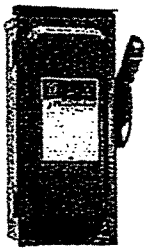
- [ ] **MACHINE ROOM DOOR RATING** - Machine room doors must carry 1 ½ hr. UL B Label rating unless the machine room is remote *AND* the building is three (3) stories or less per code/IBC.

- [ ] **MACHINE ROOM IDENTIFICATION** - Machine rooms must be identified and labeled on the door or entry wall.



- [ ] **MACHINE ROOM LOCATION / RATING** - Machine rooms must be separate from all other non-elevator equipment within the building. They must also be finished and carry a fire rating which may require that the existing machine room be walled in at the top of the room.

- [ ] **ELECTRICAL DISCONNECT SWITCHES** - Disconnect switches must be lockable, fusible and sized to accept new incoming power requirements from the new equipment. If the elevator power unit is upgraded, the existing power feeders, disconnects size and electrical conduit sizes may be affected. This cost is not included in our proposal.



TK Elevator

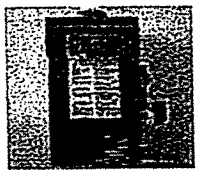
☐ **AUXILIARY CONTACTS** - If emergency battery lowering is being added to each hydraulic elevator, a separate set of auxiliary contacts will be required for the battery lowering feature per code (installed within a new electrical disconnect).

☐ **EARTH GROUND** - Provide a building Earth ground to each elevator disconnect switch in the machine room for proper elevator operation.

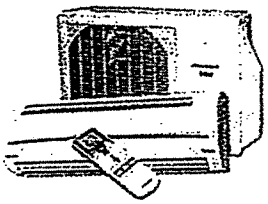
☐ **EMERGENCY POWER** - If emergency power is currently operational at the building and connected to the elevator(s), a separate electrical transfer switch and pre-signal connection may be required for the elevator(s). This may also require additional electrical conduit, wiring and testing of the emergency power.

☐ **FIRE SERVICE** - Phase I (hall recall) and Phase II (elevator cab operation) fire recall will be required by current codes. Specifically, a smoke sensor and/or heat or rise detector as applicable must reside in each machine room, hoistway (if required by the AHJ including sprinklers in the hoistway) and elevator lobby to initiate fire recall sequences spelled out by the relevant code. If an existing system is in place within the building, the system will need to be connect with the new elevator controls in the machine room including "fire hat" operation per current AHJ/building code requirements.

☐ **110V CAR LIGHTING** - Dedicated 110V fused cab lighting disconnect located next to an existing disconnect or elevator controller.



☐ **HVAC RECOMMENDATION** - Air conditioning (AC), mechanical or natural ventilation independently maintained in the elevator machine room is a code requirement. AC is strongly recommended to keep the equipment operating at an optimum temperature per the controller manufacturer recommendations for temperature range (60-85F degrees range, non-condensing).



TK Elevator

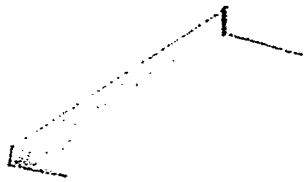
- [ ] **MACHINE ROOM VENTILATION / SCREENING** - Please be advised, the new controllers can be subject to excessive heat loads above 90 degrees Fahrenheit. Existing conditions should be checked to ensure current conditions will not affect the new controllers and all ventilation openings must be screened.

- [ ] **HOISTWAY VENTILATION** - Hoistway ventilation for elevators with three (3) or more landings as required by the AHJ/code.

- [ ] **VENTILATION COVERING** - All ventilation openings (i.e. machine room, hoistway) are required to have protective covering/screens installed over them to keep foreign objects and debris from entering the openings.

- [ ] **FIRE RATING / PATCHING** - The machine room and hoistway needs to maintain a two-hour (2) rating. This may require holes to be patched and covered with fire-resistant drywall and taping to retain the rating. In addition, any ledges beyond 4" in length must be covered with bevel cants to prevent anyone from standing in the hoist-way while the car is moving.

- [ ] **PIT / MACHINE ROOM LIGHTING** - Additional lighting may need to be added inside the pit area and machine room. Ten (10) foot candles are required in each elevator pit and 19-foot candles are required in each machine room per code. Fluorescent or LED light fixtures are recommended in the machine rooms, overhead and pit areas with an easy-accessible light switch installed in all locations.



- [ ] **GFCI OUTLETS** - Confirmation that existing outlets in machine room and pit are GFCI outlets or replace with GFCI outlets per code.

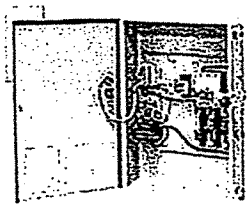
- [ ] **MACHINE ROOM EXPOSED BUILDING EQUIPMENT** - Any exposed pipes or non-elevator related equipment in the machine room will need to be encapsulated/soffited or troughs placed below to prevent liquid exposure to elevator equipment inside the machine room and hoist-way. Existing ceilings may need to be patched contingent upon decision by the local AHJ.

TK Elevator

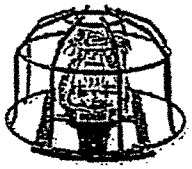
☐ **NO FOREIGN EQUIPMENT** - No foreign equipment may be installed (i.e. telephone equipment, sewer/drainage piping) or material stored (i.e. ladders, spare light fixtures, furniture, trash receptacles, etc.) inside the elevator machine room or hoistway.

☐ **FIRE EXTINGUISHER** - A class A-B-C Fire extinguisher is required in each machine room.

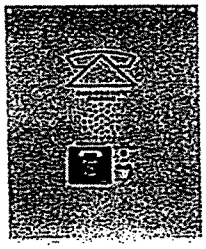
☐ **SHUNT TRIP OPERATION** – A shunt trip disconnect in the elevator machine room is required per NFPA Code if there are existing sprinklers or new sprinklers are installed. This may involve the installation of heat detectors and/or sprinkler flow switches as triggering devices.



☐ **SPRINKLERS** - Sprinkler fitting(s) with guard(s) in the hoistway, pit and machine room per AHJ/code/fire marshal – possible addition of heat detector or flow switch.



☐ **EMERGENCY TELEPHONE** - A dedicated phone line *per elevator* as required by code.



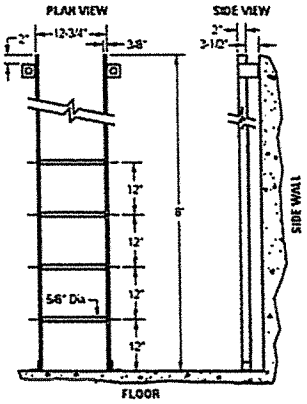
TK Elevator

☐ **SUMP PUMP** - A sump pump in the elevator pit may be required by the local AHJ. Check with the local AHJ to determine if a surface-level sump pump may be required or a variance for a water sensor is applicable for a modernization project.

☐ **HYDRAULIC JACK ASSEMBLY SEAL** - All in-ground hydraulic elevators must have a sealed jack hole (watertight) in the pit.

☐ **WALK-IN PITS** - If a walk-in pit is present on a traction elevator project, the AHJ may require the installation of an electric interlock and/or vision window on the door to shut off the elevator in the event the door is opened during normal elevator operation.

☐ **PIT LADDER** - A code-compliant pit ladder must be installed unless a walk-in pit is present.



☐ **ELEVATOR CAB FLOORING** - A finished elevator cab floor must be present and flush with the car sill so as not to create a tripping hazard inside the elevator.

☐ **ENTRANCE TRIPPING HAZARDS** - No tripping hazards in front of each elevator entrance/landing are to be present and the flooring must meet the hall sill at the same level.

TK Elevator

- [ ] **ASBESTOS / LEAD PAINT** - Please provide TK Elevator with a copy of any available report regarding the presence of existing asbestos, lead paint or any other known hazard within the project including areas around the machine room, pit, entrances and hoistway equipment.

- [ ] **CUTTING / PATCHING / FINISHING** - If a purchaser chooses to have flush-mount hall stations and/or flush-mount hall/car lanterns, it is possible that there will be cutting, patching, and painting to install these types of fixtures. This cost is not included in our proposal and will likely require a separate contractor/cost.

The above noted requirements are consolidated from various applicable codes, guidelines and regulations in effect throughout the United States and Canada including but not limited to:

1. *Safety Code for Elevators and Escalators*, ASME/ANSI A17.1;
2. *Elevator and Escalator Electrical Equipment*, ASME/ANSI A17.5;
3. *Guide for Inspection of Elevators, Escalators and Moving Walks*, ASME/ANSI A17.2;
4. Life Safety Code, NFPA 101;
5. National Electrical Code, NFPA 70;
6. Uniform Building Code;
7. Americans with Disabilities Act, ADA guidelines;
8. Uniform Federal Accessibility Standard, UFAS;
9. Local Fire Authority;

Since many of the noted items are subject to interpretation or variance dependent upon inspection authority and applicable code(s), having an AHJ inspector review the site conditions if feasible may assist in determining actual total project costs for your modernization project and associated related work. Please discuss a site-specific assessment of your building's existing site conditions with your TK Elevator representative.

In order to assist you in the related work assessment process, a checklist of the above noted items has been provided for your reference/use.

TK Elevator

Related Work / Work by Others Checklist

Job Name:_____ Elevator No(s)._____ TK elevator Job No._____

Bldg. Contact:_____ Applicable Code(s)_____

The following is a list of work needed to be completed by others prior to TK Elevator's return to the site to adjust/inspect the job unless alternate arrangements have been made:

- ☐ Adequate permanent power to the elevator controller – usually through a lockable, three (3) phase and fused disconnect per AHJ/local codes.
- ☐ Auxiliary electrical disconnect contact for battery lowering device.
- ☐ Separate electrical transfer switch and pre-signal connection for buildings with emergency power.
- ☐ Building Earth ground to each elevator disconnect switch in the machine room(s)
- ☐ Self-closing, self-locking machine room door.
- ☐ Fire-rated machine room door.
- ☐ Identified and labeled machine room door.
- ☐ Finished and fire-rated machine room walls (no holes) and separate from all non-elevator related equipment.
- ☐ Sealed penetrations in hoistway and machine room (fire-caulking or similar around machine room and hoistway intrusions).
- ☐ Class A-B-C fire extinguisher inside the machine room.
- ☐ No storage in elevator machine room (other than elevator-related items).
- ☐ Complete drywall installation inside hoistway with fire tape (if not concrete or block) with no ledges.
- ☐ Mechanical or natural machine room ventilation (recommend mechanical AC).
- ☐ Adequate machine room lighting, switches and GFCI receptacles.
- ☐ Dedicated circuit, lockable (by padlock) and fused electrical disconnect for 110VAC lighting per code.
- ☐ Dedicated and operational (i.e. dial tone) telephone line to *each* elevator.
- ☐ Potential asbestos, lead paint or other hazard.
- ☐ Operational fire-life safety system including smoke sensor wiring to the elevator machine room (into a J-box) and tied into the elevator controller(s).
- ☐ Smoke sensor in the hoistway , machine room and at all floor levels near elevator doors/ entrances per AHJ/code.
- ☐ Sprinkler fitting with guard in the hoistway, pit and machine room per AHJ/code/fire marshal – possible addition of heat detector.
- ☐ Hoistway ventilation (three (3) or more landings) per AHJ/code.
- ☐ Shunt trip breaker for buildings with sprinklers including if required heat/flow detectors and control.
- ☐ No foreign equipment may be installed inside the elevator machine room or hoistway. (i.e. telephone equipment, sewer/drainage piping, foreign wiring, conduit, etc.).
- ☐ Pit ladder installed per AHJ/code.
- ☐ Sump pump (where required by AHJ/code).
- ☐ Screening of all ventilation openings (i.e. machine room, hoistway, etc.).
- ☐ Adequate pit light(s) with guard(s), switches and GFCI receptacle(s).
- ☐ Sealed jack hole – watertight (hydraulic elevators only).
- ☐ Finished elevator cab floor must be present and flush with the car sill.
- ☐ Trip hazards at floor levels.
- ☐ Finished front walls for mounting hall signal fixture cover plates.
- ☐ Additional items noted on reverse of this form.

Once the above items have been completed, please contact your local TK Elevator office. A TK Elevator representative will visit the site to confirm the work is completed and then schedule the inspection with the AHJ. Please allow approximately two (2) weeks for scheduling, adjusting and testing. Please note that we are not able to schedule an inspection by the AHJ on modernized elevator equipment until all the above items are completed. In addition, please arrange to have all appropriate trades available for final AHJ inspection. If access to the hoistway is required to complete items that should have been done during the installation process, a signed change order for an operator at our standard rates may be required prior to scheduling the work. Additional charges may be billed for remobilization of the modernization installation crew if the above work is not completed and the crew(s) was/were removed from the project jobsite.

Form completed by:_____ Date:_____

Certificate Of Completion

Envelope Id: 9EEB5F03-C8D1-461B-8494-7DC21413A9E5
Subject: City of Merced/Shannon Parcade Elevator
Tyler Contract Number:
Source Envelope:
Document Pages: 44
Certificate Pages: 4
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Signatures: 1
Initials: 0

Status: Completed

Envelope Originator:
Jamie Cruz
678 W 18th Street
Merced, CA 95340
CruzJ@cityofmerced.gov
IP Address: 136.226.78.94

Record Tracking

Status: Original
3/4/2026 3:43:20 PM
Security Appliance Status: Connected

Holder: Jamie Cruz
CruzJ@cityofmerced.gov
Pool: StateLocal

Location: DocuSign

Signer Events	Signature	Timestamp
Michael Brown michael.e.brown@tkelevator.com Contract Analyst Supervisor TK Elevator Corp Security Level: Email, Account Authentication (Optional), Logged in	Signed by: Michael Brown 1BBBE291F33949F... Signature Adoption: Pre-selected Style Using IP Address: 104.60.173.6	Sent: 3/4/2026 3:45:57 PM Viewed: 3/25/2026 7:55:33 AM Signed: 3/25/2026 8:19:27 AM

Electronic Record and Signature Disclosure:
Accepted: 3/25/2026 7:55:32 AM
ID: b202e784-65dd-4e81-bba3-1af956ca7f29

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/4/2026 3:45:57 PM
Certified Delivered	Security Checked	3/25/2026 7:55:33 AM
Signing Complete	Security Checked	3/25/2026 8:19:27 AM
Completed	Security Checked	3/25/2026 8:19:27 AM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, City of Merced (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact City of Merced:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: cityclerk@cityofmerced.org

To advise City of Merced of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at cityclerk@cityofmerced.org and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from City of Merced

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to cityclerk@cityofmerced.org and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with City of Merced

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to cityclerk@cityofmerced.org and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: https://support.docusign.com/guides/signer-guide-signing-system-requirements.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify City of Merced as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by City of Merced during the course of your relationship with City of Merced.

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-261 Meeting Date: 4/20/2026

Report Prepared by: Jeff Bennyhoff, Director of Information Technology

SUBJECT: Approval of a Supplemental Appropriation in the Amount of $21,300 from the Unreserved, Unencumbered Fund Balance of Fund 7008 Support Services and Authorize Procurement of SB 707 Compliance Technology up to $123,824, for Public Meeting Access and Broadcasting Systems

REPORT IN BRIEF

Staff recommends that the City Council approve a supplemental appropriation of $21,300 from the unreserved, unencumbered balance of Fund 7008-Support Services, waive competitive bidding as permitted by Municipal Code, and authorize the procurement of SB 707 compliance technology for a total cost not to exceed $123,824.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving a supplemental appropriation of $21,300 from the unreserved, unencumbered fund balance in Fund 7008-Support Services and appropriating the same to Software subscription account; and,

B. Waiving the City competitive bidding requirements as permitted by Merced Municipal Code Section 3.04.210 for standardization of equipment and cooperative purchasing; and,

C. Authorizing the increase of expenditure authority under the Sourcewell Contract #121923 by $20,872 for a total not to exceed of $520,872 for several cooperative agreements for technology and equipment for Fiscal Year 2025-26; and,

D. Authorizing the City Manager to execute a change order agreement with Granicus for $1,901; and,

E. Approving the procurement and implementation of SB 707 compliance technology, including the required components identified in this report, for a total cost of $34,546; and,

F. Approving the procurement and implementation of the optional enhancements identified in this

report, for a total additional cost of $89,278.

ALTERNATIVES

1. Adopt the motion as recommended; or,
2. Approve, subject to other than recommended; or,
3. Refer the item back to staff for further evaluation; or,
4. Deny.

AUTHORITY

Merced Municipal Code Section 3.04.210

CITY COUNCIL PRIORITIES

Supports transparency, public access, operational stability, and legal compliance as provided in the adopted fiscal year budget.

DISCUSSION

Background

Senate Bill 707 (SB 707), titled *"Open Meetings: Meeting and Teleconference Requirements,"* was signed into law on October 3, 2025. The legislation constitutes a substantial update and reorganization of the Brown Act in many respects. At the April 6, 2026 City Council Meeting, the City Attorney's Office made a presentation providing an overview of many of these changes affecting how meetings are held, and specifically changes that must occur with respect to the way City Council conducts it's meetings. This evening, the City Attorney's Office presented information focused on the legal changes to teleconferencing rules under the Brown Act as a result of SB 707.

One of the most significant changes under SB 707 is the requirement that eligible legislative bodies conducting meetings must provide the public with the ability to participate and provide public comment remotely in real time.

Information Technology Department Impacts

Implementation of SB 707 will increase live-meeting support and real-time monitoring responsibilities for the Information Technology Department. While additional staffing is not required, the expanded operational demands are expected to result in approximately $1,600 annual overtime costs. In addition, anticipated on-going licensing and support costs of $21,104 will be borne by the department and incorporated into future operating budgets.

SB 707 Compliance Technology Cost Summary

The following expenditures are required to achieve and maintain compliance with SB 707 requirements for meaningful public access, disruption management, accessibility integration, and operational continuity.

Required Items

Item No.	Description	PEG Fund	Support Services Fund	Total Cost	Anticipate FY26/27 Expense (Support Services Fund)	Authority
1	Remote Registration and Queue Status Public Portal	$0	$19,399	$19,399	$18,112	Below Bid Threshold FYI Contract Already Executed
2	Portable Equipment (Offsite / Town Hall Use)	$6,615	$0	$6,615	$0	Waive Bid Cooperative Agreement
3	Stream/Comment Monitoring Stations	$8,532	$0	$8,532	$0	Waive Bid Cooperative Agreement
Total		$15,147	$19,399	$34,546	$18,112	

Optional Items

The following optional expenditures would enhance meeting operations by improving remote public access, accessibility, and overall meeting efficiency. While not strictly required for baseline compliance with SB 707, these enhancements support smoother meeting administration and improved experience for in-person and remote participants.

Item No.	Description	PEG Fund	Support Services Fund	Total Cost	Anticipate FY26/27 Expense Support Services Fund	Authority
1	Council Chambers 3rd party Usage	$16,469	$0	$16,469	$0	Below Bid Threshold
2	Asynchronous Public Comment Portal	$0	$1,901	$1,901	$2,992	Waive Bid Standardization
3	Video Production and Streaming System Replacement	$48,463	$0	$48,463	$0	Waive Bid Standardization
4	Agenda Item Display System	$13,063	$0	$13,063	$0	Below Bid Threshold
5	Remote Public Comment Countdown Timer Integration	$3,657	$0	$3,657	$0	Below Bid Threshold
6	Sam Pipes Room Backup Meeting Capability	$5,725	$0	$5,725	$0	Waive Bid Cooperative Agreement
Total		$87,377	$1,901	$89,278	$2,992	

Funding Source: Public, Educational, and Governmental (PEG)

Pursuant to Merced Municipal Code Section 3.50.010(A), the City receives a 1% Public, Educational, and Governmental (PEG) fee based on the gross revenues of state cable franchise holders. These funds are restricted for use in supporting public, educational, and governmental audiovisual access consistent with state and federal law. Capital equipment and installation directly supporting governmental broadcasting, including Council Chambers Audio Visual systems, qualifies PEG

funding.

Other Funding Sources

Any remaining project costs not eligible for or covered by available PEG revenues will be funded from unreserved, unencumbered fund balance in Fund 7008-Support Services.

Additional Enhancements Not Mandated by SB 707

1. **Third-Party Governmental Use of Council Chambers**

The Council Chambers technology system is configured solely for City of Merced legislative bodies and cannot support third-party governmental agencies conducting SB 707-compliant meetings under the existing system architecture. To enable outside governmental entities to conduct SB 707-compliant meetings in the Council Chambers, the City would need to procure approximately $16,469 in additional equipment. Pursuant to Administrative Policy A-4, governmental entities are not charged a facility use fee for use of the room. Accordingly, this expenditure would not be offset through rental revenue under the existing policy.

2. **Asynchronous Public Comment Portal**

Staff recommends an optional online public comment portal allowing written comments to be submitted in advance of meetings. By organizing comments beforehand, the City can improve efficiency and potentially shorten the duration of live public comment, while preserving all required real-time participation rights.
The portal would expand accessibility for residents unable to attend live meetings and provide an alternative for individuals uncomfortable with public speaking. Advance submissions would supplement, not replace, real-time public comment rights required under SB 707.

3. **Video Production and Streaming System Replacement**

Staff recommends replacing the Council Chambers video production and streaming system. While not required under SB 707, the existing system is reaching the end of its useful life and is scheduled for replacement in the upcoming fiscal year. Proceeding at this time allows the City to coordinate the replacement with current operational adjustments, avoid duplicative efforts, and incorporate minor streaming and production enhancements. Funding for the replacement is in Public, Educational, and Governmental (PEG) access funds, consistent with allowable uses.

4. **Agenda Item Display System**

Staff recommends funding a display system in the Council Chamber that clearly identifies the agenda item currently under consideration. This improvement is intended to assist both in-person attendees and remote participants, particularly those who join the meeting after discussion has begun. By providing a real-time indication of the active agenda item, the system will reduce confusion regarding

the appropriate time for public comment and support more efficient and orderly meeting proceedings.

5. Remote Public Comment Countdown Timer Integration

Integrate the countdown clock into the remote meeting platform to ensure remote participants can consistently view remaining speaking time and hear the audible buzzer when time expires. Due to current camera system limitations, I.T. cannot reliably display the timer for remote speakers. This enhancement would provide consistent visual time tracking, improve transparency and reduce the need for Clerk staff to verbally notify speakers when their allotted time has concluded.

6. Secondary Meeting Space Redundancy (Sam Pipes Room)

Staff recommends configuring the Sam Pipes Room to meet the minimum requirements necessary to host legislative body meetings, allowing it to accommodate meetings or serve as a backup location during technology failures, maintenance, or construction in the Council Chambers. Establishing this redundancy supports uninterrupted public access, reduces operational risk.

Total Project Cost (All Options)

If the Council elects to proceed with all recommended options, the total estimated project cost would be $123,824 as outlined in the table below.

	PEG Fund	Support Service Fund	Total Cost
Required	$15,147	$19,399	$34,546
Optional	$87,377	$1,901	$89,278
Total	$102,524	$21,300	$123,824

Competitive Bidding Waiver

Pursuant to Merced Municipal Code Section 3.04.210, staff recommends that the City Council authorize the use of cooperative purchasing agreements and, where necessary, waive competitive bidding requirements due to standardization requirements for the procurement of SB 707-related public meeting technology systems and associated equipment.

1. Standardization: Remote Registration and Queue Status Public Portal, Video Production and Streaming System Replacement, Asynchronous Public Comment Portal. Should Council authorize these components, procurement would be based on the operational necessity of maintaining compatibility and standardization with the City's existing agenda management and video streaming platforms.

2. Existing Procurement Authority and Requested Increase: Certain related equipment and ancillary

items fall within the Information Technology Department's existing cooperative purchasing authority previously approved by Council in July 2025 through a Sourcewell cooperative agreement with CDW-G or remain below formal bidding thresholds established by the Municipal Code and may be completed administratively. Staff is requesting authority to increase the previously approved expenditure authority with CDW-G by $20,872 to accommodate the additional equipment identified in this report.

State Mandates Reimbursement Considerations

SB 707 imposes additional procedural, staffing, and operational requirements on local legislative bodies. As a result, the City will evaluate whether the legislation constitutes a reimbursable state mandate under Article XIII B, Section 6 of the California Constitution.
The State Mandates process requires local agencies to file a test claim with the Commission on State Mandates (CSM) asserting that a new law or regulation imposes costs mandated by the State. If the Commission determines that SB 707 contains reimbursable mandates, it will adopt parameters and guidelines defining eligible activities and cost categories. Local agencies may then submit reimbursement claims through the State Controller's Office for qualifying costs incurred.

At this time, it is uncertain whether SB 707 will be determined to be a reimbursable mandate, in whole or in part. Even if deemed reimbursable, the process for approval, adoption of guidelines, and appropriation of funding by the Legislature can take several years. Historically, mandate reimbursements are often delayed and may not fully offset the actual operational costs incurred.

Staff will monitor actions by the Commission on State Mandates and collaborate with statewide municipal associations as appropriate. If a reimbursable mandate determination is made, the City will evaluate and submit claims for eligible costs in accordance with adopted guidelines.

Until such time, the City must proceed with implementation using local funds to ensure compliance with SB 707 by the statutory deadline.

Impacts if Not Approved

Failure to approve the recommended technology may result in the City being unable to meet SB 707 requirements for real-time remote public participation, potentially exposing the City to Brown Act violations.

Impact on City Resource

The total cost of SB 707 compliance technology is $123,824. Fund 3004-PEG covers $102,524 and staff is requesting a supplemental appropriation of $21,300 from the unreserved, unencumbered fund balance of Fund 7008-Support Services to fund the implementation of SB707 compliance

technology.

Ongoing costs of approximately $21,104 annually will be included into future operating budgets of Fund 7008-Support Services. Since Support Services is an internal service fund than the costs will be shared be most funds. Capital costs of up to $102,524 will be funded through the PEG Fund, contingent upon Council approval of optional components.

This item will require five (5) affirmative votes for approval.

ATTACHMENTS

1. Contract for Remote Registration and Queue Status Public Portal with Public Input
2. Quote for Portable Equipment (Offsite / Town Hall Use)
3. Quote for Stream/Comment Monitoring stations
4. Quote for Council Chambers 3rd Party Usage
5. Contract Amendment for Asynchronous Public Comment Portal with Granicus
6. Quote for Video Production and Streaming System Replacement
7. Quote for Agenda Item Display System
8. Quote for Remote Public Comment Countdown Timer Integration
9. Quote for Sam Pipes Secondary Source
10. Presentation

PublicInput

ANNUAL SERVICE AGREEMENT

Customer: City of Merced

Customer Contact:	Jeff Bennyhoff	Created Date	02 / 26 / 2026
Contact Email:	bennyhoffj@cityofmerced.gov	Currency:	USD
Billing Contact:	Jeff Bennyhoff	Service Term Start Date:	04 / 01 / 2026
Billing Email:	bennyhoffj@cityofmerced.gov	Service Term End Date:	03 / 31 / 2027
Billing Address:	678 West 18th Street Merced, California 95340		
PO#:			

Service Order Form

Annual Subscriptions

	Quantity	Annual Fees
PublicInput Meetings Advanced	1	$10,249.00 per year

PublicInput

	Quantity	Annual Fees

- **Meeting Registration** — Public form for residents to register and choose participation method.
- **Meeting Sign-in Kiosks** — On-site digital check-in via kiosk or QR code.
- **Custom Registration Form Builder** — Create tailored registration fields for compliance and operations.
- **Meeting Comment Box** — Online form for written comments tied to a meeting.
- **Voicemail Comments** — Dedicated line for recorded public comments with transcription.
- **Meeting Transcript** — AI-generated, timestamped transcript of meeting discussion and comments.
- **Live Streaming** — Embed live video directly on the meeting participation page.
- **Live Captions** — Real-time captions to improve accessibility and ADA support.
- **Live Polling** — Run polls during meetings to collect instant public feedback.
- **Live Digital Comments** — Accept real-time digital comments during live meetings.
- **Phone Dial-In Access** — Let speakers join and queue by phone remotely.
- **Agenda Sync** — Import agenda items from Legistar, OneMeeting, or manual setup.
- **Agenda Translation** — Machine-translate agenda content for multilingual public access.
- **Speaker Registration** — Register to speak on specific agenda items with stance.
- **Speaker Queue Management** — Real-time clerk view for order, status, and speaker flow.
- **Meeting Reports** — Live and post-meeting reporting on speakers, attendance, and comments.
- FloorBoard Live Display — In-chamber display showing active speaker, queue, and timing.

Additional Meetings Admins	14	$7,000.00 per year
	Annual Total	$17,249.00

One-Time Services

	Price	Quantity	Total
Onboarding and Setup	$2,149.80	1	$2,149.80

PublicInput will provide onboarding and implementation services, including project planning, kickoff, discovery, platform configuration, testing, training, and deployment support. Implementation is led by certified project managers using a proven, PMI-aligned methodology to ensure delivery on time and within scope. Following launch, PublicInput will provide ongoing customer support, maintenance, upgrades, and continuous improvement to help the Customer maximize long-term value from the platform.

One-Time Total	$2,149.80

APPROVED AS TO FORM:

Craig Cornwell 3/4/2026

CRAIG J. CORNWELL Date
City Attorney-City of Merced

Initial Term Total	$19,398.80

Invoice Date: Upon signed acceptance of this service agreement.

PublicInput

Payment Terms: Net 30

Additional Notes:

- Additional incremental annual subscription fees shall apply if Customer requests additional units or services during the Service Term period.
- Prices shown above do not include any taxes that may apply. Any such taxes are the responsibility of Customer. This is not an invoice.
- Remittance Advice & Billing Inquiries: accounting@publicinput.com
- The Service Term shall be the period starting from the Service Term Start Date through the Service Term End Date.
- Text credit purchases are non refundable and non transferable.

This Service Agreement, and any subsequent Service Agreement executed by PublicInput and the Customer named below, and including the Terms of Service at: https://publicinput.com/wp/terms-conditions/ and all terms referenced herein and therein and all attachments, exhibits and addenda hereto, govern Customer's purchase of the Services (collectively, the "Agreement") and by executing this Service Agreement, Customer agrees to each of the foregoing. This Service Agreement is effective as of the last date of signature by both PublicInput and Customer as set forth below (the "**Effective Date**").

The pricing offered in this Service Agreement is valid 60 days from Created Date.

City of Merced Addendum to Terms and Conditions

Notwithstanding anything to the contrary in the PublicInput Terms and Conditions referenced in this Service Agreement, the following modifications shall apply solely to the Agreement between Provider and the City of Merced:

1. Renewal

The Agreement shall commence on the Service Term Start Date and continue through the Service Term End Date as set forth in this Service Agreement. The Agreement shall expire at the end of the Service Term unless the parties mutually agree in writing to renew the Agreement for an additional term. Any renewal shall be subject to mutually agreed pricing.

The automatic renewal provision in the PublicInput Terms and Conditions is hereby deleted for purposes of this Agreement.

2. Accessibility (WCAG 2.1 AA)

Provider represents that the hosted PublicInput platform is designed to substantially conform to the Web Content Accessibility Guidelines (WCAG) 2.1 Level AA standards. Provider shall use commercially reasonable efforts to maintain such substantial conformance during the Term and to remediate verified accessibility issues identified by Customer in a timely manner.

3. Cyber Liability Insurance

PublicInput

Provider shall maintain during the Term cyber liability insurance, including coverage for network security and privacy liability, with limits of not less than $2,000,000 per occurrence and in the aggregate, issued by a carrier authorized to do business in the United States. Upon request, Provider shall furnish a certificate of insurance evidencing such coverage.

4. California Public Records Act
The parties acknowledge that the City of Merced is a public entity subject to the California Public Records Act (Gov. Code § 6250 et seq.) and other applicable disclosure laws. The City may disclose information, including Confidential Information, to the extent required by law.

In the event the City receives a request for disclosure of any information designated as Confidential Information by Provider, the City shall:

- Promptly notify Provider in writing of the request (to the extent legally permitted);
- Provide Provider a reasonable opportunity to assert any applicable exemptions or seek a protective order or other appropriate remedy;
- Cooperate, at no material cost to the City, in any reasonable efforts by Provider to prevent or limit disclosure; and
- Disclose only that portion of Confidential Information that the City determines, based on advice of counsel, is legally required to be disclosed.

Any disclosure made by the City in compliance with this Section shall not constitute a breach of the Agreement.

5. Governing Law
This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflict of law principles. Any legal action or proceeding arising under this Agreement shall be brought in a court of competent jurisdiction located in California.

This Service Agreement is accepted and agreed to by:

Cityzen Solutions, Inc. dba PublicInput	**Merced City, CA**
DocuSigned by: Kevin Fowler 00B122B8272B46D... Kevin Fowler 03/13/2026 | 8:39 AM PDT	CITY OF MERCED A California Charter Municipal Corporation BY: Scott McBride City Manager Scott McBride DATE: 3/12/26

Account Number: **70084710-511009**

Amount: **$19,398.80**

ATTEST:
Scott McBride — Assistant / Deputy City Clerk

APPROVED BY:
Finance Officer

FINANCE ENTRY	
Contract No:	1943
Vendor No:	2541
Project String:	N/A
Funds Available:	Funds available. JC 3/12/26 FL 3/12/26

Terms & Conditions

Updated 7/1/2025

THESE TERMS AND CONDITIONS GOVERN YOUR USE AND ACCESS TO THE SERVICES PURCHASED BY YOU UNDER AN APPLICABLE SERVICE AGREEMENT AND TOGETHER WITH EACH EXECUTED SERVICE AGREEMENT CONSTITUTE THE AGREEMENT.

BY ACCEPTING THESE TERMS AND CONDITIONS (THE AGREEMENT), BY EXECUTING A SERVICE AGREEMENT THAT REFERENCES THIS AGREEMENT, THE CUSTOMER ("Customer") AGREES TO THE TERMS OF THIS AGREEMENT. IF YOU ARE ENTERING INTO THIS AGREEMENT ON BEHALF OF A COMPANY OR OTHER LEGAL ENTITY, YOU REPRESENT THAT YOU HAVE THE AUTHORITY TO BIND SUCH ENTITY TO THIS AGREEMENT, IN WHICH CASE THE TERM "CUSTOMER" SHALL REFER TO SUCH ENTITY. IF THE CUSTOMER DOES NOT HAVE SUCH AUTHORITY, OR IF THE CUSTOMER DOES NOT AGREE WITH THIS AGREEMENT, THE CUSTOMER MUST NOT ACCEPT THIS AGREEMENT AND MAY NOT USE THE SERVICES.

This Agreement is effective between the Customer and Cityzen Solutions, Inc (dba PublicInput) as of the earlier of the date both the Customer and Cityzen Solutions, Inc. executed the Service Agreement referencing these Terms and Conditions or the date the Customer signed your acceptance ("Effective Date") and may be amended only as set forth herein.

1. Definitions.

(a) "**Aggregated Statistics**" means data and information related to Customer's use of the Services that is used by Provider in an aggregate and anonymized manner, including to compile statistical and performance information related to the provision and operation of the Services.

(b) "**Authorized User**" means Customer's employees, consultants, contractors, and agents (i) who are authorized by Customer to access and use the Services under the rights granted to Customer pursuant to this Agreement and (ii) for whom access to the Services has been purchased hereunder.

(c) "**Customer Data**" means, other than Aggregated Statistics, information, data, and other content, in any form or medium, that is submitted, posted, or otherwise transmitted by or on behalf of Customer or an Authorized User through the Services

(d) "**Documentation**" means Provider's user manuals, handbooks, and guides relating to the Services provided by Provider to Customer available at www.publicinput.com/training and www.support.publicinput.com/en.

(e) "**Provider IP**" means the Services, the Documentation, and any and all intellectual property provided to Customer or any Authorized User in connection with the foregoing. For the avoidance of doubt, Provider IP includes Aggregated Statistics and any information, data, or other content derived from Provider's monitoring of Customer's access to or use of the Services, but does not include Customer Data.

(f) "**Services**" means the software-as-a-service offering described in the Annual Service Agreement. Any additional tasks outside of the software-as-a-service offering, including but not limited to website development or consulting, are not included in the Services.

(g) **"Fees"** means the Service Term Fee listed in the Annual Service Agreement.

2. Access and Use.
(a) Provision of Access. Subject to and conditioned on Customer's payment of Fees and compliance with all other terms and conditions of this Agreement, Provider hereby grants Customer a non-exclusive, non-transferable (except in compliance with Section 12(g)) right to access and use the Services during the Term, solely for use by Authorized Users in accordance with the terms and conditions herein. Such use is limited to Customer's internal use. Provider shall provide to Customer the necessary passwords and network links or connections to allow Customer to access the Services. The total number of Authorized Users will not exceed the number set forth in the **Annual Service Agreement**, except as expressly agreed to in writing by the Parties and subject to any appropriate adjustment of the Fees payable hereunder.

(b) Documentation License. Subject to the terms and conditions contained in this Agreement, Provider hereby grants to Customer a non-exclusive, non-sublicensable, non-transferable (except in compliance with Section 12(g)) license to use the Documentation during the Term solely for Customer's internal business purposes in connection with its use of the Services.

(c) Use Restrictions. Customer shall not use the Services for any purposes beyond the scope of the access granted in this Agreement. Customer shall not at any time, directly or indirectly, and shall not permit any Authorized Users to: (i) copy, modify, or create derivative works of the Services or Documentation, in whole or in part; (ii) rent, lease, lend, sell, license, sublicense, assign, distribute, publish, transfer, or otherwise make available the Services or Documentation; (iii) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to any software component of the Services, in whole or in part; (iv) remove any proprietary notices from the Services or Documentation; or (v) use the Services or Documentation in any manner or for any purpose that infringes,

misappropriates, or otherwise violates any intellectual property right or other right of any person, or that violates any applicable law.

Without limiting the generality of the foregoing, Customer shall not, except as this Agreement expressly permits: (i) host content, surveys, communications, or data on behalf of another organization or public agency that is not explicitly licensed to use the Services; (ii) share or permit any authorized administrative user to share any access credentials with any person other than an authorized administrative user. For additional clarity regarding this Section 2(c), frequently asked questions about agency licenses are provided at https://blog.publicinput.com/agency-license-sharing.

(d) Reservation of Rights. Provider reserves all rights not expressly granted to Customer in this Agreement. Except for the limited rights and licenses expressly granted under this Agreement, nothing in this Agreement grants, by implication, waiver, estoppel, or otherwise, to Customer or any third party any intellectual property rights or other right, title, or interest in or to the Provider IP.

(e) Suspension. Notwithstanding anything to the contrary in this Agreement, Provider may temporarily suspend Customer's and any Authorized User's access to any portion or all of the Services if: (i) Provider reasonably determines that (A) there is a threat or attack on any of the Provider IP; (B) Customer's or any Authorized User's use of the Provider IP disrupts or poses a security risk to the Provider IP or to any other customer or vendor of Provider; (C) Customer, or any Authorized User, is using the Provider IP for fraudulent or illegal activities; (D) subject to applicable law, Customer has ceased to continue its business in the ordinary course, made an assignment for the benefit of creditors or similar disposition of its assets, or become the subject of any bankruptcy, reorganization, liquidation, dissolution, or similar proceeding; or (E) Provider's provision of the Services to Customer or any Authorized User is prohibited by applicable law; (ii) any vendor of Provider has suspended or terminated Provider's access to or use of any third-party services or products required to enable Customer to access the Services; or (iii) Customer is more than fifteen (15) days late in paying any undisputed Fees, as described in Section 5(a). Provider shall use commercially reasonable efforts to provide written notice of any Service Suspension to Customer and to provide updates regarding resumption of access to the Services following any Service Suspension. Provider shall use commercially reasonable efforts to resume providing access to the Services as soon as reasonably possible after the event giving rise to the Service Suspension is cured. Provider will have no liability for any damage, liabilities, losses (including any loss of data or profits), or any other consequences that Customer or any Authorized User may incur as a result of a Service Suspension.

(f) Aggregated Statistics. Notwithstanding anything to the contrary in this Agreement, Provider may monitor Customer's use of the Services and collect and compile Aggregated Statistics. As between Provider and Customer, all right, title, and interest in Aggregated Statistics, and all intellectual property rights therein, belong to and are retained solely by Provider. Customer acknowledges that Provider may compile Aggregated Statistics based on Customer Data input into the Services. Customer agrees that Provider may (i) make Aggregated Statistics publicly available in compliance with applicable law, and (ii) use Aggregated Statistics to the extent and in the manner permitted under applicable law; provided that such Aggregated Statistics do not identify Customer or Customer's Confidential Information.

3. Customer Responsibilities.
(a) General. Customer is responsible and liable for all uses of the Services and Documentation resulting from access provided by Customer, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Without limiting the generality of the foregoing, Customer is responsible for all acts and omissions of Authorized Users, and any act or omission by an Authorized User that would constitute a breach of this Agreement if taken by Customer will be deemed a breach of this Agreement by Customer. Customer shall use reasonable efforts to make all Authorized Users aware of this Agreement's provisions as applicable to such Authorized User's use of the Services, and shall cause Authorized Users to comply with such provisions.

4. Support. The access rights granted hereunder entitle Customer to the support services described on **Exhibit A** for one year following the Effective Date under this Agreement and thereafter, solely if Customer purchases additional support services.

5. Fees and Payment.
(a) Fees. Customer shall pay Provider the Service Term Fee for the Service Term as set forth in the **Annual Service Agreement**. Service Term Fee is due thirty days (Net 30) from receipt of invoice. For purposes of this Agreement, the Services Term Fee shall be referred to as the "**Fees.**" Customer shall make all payments hereunder in US dollars on or before the Annual Payment Date set forth in the **Annual Service Agreement**. If Customer fails to make any payment when due, without limiting Provider's other rights and remedies and if such failure continues for fifteen (15) days or more, Provider may suspend Customer's and its Authorized Users' access to any portion or all of the Services until such amounts are paid in full. Provider reserves the right to increase its Fees at the end of the Service Term. All payments related to Fees are non refundable and non transferable.
(b) Taxes. All Fees and other amounts payable by Customer under this Agreement are exclusive of taxes and similar assessments. Customer is responsible for all sales, use, and

excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, state, or local governmental or regulatory authority on any amounts payable by Customer hereunder, other than any taxes imposed on Provider's income.

6. Confidential Information. From time to time during the Term, either Party may disclose or make available to the other Party information about its business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information, whether orally or in written, electronic, or other form or media/in written or electronic form or media, and whether or not marked, designated, or otherwise identified as "confidential" (collectively, "**Confidential Information**"). Confidential Information does not include information that, at the time of disclosure is: (a) in the public domain; (b) known to the receiving Party at the time of disclosure; (c) rightfully obtained by the receiving Party on a non-confidential basis from a third party; or (d) independently developed by the receiving Party. The receiving Party shall not disclose the disclosing Party's Confidential Information to any person or entity, except to the receiving Party's employees who have a need to know the Confidential Information for the receiving Party to exercise its rights or perform its obligations hereunder. Notwithstanding the foregoing, each Party may disclose Confidential Information to the limited extent required: (i) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the Party making the disclosure pursuant to the order shall first have given written notice to the other Party and made a reasonable effort to obtain a protective order; or (ii) to establish a Party's rights under this Agreement, including to make required court filings. On the expiration or termination of the Agreement, the receiving Party shall promptly return to the disclosing Party all copies, whether in written, electronic, or other form or media, of the disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the disclosing Party that such Confidential Information has been destroyed. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire five years from the date first disclosed to the receiving Party; provided, however, with respect to any Confidential Information that constitutes a trade secret (as determined under applicable law), such obligations of non-disclosure will survive the termination or expiration of this Agreement for as long as such Confidential Information remains subject to trade secret protection under applicable law.

7. Intellectual Property Ownership; Feedback.

(a) Provider IP. Customer acknowledges that, as between Customer and Provider, Provider owns all right, title, and interest, including all intellectual property rights, in and to the Provider IP.

(b) Customer Data. Provider acknowledges that, as between Provider and Customer, Customer owns all right, title, and interest, including all intellectual property rights, in and to the Customer Data. Customer hereby grants to Provider a non-exclusive, royalty-free, worldwide license to reproduce, distribute, and otherwise use and display the Customer Data and perform all acts with respect to the Customer Data as may be necessary for Provider to provide the Services to Customer, and a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to reproduce, distribute, modify, and otherwise use and display Customer Data incorporated within the Aggregated Statistics.

(c) Feedback. If Customer or any of its employees or contractors sends or transmits any communications or materials to Provider by mail, email, telephone, or otherwise, suggesting or recommending changes to the Provider IP, including without limitation, new features or functionality relating thereto, or any comments, questions, suggestions, or the like ("**Feedback**"), Provider is free to use such Feedback irrespective of any other obligation or limitation between the Parties governing such Feedback. Customer hereby assigns to Provider on Customer's behalf, and on behalf of its employees, contractors and/or agents, all right, title, and interest in, and Provider is free to use, without any attribution or compensation to any party, any ideas, know-how, concepts, techniques, or other intellectual property rights contained in the Feedback, for any purpose whatsoever, although Provider is not required to use any Feedback.

8. Warranty Disclaimer.

(a) THE PROVIDER IP IS PROVIDED "AS IS" AND PROVIDER HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. PROVIDER SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. PROVIDER MAKES NO WARRANTY OF ANY KIND THAT THE PROVIDER IP, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET CUSTOMER'S OR ANY OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM, OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE.

9. Indemnification.

(a) Provider Indemnification.

(i) Provider shall indemnify, defend, and hold harmless Customer from and against any and all losses, damages, liabilities, costs ("**Losses**") incurred by Customer resulting from any third-party claim, suit, action, or proceeding ("**Third-Party Claim**") that the Services, or any use of the Services in accordance with this Agreement, infringes or misappropriates such

third party's US intellectual property rights, provided that Customer promptly notifies Provider in writing of such Third-Party Claim, cooperates with Provider, and allows Provider sole authority to control the defense and settlement of such Third-Party Claim.

(ii) If a Third-Party Claim is made or appears possible, Customer agrees to permit Provider, at Provider's sole discretion, to: (A) modify or replace the Services, or component or part thereof, to make it non-infringing; or (B) obtain the right for Customer to continue use. If Provider determines that neither alternative is reasonably available, Provider may terminate this Agreement, in its entirety or with respect to the affected component or part, effective immediately on written notice to Customer.

(iii) This Section 9(a) will not apply to the extent that the alleged infringement arises from: (A) use of the Services in combination with data, software, hardware, equipment, or technology not provided by Provider or authorized by Provider in writing; (B) modifications to the Services not made by Provider; or (C) Customer Data.

(b) Customer Indemnification. Customer shall indemnify, hold harmless, and, at Provider's option, defend Provider from and against any Losses resulting from any Third-Party Claim that the Customer Data, or any use of the Customer Data in accordance with this Agreement, infringes or misappropriates such third party's intellectual property rights, and any Third-Party Claims based on Customer's or any Authorized User's: (i) negligence or willful misconduct; (ii) use of the Services in a manner not authorized by this Agreement; (iii) use of the Services in combination with data, software, hardware, equipment, or technology not provided by Provider or authorized by Provider in writing; or (iv) modifications to the Services not made by Provider, provided that Customer may not settle any Third-Party Claim against Provider unless Provider consents to such settlement, and further provided that Provider will have the right, at its option, to defend itself against any such Third-Party Claim or to participate in the defense thereof by counsel of its own choice.

(c) Sole Remedy. THIS SECTION 9 SETS FORTH CUSTOMER'S SOLE REMEDIES AND PROVIDER'S SOLE LIABILITY AND OBLIGATION FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT THE SERVICES INFRINGE, MISAPPROPRIATE, OR OTHERWISE VIOLATE ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY. IN NO EVENT WILL PROVIDER'S LIABILITY UNDER THIS SECTION 9 EXCEED $1,000,000.

10. Limitations of Liability. IN NO EVENT WILL PROVIDER BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY: (a) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES; (b) INCREASED COSTS, DIMINUTION IN

VALUE OR LOST BUSINESS, PRODUCTION, REVENUES, OR PROFITS; (c) LOSS OF GOODWILL OR REPUTATION; (d) USE, INABILITY TO USE, LOSS, INTERRUPTION, DELAY, OR RECOVERY OF ANY DATA, OR BREACH OF DATA OR SYSTEM SECURITY; OR (e) COST OF REPLACEMENT GOODS OR SERVICES, IN EACH CASE REGARDLESS OF WHETHER PROVIDER WAS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE. IN NO EVENT WILL PROVIDER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE EXCEED THE TOTAL AMOUNTS PAID TO PROVIDER UNDER THIS AGREEMENT IN THE ONE YEAR PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

11. Term and Termination.

(a) Term. This Agreement shall begin as of the date Customer signed the **Annual Service Agreement** (the "**Effective Date**") hereof and, unless otherwise terminated pursuant to this Agreement's express provisions, continue through the Service Term as described in the **Annual Service Agreement** (the "**Service Term**"). The Service Term shall be referred to as a "**Term**."

(b) Renewal. Upon completion of the Term, the expiring Agreement will renew for a one year term and continue in perpetuity unless Provider receives written notice from Customer no later than 30 days after the start of the renewal period. Provider may increase Fees by no more than 10% for the renewal period unless mutually agreed to by both parties.

(c) Termination. In addition to any other express termination right set forth in this Agreement:

(i) Provider may terminate this Agreement, effective on written notice to Customer, if Customer: (A) fails to pay any amount when due hereunder, and such failure continues more than thirty (30) days after Provider's delivery of written notice thereof; or (B) breaches any of its obligations under Section 2(c) or Section 6;

(ii) either Party may terminate this Agreement, effective on written notice to the other Party, if the other Party materially breaches this Agreement, and such breach: (A) is incapable of cure; or (B) being capable of cure, remains uncured thirty (30) days after the non-breaching Party provides the breaching Party with written notice of such breach; or

(iii) either Party may terminate this Agreement, effective immediately upon written notice to the other Party, if the other Party: (A) becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due; (B) files or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or

involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law; (C) makes or seeks to make a general assignment for the benefit of its creditors; or (D) applies for or has appointed a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

(d) Effect of Expiration or Termination. Upon expiration or earlier termination of this Agreement, Customer shall immediately discontinue use of the Provider IP and, without limiting Customer's obligations under Section 6, Customer shall delete, destroy, or return all copies of the Provider IP and certify in writing to the Provider that the Provider IP has been deleted or destroyed. No expiration or termination will affect Customer's obligation to pay all Fees that may have become due before such expiration or termination or entitle Customer to any refund.

(e) Survival. This Section 11(d) and 1, 5, 6, 7, 8, 9, 10, and 12 survive any termination or expiration of this Agreement. No other provisions of this Agreement survive the expiration or earlier termination of this Agreement.

12. Miscellaneous.

(a) Entire Agreement. This Agreement, together with any other documents incorporated herein by reference and all related Exhibits, constitutes the sole and entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings, agreements, and representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the body of this Agreement, the related Exhibits, and any other documents incorporated herein by reference, the following order of precedence governs: (i) first, this Agreement, excluding its Exhibits; (ii) second, the Exhibits to this Agreement as of the Effective Date; and (iii) third, any other documents incorporated herein by reference.

(b) Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "**Notice**") must be in writing and addressed to the Parties at the addresses set forth on the first page of this Agreement (or to such other address that may be designated by the Party giving Notice from time to time in accordance with this Section). All Notices must be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile or email (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage pre-paid). Except as otherwise provided in this Agreement, a Notice is effective only: (i) upon receipt by the receiving Party; and (ii) if the Party giving the Notice has complied with the requirements of this Section.

(c) Force Majeure. In no event shall either Party be liable to the other Party, or be deemed to have breached this Agreement, for any failure or delay in performing its obligations under this Agreement, if and to the extent such failure or delay is caused by any circumstances beyond either Party's reasonable control, including but not limited to acts of God, flood, fire, earthquake, OTHER POTENTIAL DISASTER(S) OR CATASTROPHE(S), SUCH AS EPIDEMICS, explosion, war, terrorism, invasion, riot or other civil unrest, strikes, labor stoppages or slowdowns or other industrial disturbances, or passage of law or any action taken by a governmental or public authority, including imposing an embargo.

(d) Amendment and Modification; Waiver. No amendment to or modification of this Agreement is effective unless it is in writing and signed by an authorized representative of each Party. No waiver by any Party of any of the provisions hereof will be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this Agreement, (i) no failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement will operate or be construed as a waiver thereof, and (ii) no single or partial exercise of any right, remedy, power, or privilege hereunder will preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

(e) Severability. If any provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect their original intent as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

(f) Governing Law; Submission to Jurisdiction. Unless prohibited by local law for government Customers, this Agreement is governed by and construed in accordance with the internal laws of the State of North Carolina without giving effect to any choice or conflict of law provision or rule that would require or permit the application of the laws of any jurisdiction other than those of the State of North Carolina. Any legal suit, action, or proceeding arising out of or related to this Agreement or the licenses granted hereunder will be instituted exclusively in the federal courts of the United States or the courts of the State of North Carolina in each case located in the city of Raleigh and County of Wake, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

(g) Assignment. Customer may not assign any of its rights or delegate any of its obligations hereunder, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the prior written consent of Provider, whose consent shall not be unreasonably withheld, conditioned, or delayed. Any purported assignment or delegation in violation of this Section will be null and void. No assignment or delegation will relieve the assigning or delegating Party of any of its obligations hereunder. This Agreement is binding upon and inures to the benefit of the Parties and their respective permitted successors and assigns.

(h) Export Regulation. Customer shall comply with all applicable federal laws, regulations, and rules, and complete all required undertakings (including obtaining any necessary export license or other governmental approval), that prohibit or restrict the export or re-export of the Services or any Customer Data outside the US.

(i) US Government Rights. Each of the Documentation and the software components that constitute the Services is a "commercial product" as that term is defined at 48 C.F.R. § 2.101, consisting of "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 C.F.R. § 12.212. Accordingly, if Customer is an agency of the US Government or any contractor therefor, Customer only receives those rights with respect to the Services and Documentation as are granted to all other end users, in accordance with (a) 48 C.F.R. § 227.7201 through 48 C.F.R. § 227.7204, with respect to the Department of Defense and their contractors, or (b) 48 C.F.R. § 12.212, with respect to all other US Government users and their contractors.

(j) Equitable Relief. Each Party acknowledges and agrees that a breach or threatened breach by such Party of any of its obligations under Section 6 or, in the case of Customer, Section 2(c), would cause the other Party irreparable harm for which monetary damages would not be an adequate remedy and agrees that, in the event of such breach or threatened breach, the other Party will be entitled to equitable relief, including a restraining order, an injunction, specific performance, and any other relief that may be available from any court, without any requirement to post a bond or other security, or to prove actual damages or that monetary damages are not an adequate remedy. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity, or otherwise.

(k) Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement.

(l) Text Credits. All text credits purchased for use on the PublicInput platform are non refundable and non transferable.

EXHIBIT A

SERVICE LEVELS AND SUPPORT

Standard Customer Support Contract Terms

PublicInput will provide onboarding and implementation services, as well as ongoing support and maintenance as reasonably requested by Customer. Support services related to bug reports or material defects, defined as a malfunction which causes failure of a critical feature or issues with platform performance, will be prioritized, and time associated with fixing any bugs or material defects will be included in the Annual Service Term Fee. Requests for modifications, not considered to be related to a bug or material defect, will be scheduled based on the nature of the request, resource availability, and is subject to pricing stated below. Custom Development, defined as product updates that do not currently exist in their exact form, will be delivered at PublicInput discretion. If approved, Custom Development will be scheduled based on resource availability and charged at the hourly rates set forth in this Agreement.

Standard Customer Support Includes:

A. Periodic virtual user training
B. Access to PublicInput API and API Documentation
C. Customer support via phone, email, chat, ticketing system
D. Hosting and backup services
E. Data access for purpose of analytics
F. Platform data extraction availability at all times: platform data will be available to extract provided the customer gives at least 24 hours notice (weekends excluded)

Optional Service Offerings & Fees

A. Data Imports – Custom (Fee variation based on scope and complexity)B. Programming Services – $500/hour (Includes customized development work; Minimum 20 hours)C. CS Professional Services – $250/hour (Data research, clean up, special projects or other services; Minimum 8 hours)

Certificate Of Completion

Envelope Id: 4EE60A4B-399F-43FF-A227-CFA95B1ADCFC
Status: Completed
Subject: Complete with Docusign: Cityzen Solutions.pdf
Tyler Contract Number: 1943
Source Envelope:
Document Pages: 17
Signatures: 1
Certificate Pages: 5
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Envelope Originator:
Nathalie Valenzuela
678 W 18th Street
Merced, CA 95340
ValenzuelaN@cityofmerced.gov
IP Address: 50.115.196.29

Record Tracking

Status: Original
3/13/2026 8:28:15 AM
Security Appliance Status: Connected
Storage Appliance Status: Connected

Holder: Nathalie Valenzuela
ValenzuelaN@cityofmerced.gov
Pool: StateLocal
Pool: City of Merced

Location: DocuSign
Location: Docusign

Signer Events	Signature	Timestamp
Kevin Fowler kevin@publicinput.com VP of Operations & Finance Cityzen Solutions, Inc dba PublicInput a Delaware Corproration Security Level: Email, Account Authentication (Optional), Logged in **Electronic Record and Signature Disclosure:** Accepted: 3/13/2026 8:38:35 AM ID: c0907fda-2531-4b15-9702-0e58a046d04e	DocuSigned by: Kevin Fowler 00B122B8272B46D... Signature Adoption: Pre-selected Style Using IP Address: 199.255.8.75	Sent: 3/13/2026 8:31:09 AM Resent: 3/13/2026 8:38:12 AM Viewed: 3/13/2026 8:38:35 AM Signed: 3/13/2026 8:39:18 AM

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/13/2026 8:31:09 AM
Envelope Updated	Security Checked	3/13/2026 8:38:11 AM
Envelope Updated	Security Checked	3/13/2026 8:38:11 AM
Envelope Updated	Security Checked	3/13/2026 8:38:11 AM
Certified Delivered	Security Checked	3/13/2026 8:38:35 AM
Signing Complete	Security Checked	3/13/2026 8:39:18 AM
Completed	Security Checked	3/13/2026 8:39:18 AM

Payment Events	Status	Timestamps

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, City of Merced (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact City of Merced:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: cityclerk@cityofmerced.org

To advise City of Merced of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at cityclerk@cityofmerced.org and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from City of Merced

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to cityclerk@cityofmerced.org and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with City of Merced

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to cityclerk@cityofmerced.org and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: https://support.docusign.com/guides/signer-guide-signing-system-requirements.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify City of Merced as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by City of Merced during the course of your relationship with City of Merced.

920 Stillwater Road Suite 180
West Sacramento, CA 95605
Tel:(916) 900-8111

March 2, 2026

To: Jeff Bennyhoff
Director of Information Technology
City of Merced | 678 W. 18th Street | Merced, CA 95340
www.cityofmerced.gov

Re: **Merced Quotes**

Description:

Scope of work

Quote 1: (WebCam)
Webcam camera system looking at Dias in ceiling Feed audio from qsys to Camera
Cable from camera to Podium PC Area (USB-C ending)
2x extra Ethernet Cables
Extend Audio cable from qsys to system for auracast
(Rack Cleanup) Remove old I.T. Rack
Replace with bigger DWR lMiddle Atlantic rack
Trace all cabling work, rerack everything , cleanup up with short patch Trace all old analog speaker cable and remove

Quote 2: (Clock)
New fixed camera to look at clock system Include running ethernet for camera Integration of clock buzzer into the qsys

Quote 3 (Agenda Item Display)
1Dell micro Desktop
1 1U Sliding KVM
3 27" Displays (NEC prefer to match) (These will mount directly above the 3 display you mounted before, 2 in room, 1 outside room)
3 Wall mounts, chefs or similar that sit inside wall
3 Run 3 CAT 6A cables from Displays to Back room
3 HDMI Optical extensions from displays to back room
3: 4x HDMI Splitter
Labor: Mount Display with in wall mount, Connect power to existing source, Run Cable to back rooms.

Conti Job #:

Attention: **Jeff Bennyoff**

Thank you for the opportunity to submit this pricing for the work as outlined below.

Item Number	Total Charge
WEBCAM/CLEANUP	$ 16,468.26
CLOCK	$ 3,656.31
AGENDA ITEM DISPLAY	$ 13,062.18
Total	**$ 33,186.75**

Please feel free to contact us if you have any questions or concerns.

Regards,

Bill Famini
Project Manager- NORTHERN CALIFORNIA

cc:

CONTI LLC

Materials

Date March 2, 2026

		Matl Unit	U	Matl Ext	Labor Unit	U	Labor Ext
Quote 1 WEBCAM/CLEANUP		0.000					
QSC NC-12x80 Camera	1	4083.082		$ 4,083.08	2.00		2.0
QSC I/O-USB Bridge	1	1814.703		$ 1,814.70	1.00		1.0
DWR Series Pivoting Wall Rack - DWR-18-26PD	1	1187.806		$ 1,187.81	5.00		5.0
Remove old rack/secure cable to be reused	1	0.000		$ -	16.00		16.0
Dress in cabling in new Rack Data/Fiber	1	0.000		$ -	16.00		16.0
Trace out old speaker cabling and remove	1	0.000		$ -	8.00		8.0
Misc Parts Pieces	1	1282.665		$ 1,282.67	12.00		12.0
Labor @135hr	60	135.000		$ 8,100.00			
Total Labor/Material/Tax							**16,468.3**
Quote 2 CLOCK							
RDL TX-70A 25V/ 70V/ 100V Speaker Level Input Interface - Unbalanced Line Output TX-70A	1	64.601		$ 64.60	2.00		2.0
BirdDog MAKI Ultra Box Camera with 20x Zoom (Black) MFR #BDMKU20XB	1	1780.334		$ 1,780.33	2.00		2.0
Misc Parts Pieces and Cabling	1	731.380		$ 731.38	6.00		6.0
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Total Labor/Material/Tax							**3,656.3**
Quote 3 Agenda Item Disply		0.000					
Dell Pro Micro Plus Mini PC (Next Gen OptiPlex 7000 MFF), Bussiness Desktop Computer AI PC, Intel 14-Core Ultra 5 235T (Beat i7-13700T), 32GB DDR5, 1TB SSD, WiFi 6, Bluetooth, 4X DP, Windows 11 Pro	1	1510.878		$ 1,510.88	1.00		2.0
Sharp DD-EA272U 27" 4K Monitor	3	850.986		$ 2,552.96	2.00		6.0
Peerless-AV® In-Wall Mount IM746P	3	347.749		$ 1,043.25	3.00		9.0
FSR Ultra High-Speed Hybrid Optical HDMI Cable (98.4') DR-H2.1-30M	3	441.440		$ 1,324.32	3.00		9.0
OREI UltraHD 4K @ 60 Hz 1 X 4 HDMI Splitter 1 in 4 Out 4 Port 4: 8-Bit - HDMI 2.0, HDCP 2.0, 18 Gbps, EDID, Duplicate / Mirror 4K Screens - UHDS-104	1	46.729		$ 46.73	0.25		0.3
1U Rack Mount KVM Console- 15.6" 1080P Rackmount Monitor+ Single Port HDMI KVM + Keyboard+ Touchpad, Short Depth 14.17"	1	1098.445		$ 1,098.45	1.50		1.5
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Labor @135hr	33.75	135.000		$ 4,556.25			
Total Labor/Material/Tax							**13,062.2**
		0.000					
Totals							**33,186.75**

Granicus Proposal for Merced, CA

ORDER DETAILS

Prepared By:	Vanessa Melgarejo
Phone:	
Email:	vanessa.melgarejo@granicus.com
Order #:	Q-519795
Prepared On:	08 Apr 2026
Expires On:	11 May 2026

ORDER TERMS

Currency:	USD
Payment Terms:	Net 30 (Payments for subscriptions are due at the beginning of the period of performance.)
Current Subscription End Date:	19 Dec 2026

PRICING SUMMARY

The pricing and terms within this Proposal are specific to the products and volumes contained within this Proposal.

Existing Subscriptions			
Solution	**Billing Frequency**	**Quantity/Unit**	**Annual Fee**
govAccess – Intranet	Annual	1 Each	$0.00
Boards and Commissions	Annual	1 Each	$10,878.08
Open Platform Suite	Annual	1 Each	$0.00
Legistar	Annual	1 Each	$13,304.77
GovMeetings Live Cast	Annual	1 Each	$13,840.14
Granicus Live Cast Encoding Software	Annual	1 Each	$1,669.50
Government Experience Service Cloud Enhanced *(Up to 25000 Unique Contacts)*	Annual	1 Each	$47,909.22
Open Platform Suite	Annual	1 Each	$0.00

One-Time Fees			
Solution	**Billing Frequency**	**Quantity/Unit**	**One-Time Fee**
eComment - Online Training	Upon Delivery	1 Hours	$0.00
eComment - Setup and Configuration	Up Front	1 Each	$0.00
		SUBTOTAL:	**$0.00**

New Subscription Fees					
Solution	**Period of Performance**	**Billing Frequency**	**Quantity/ Unit**	**Annual Fee**	**Prorated Fee**
eComment	01 May 2026 - 19 Dec 2026	Annual	1 Each	$2,991.75	$1,900.92
			SUBTOTAL:	**$2,991.75**	**$1,900.92**

- *Please note, annual fees for new subscriptions will be prorated to align to Client's then-current billing term. Except for services sold on a volume basis, which must be consumed during the then current billing term.*
- *Additional volume purchased herein will cover the period of 01 May 2026 - 19 Dec 2026 The additional volume and annual fees will be added to Merced, CA's current subscription and will be included in the next renewal period.*

PRODUCT DESCRIPTIONS

Solution	Description
govAccess – Intranet	govAccess Maintenance and Licensing includes the following for Intranet website(s) covered by the subscription: • Monthly software updates • Unlimited technical support (6:00 AM - 6:00 PM PT, Monday - Friday) • Access to training webinars and on-demand video library • Access to best practice webinars and resources • Annual health check with research-based recommendations for website optimization • The Intranet will be hosted on the Granicus' servers.
Boards and Commissions	Boards and Commissions is a Software-as-a-Service (SaaS) solution that enables government organizations to simplify the citizen application and appointment to boards process of the clerk's office. Boards and Commissions includes: • Unlimited user accounts • Unlimited boards, commissions, committees, and subcommittees • Unlimited storage of citizen applications • Access to up to one (1) Boards and Commissions site • Access to customizable, embeddable iFrame websites for displaying information to citizens • Access to a customizable online citizen application form including board-specific questions • Customizable forms for board details, appointment details, and internal tracking details • Pre-designed document PDFs for applications, board details and rosters, and vacancy reports • Downloadable spreadsheets for easy reporting *Optional custom templates for document or report generation may also be purchased for an additional fee.*
Open Platform Suite	Open Platform is access to MediaManager, upload of archives, ability to post agendas/documents, and index of archives. These are able to be published and accessible through a searchable viewpage.
Legistar	Legistar is a Software-as-a-Service (SaaS) solution that enables government organizations to automate the entire legislative process of the clerk's office. Clerks can leverage Legistar to easily manage the entire legislative process from drafting files, through assignment to various departments, to

Solution	Description
	final approval. Legistar includes: • Unlimited user accounts • Unlimited meeting bodies and meeting types • Unlimited data storage and retention • Up to one (1) Legistar database • Up to one (1) InSite web portal
GovMeetings Live Cast	govMeetings Live Cast provides the ability to manage public meetings from anywhere, on almost any device using cloud based software and a Granicus Live Cast encoder. It will stream public meetings in HD, allow users to live index items, record and publish minutes, and provide archive videos for on-demand viewing.
Granicus Live Cast Encoding Software	Granicus Live Cast Software will convert the video feed for video streaming on the web which will also record video and provides the MP4 file for archive playback. *Only used with the Live Cast encoder hardware and Live Cast solution.*

Government Experience Service Cloud Enhanced	The annual subscription edition is an outcome-focused solution that Increases online self-service, reduces calls, and drives more clicks to help constituents do business with you. Solution includes:
	
	• Strategic Capabilities
	  o Designated Experience Partner
	  o Extended LMS Training On-demand
	  o Access to Services Catalog
	  o Quarterly CX Program Brief to Review Insights & Recommendations
	  o Online Help Articles and Access to govCommunity
	• Data Insights
	  o Community Satisfaction and Performance Monitoring
	  o Government Effectiveness Score
	  o Digital Experience Score
	  o Quality of Life Surveys
	  o In-app Reporting and Dashboards
	• Connected Technology
	  o Service Web Portal

Solution	Description
	o Enterprise Forms and Workflows (up to 100) ▪ Capabilities include: (1) Drag and drop form builder, (2) display logic, calculations, and payments, (3) insights dashboard and form analytics, (4) unlimited responses and ability 'to save and return', (5) data connections and API access, and (6) up to 50GB file uploads and 2,000 web API calls per hour and 20 custom documents per form, (7) workspaces and advanced response workflows, (8) custom documents (certificates, permits, formal letters, and more), (9) form versioning and scheduling o Outbound Communications ▪ Outreach mediums include unlimited email, up to 100k SMS/text messages, RSS feeds, and social media integration to connect with target audiences. o Engagement and Sentiment Analysis (up to 10 projects) o Embeddable Project Finder o Ongoing security updates o Ongoing product updates and enhancements o Product accessibility maintained perpetually o 99.9% up-time guarantee o Technical Support Reporting (quarterly) o Live Escalation & Care Process o Support Coverage & Response Time SLAs ▪ Severity Level 1: System unavailable – 1 hour ▪ Severity Level 2: Major system features unavailable, no user workaround – 2 hours ▪ Severity Level 3: Major system features unavailable, user workaround available – 5 hours ▪ Severity Level 4: Transactional issue, user workaround available - 12 hours A "Unique Contact" is an individual that provides either an email address, phone number, or both. Additional fees for exceeding contracted Unique Contact tier will automatically be applied in arrears and adjusted for go-forward use at subscription renewal. Overages above 1M unique contacts are billed in increments of 100,000 Unique Contacts. * SMS/text messages only available for US and UK customers.

Solution	Description
Open Platform Suite	Open Platform is access to MediaManager, upload of archives, ability to post agendas/documents, and index of archives. These are able to be published and accessible through a searchable viewpage.
eComment	eComment reduces staff time by providing the ability to effortlessly collect and manage citizen input on agenda items. Citizens are allowed to either submit comments in regards to items or sign up to speak before a scheduled meeting.
eComment - Online Training	Virtual training session with a Granicus professional services trainer.

TERMS & CONDITIONS

- This quote, and all products and services delivered hereunder are governed by the terms located at https://granicus.com/legal/licensing, including any product-specific terms included therein (the "License Agreement"). If your organization and Granicus has entered into a separate agreement or is utilizing a contract vehicle for this transaction, the terms of the License Agreement are incorporated into such separate agreement or contract vehicle by reference, with any directly conflicting terms and conditions being resolved in favor of the separate agreement or contract vehicle to the extent applicable.
- If submitting a Purchase Order, please include the following language: The pricing, terms and conditions of quote Q-519795 dated 08 Apr 2026 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.
- This quote is exclusive of applicable state, local, and federal taxes, which, if any, will be included in the invoice. It is the responsibility of Merced, CA to provide applicable exemption certificate(s).
- Any lapse in payment may result in suspension of service and will require the payment of a setup fee to reinstate the subscription.

- Client will be invoiced for use of any product or service measured or capped by volume or amount of usage that exceeds the permitted amount set forth in this Quote at the same cost or rate set forth herein.

BILLING INFORMATION

Billing Contact:		**Purchase Order Required?**	[ ] - No [ ] - Yes
Billing Address:		**PO Number:** *If PO required*	
Billing Email:		**Billing Phone:**	

If submitting a Purchase Order, please include the following language:
The pricing, terms, and conditions of quote Q-519795 dated 08 Apr 2026 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.

AGREEMENT AND ACCEPTANCE

By signing this document, the undersigned certifies they have authority to enter the agreement. The undersigned also understands the services and terms.

Merced, CA	
Signature:	
Name:	
Title:	
Date:	

APPROVED AS TO FORM:

Craig Cornwell 4-8-2026
CRAIG J. CORNWELL Date
City Attorney-City of Merced

Key Code Media, Inc. - California
270 S. Flower Street
Burbank, CA 91502
818-303-3900
www.keycodemedia.com

Tricaster Vizion SDI

Quote # 246071 Version 1

Prepared for:

City of Merced

Prepared by:

Brian Vlerebome

Equipment

No.	Part #	Manufacturer	Description	Qty	Price	Ext. Price
1	VIZCA	Vizrt	Viz Connect Audio	1	$2,195.60	$2,195.60
2	TCVIZIONT8IO	Vizrt	Vizrt/NewTek TriCaster Vizion Tower with 44 inputs and 8 SDI I/O. This includes 1 year of Standard Support and Viz Flowics Basic for 36 months	1	$29,515.90	$29,515.90
3	PTPVIZION1YRUPG	VizRT	ProTek Professional for TC Vizion 1st Year upgrade	1	$590.40	$590.40
4	PTSTPVIZION	Vizrt	ProTek Professional for TriCaster Vizion (2nd Year onwards)	4	$2,952.00	$11,808.00
5	VIZION1VBWTY	Vizrt	5 year HW warranty for TriCaster Vizion with 8 SDI	1	$880.00	$880.00
6	TICTC1	Vizrt	Trade-in Credit for TriCaster TC1 SN: NTIP11191322884	1	($3,000.00)	($3,000.00)
7	TCOSUP		Tricaster OS upgrade Shipping costs excluded	1	$2,500.00	$2,500.00
8	CABSHELFV	StarTech	2U 16in Universal Vented Rack Mount Cantilever Shelf, Fixed Server Rack Cabinet Shelf, 50lbs / 23kg, TAA - 2U 19in vented server rack cabinet shelf/rackmount cantilever tray 16in deep - Universal fit in existing EIA/ECA-310 data/network racks - w	1	$44.15	$44.15
					Subtotal:	**$44,534.05**

KCM Purchase Terms & Conditions

Key Code Media Purchase Terms & Conditions

1. Payment Terms: All terms are subject to credit approval, otherwise, 50% deposit due with order and the remaining balance due COD unless the purchase order was pursuant to loan or lease with approved financing institution (financing documents must accompany this signed contract. Invoices are due per terms based on invoice date. Partial payment is due on partial shipments. A service handling charge of 3% for credit card payments will be added to all credit card orders.

2. Service charge and/or Interest: Any payments deferred after the due date as specified herein shall bear interest and/or service charges at the rate of 1.5% per month (calculated daily) or the maximum rate allowed by law. In addition, Key Code Media shall have all remedies afforded by the Uniform Commercial Code as adopted in the State of for any defaults by client. If any invoice remains unpaid, in full or in part, after the due date Key Code Media, Inc has full discretion in obtaining an attorney or outside agency to recovery any and all outstanding amounts. The Purchaser agrees that he/she/it is fully liable or any and all legal and/or collection fees incurred in the collection of any outstanding amounts owing to Key code Media, Inc.

3. Security Interest: Key Code Media, Inc. shall retain title to all goods until Key Code Media Inc. receives payment in full. The Purchaser hereby grants to Seller a security Interest in all goods shipped to the Purchaser and the proceeds thereof until the Purchaser pays for such goods in full. A copy of this Agreement may be filed by Seller at any time as a financing statement in

order to perfect Seller's security interest.

4. Representation of Solvency: The Purchaser hereby represents that he/she/it is solvent and that on each delivery this representation shall be deemed received, unless notice to the contrary is given in writing by the Purchaser to Key Code Media, at or before the delivery of goods.

5. Return of Goods: A restocking fee of up to 30% will be charged on canceled or changed orders. No merchandise may be returned without prior consent. No return will be allowed for any items that were delivered over more than 30 days or any custom made items, used and B stock items, software products and maintenance contract. Credit on returns will be subject to the condition of the returned product upon inspection. In the event client reconfigures, reschedules or cancels an order containing special order items, client shall be subject to charges associated with the purchase of said items. Costs may include the full cost of these items in addition to any and all costs, expenses and/or penalties imposed on Key Code Media by vendors for return of goods. The Purchaser also covers the shipping on the return. Please refer to our RMA Policy for more information.

6. Shipping: Delivery dates are approximate and subject to delay due to events beyond the reasonable control of Key Code Media, Inc. Freight charges will cover for both inbound and outbound and is for estimation purposes only. The actual amount will be provided by the shipping Company after purchaser receives shipment. Key Code Media, Inc will update that information to your invoice. Partial payment is due on partial shipments.

7. ALL TRADE IN CREDIT ORDERS: Any hardware trade-ins or software licenses must be returned within 30 days upon delivery of new upgraded system. If products are not returned within 30 days, client will no longer be entitled to Trade In credit and will be charged the Trade-in credit. Client must be the original owner of the hardware or software or have a valid system transfer approved by the manufacturer.

8. Taxes: Purchaser shall reimburse Key Code Media, Inc. for all taxes, excises, or other charges that Seller may be required to pay to the government upon the sale, production, or transportation of the Goods sold hereunder. A valid Reseller Certificate or Post Production Exemption certificate must be completed in order to receive the full or partial sales tax exemption.

9. Warranty: Key Code Media technical services are not covered under manufacturer's warranties express or implied. No express or implied warranty of any kind is made with respect to the goods. In addition, no liability is assumed by our company for damage and/or injury resulting from use of products supplied by this company.

10. Limitation of Liability: Except to the extent prohibited under applicable law, in no event shall Key Code Media's liability arising out of this Quotation/Purchase exceed the amount shipped by Key Code Media to the Purchaser hereunder. In no event shall Key Code Media be liable for costs of procurement of substitute products or services, lost profits or any consequential, special, incidental, or indirect damages, however caused and on any theory of liability (including negligence or strict liability), arising out of this quotation. The purchaser acknowledges and agrees that the amounts payable hereunder by the Purchaser are based in part upon these limitations, notwithstanding any failure of essential purpose of any limited remedy.

11. No claim or right arising out of a breach of this contract by client can be discharged, in whole or in part, by a waiver or renunciation of any other claim or right by Key Code Media. This contract supersedes all prior proposals, negotiations and all other terms (including terms implied on customer purchase orders). This contract can be modified or rescinded only by a writing signed by both parties.

12. Both parties agree that federal and state courts have jurisdiction and venue and this contract shall be governed by the Uniform Commercial Code (as adopted in) and the substantive and procedural laws of California. The prevailing party shall be entitled to reasonable attorney fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled by virtue of this contract and applicable law.

Tricaster Vizion SDI
Prepared for: City of Merced

SUBJECT TO STATE AND LOCAL TAXES WHERE APPLICABLE

F.O.B. FACTORY, FREIGHT IS ADDITIONAL

Tariff Adjustment Clause:
"In the event of any increase in tariffs, duties, or other governmental charges imposed on the goods after the date of this agreement, Key Code Media has the right to pass these additional costs on to the Buyer. Such increases will be calculated based on the actual additional costs incurred by Key Code Media and will be added to the final invoice or a subsequent invoice. Key Code Media will notify the Buyer of any such adjustments as soon as reasonably possible. By accepting these Terms and Conditions, the Buyer agrees to pay any additional charges resulting from such increases."

Tricaster Vizion SDI

Prepared by:	Bill To:	Ship To:	Quote Information:
Key Code Media, Inc. - California	**City of Merced**	**City of Merced**	**Quote #: 246071**
Brian Vlerebome 818-303-3900 Fax 818-303-3901 bvlerebome@keycodemedia.com	, Jeff Bennyhoff (209) 388-7000 bennyhoffJ@cityofmerced.org	678 West 18th Street Merced, CA 95340 Jeff Bennyhoff (209) 388-7000 bennyhoffJ@cityofmerced.org	Version: 1 Delivery Date: 02/27/2026 Expiration Date: 03/28/2026 Terms: ADVANCE

Quote Summary

Description	Amount
Equipment	$44,534.05
Subtotal:	**$44,534.05**
Shipping:	**$235.00**
Estimated Tax:	**$3,693.45**
Total:	**$48,462.50**

This Sales Quote ("SO") includes the Terms and Conditions ("T&C") available at https://www.keycodemedia.com/purchase-terms-conditions/ and https://www.keycodemedia.com/master-service-agreement/, which are applicable to all professional service-related purchases. It constitutes an offer or counter-offer, as applicable, by Key Code Media, Inc. or Burst Communications ("Seller"). This SO, along with the incorporated T&C, becomes binding upon the Buyer listed herein ("Buyer") at the earliest of the following events: (i) Buyer's acknowledgment of this agreement; or (ii) the receipt of any goods and/or services ordered under this agreement. Please note that no Buyer acknowledgment form, purchase order, or any other document can modify the terms outlined in the SO or the T&C.

Key Code Media, Inc. - California

Signature: _____

Name: Brian Vlerebome

Title: Senior Account Manager

Date: 02/27/2026

City of Merced

Signature: _____

Name: Jeff Bennyhoff

Date: _____

920 Stillwater Road Suite 180
West Sacramento, CA 95605
Tel:(916) 900-8111

March 2, 2026

To: Jeff Bennyhoff
Director of Information Technology
City of Merced | 678 W. 18th Street | Merced, CA 95340
www.cityofmerced.gov

Re: **Merced Quotes**

Description:

Scope of work

Quote 1: (WebCam)
Webcam camera system looking at Dias in ceiling Feed audio from qsys to Camera
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Bill Famini
Project Manager- NORTHERN CALIFORNIA

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CONTI LLC

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Date March 2, 2026

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Totals							**33,186.75**

920 Stillwater Road Suite 180
West Sacramento, CA 95605
Tel:(916) 900-8111

March 2, 2026

To: Jeff Bennyhoff
Director of Information Technology
City of Merced | 678 W. 18th Street | Merced,
CA 95340
www.cityofmerced.gov

Re: **Merced Quotes**

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1 1U Sliding KVM
3 27" Displays (NEC prefer to match) (These will mount directly above the 3 display you mounted before, 2 in room, 1 outside room)
3 Wall mounts, chefs or similar that sit inside wall
3 Run 3 CAT 6A cables from Displays to Back room
3 HDMI Optical extensions from displays to back room
3: 4x HDMI Splitter
Labor: Mount Display with in wall mount, Connect power to existing source, Run Cable to back rooms.

Conti Job #:

Attention: **Jeff Bennyoff**

Thank you for the opportunity to submit this pricing for the work as outlined below.

Item Number	Total Charge
WEBCAM/CLEANUP	$ 16,468.26
CLOCK	$ 3,656.31
AGENDA ITEM DISPLAY	$ 13,062.18
Total	**$ 33,186.75**

Please feel free to contact us if you have any questions or concerns.

Regards,

Bill Famini
Project Manager- NORTHERN CALIFORNIA

cc:

CONTI LLC

Materials

Date March 2, 2026

		Matl Unit	U	Matl Ext	Labor Unit	U	Labor Ext
Quote 1 WEBCAM/CLEANUP		0.000					
QSC NC-12x80 Camera	1	4083.082		$ 4,083.08	2.00		2.0
QSC I/O-USB Bridge	1	1814.703		$ 1,814.70	1.00		1.0
DWR Series Pivoting Wall Rack - DWR-18-26PD	1	1187.806		$ 1,187.81	5.00		5.0
Remove old rack/secure cable to be reused	1	0.000		$ -	16.00		16.0
Dress in cabling in new Rack Data/Fiber	1	0.000		$ -	16.00		16.0
Trace out old speaker cabling and remove	1	0.000		$ -	8.00		8.0
Misc Parts Pieces	1	1282.665		$ 1,282.67	12.00		12.0
Labor @135hr	60	135.000		$ 8,100.00			
Total Labor/Material/Tax							**16,468.3**
Quote 2 CLOCK							
RDL TX-70A 25V/ 70V/ 100V Speaker Level Input Interface - Unbalanced Line Output TX-70A	1	64.601		$ 64.60	2.00		2.0
BirdDog MAKI Ultra Box Camera with 20x Zoom (Black) MFR #BDMKU20XB	1	1780.334		$ 1,780.33	2.00		2.0
Misc Parts Pieces and Cabling	1	731.380		$ 731.38	6.00		6.0
Labor @135hr	8	135.000		$ 1,080.00			
Total Labor/Material/Tax							**3,656.3**
Quote 3 Agenda Item Disply		0.000					
Dell Pro Micro Plus Mini PC (Next Gen OptiPlex 7000 MFF), Bussiness Desktop Computer AI PC, Intel 14-Core Ultra 5 235T (Beat i7-13700T), 32GB DDR5, 1TB SSD, WiFi 6, Bluetooth, 4X DP, Windows 11 Pro	1	1510.878		$ 1,510.88	1.00		2.0
Sharp DD-EA272U 27" 4K Monitor	3	850.986		$ 2,552.96	2.00		6.0
Peerless-AV® In-Wall Mount IM746P	3	347.749		$ 1,043.25	3.00		9.0
FSR Ultra High-Speed Hybrid Optical HDMI Cable (98.4') DR-H2.1-30M	3	441.440		$ 1,324.32	3.00		9.0
OREI UltraHD 4K @ 60 Hz 1 X 4 HDMI Splitter 1 in 4 Out 4 Port 4: 8-Bit - HDMI 2.0, HDCP 2.0, 18 Gbps, EDID, Duplicate / Mirror 4K Screens - UHDS-104	1	46.729		$ 46.73	0.25		0.3
1U Rack Mount KVM Console- 15.6" 1080P Rackmount Monitor+ Single Port HDMI KVM + Keyboard+ Touchpad, Short Depth 14.17"	1	1098.445		$ 1,098.45	1.50		1.5
Misc Parts Pieces and Cabling	1	929.348		$ 929.35	4.00		6.0
Labor @135hr	33.75	135.000		$ 4,556.25			
Total Labor/Material/Tax							**13,062.2**
		0.000					
Totals							**33,186.75**

SB 707 Technology

Jeff Bennyhoff, Director of Information Technology — April 20, 2026

What Council is being asked to approve

1. Required compliance technology

Approve procurement and implementation of $34,546.

2. Optional enhancements

Approve the optional package for an additional $89,278.

3. Procurement authority

Waive competitive bidding under Merced Municipal Code § 3.04.210 for standardization and cooperative purchasing.

4. Budget and contract actions

Approve the $21,300 supplemental appropriation, the $1,901 Granicus change order, and the $20,872 Sourcewell increase.

Decision alternatives

Adopt as recommended; approve with changes; refer back for further evaluation; or deny.

Action Item

This item will require five (5) affirmative notes for approval

Cost summary

Required items cover baseline SB 707 compliance. Optional items improve usability, resilience, and meeting administration.

Required items

Total: $34,546

Remote registration and queue Management system	$19,399	FYI contract already executed
Portable equipment (offsite / town hall use)	$6,615	Waive bid cooperative agreement
Stream/comment monitoring stations	$8,532	Waive cooperative bid agreement

PEG Fund: $15,147
Support Services Fund: $19,399

Optional items

Total: $89,278

Council Chambers 3rd-party use	$16,469	Below bid threshold
Asyn public comment portal	$1,901	Waive bid standardization
Video production replacement	$48,463	Waive bid standardization
Agenda item display system	$13,063	Below bid threshold
Remote comment countdown timer	$3,657	Below bid threshold
Sam Pipes Room backup capability	$5,725	Waive bid cooperative agreement

PEG Fund: $87,377
Support Services Fund: $1,901

Funding

PEG Fund

PEG revenues are restricted for public, educational, and governmental audiovisual access. Capital equipment and installation supporting governmental broadcasting, including Council Chambers AV systems, qualifies for PEG funding.

Support Service 7008 Fund

Any project costs not covered by PEG revenues will be funded from unreserved, unencumbered Support Services 7008 Fund balance. The requested supplemental appropriation is $21,300.

Annual impact

The I.T. department expects about $1,600 in overtime each year, plus $21,104 in ongoing licensing and support costs to be reflected in future operating budgets.

Funding split for the full package

PEG Fund: $102,524

Support Services Fund: $21,300

Council Chambers 3rd Party Use

Purpose
Configure Council Chambers to support SB 707-compliant meetings for outside governmental agencies.

$16,469

PEG Fund

Procurement authority
Below bid threshold

Why it matters
The existing system is configured for City legislative bodies and cannot support third-party SB 707-compliant meetings without additional equipment. Because Administrative Policy A-4 does not charge a facility use fee for governmental entities, the cost would not be offset through room rental revenue.

Asynchronous Public Comment Portal

Purpose
Allow written public comments to be submitted before meetings to improve access and efficiency.

$1,901

Support Services Fund

Procurement authority
Waive bid standardization

Why it matters
Written e-comments would supplement, not replace, real-time public comment. The portal improves accessibility for residents who cannot attend live or prefer not to speak publicly.

Video Production and Streaming System Replacement

Purpose

Replace the Council Chambers production and streaming system as part of the City's meeting technology refresh.

$48,463

PEG Fund

Procurement authority

Waive bid standardization

Why it matters

The current system is nearing the end of its useful life. Proceeding now allows the City to coordinate the replacement with current operational changes, avoid duplicate work, and incorporate minor enhancements.

Agenda Item Display System

Purpose
Add a display that clearly shows the agenda item currently under consideration.

$13,063

PEG Fund

Procurement authority
Below bid threshold

Why it matters
This improvement reduces confusion for attendees who join mid-meeting and supports more orderly public comment by making the active agenda item visible in real time.

Remote Public Comment Countdown Timer Integration

Purpose
Integrate the countdown clock into the remote meeting platform so speakers can see remaining time.

$3,657

PEG Fund

Procurement authority
Below bid threshold

Why it matters
The integration would allow remote participants to see time remaining and hear the audible buzzer at expiration, improving transparency and reducing the need for verbal reminders.

Sam Pipes Room Backup Meeting Capability

Purpose
Configure the Sam Pipes Room to serve as a backup location for legislative body meetings.

$5,725

PEG Fund

Procurement authority
Waive bid cooperative agreement

Why it matters
This redundancy helps maintain uninterrupted public access and reduces operational risk by providing an alternate meeting space when the Council Chambers are unavailable.

Council Action Summary

Authorization to procure SB 707 compliance technology, waive competitive bidding, and approve a supplemental appropriation

$34,546
Required compliance items

$89,278
Optional enhancements

$123,824
Total project cost

$21,300
Support Services Fund

$87,377
PEG Fund

Questions ?

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-311 Meeting Date: 4/20/2026

Report Prepared by: Craig J. Cornwell, City Attorney

SUBJECT: Adoption of a Resolution of the City Council of the City of Merced, California, Rescinding Resolution 2026-17 and Establishing Inspection Procedures for Multi-Unit Substandard Buildings Policy

REPORT IN BRIEF

California AB 548 requires cities to develop policies and procedures to meet specific requirements for inspecting buildings when a housing unit is found to be substandard or in violation of state housing laws. The attached Resolution rescinds the prior policy adopted on March 16, 2026, and allows for City Council to further consider additional language for this policy.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving **Resolution 2026-18**, a Resolution of the City Council of the City of Merced, California, Rescinding Resolution No. 2026-17 and Establishing Inspection Procedures for Multi-Unit Substandard Buildings Policy; and,

B. Adopting a policy for said inspection procedures; and,

C. Authorizing the City Manager to execute the necessary documents.

ALTERNATIVES

1. Approve, as recommended by City Attorney; or,
2. Approve, subject to conditions other than as recommended by City Attorney; or,
3. Deny.

AUTHORITY

Charter of the City of Merced, Section 200.
Charter of the City of Merced, Section 1100.7
Charter of the City of Merced, Section 1109

DISCUSSION

AB 548 was enacted to ensure safe and habitable living condition in multi-unit residential buildings by requiring local enforcement agencies to establish policies and procedures to meet specific

requirements for inspecting buildings when a housing unit is found to be substandard or in violation of state housing laws, the city's building official, or code enforcement officer, or building inspector determines the substandard conditions could reasonably affect other units.

The City of Merced recognizes the importance of safeguarding the health and safety of residents living in substandard multi-unit housing and acknowledges the importance of maintaining safe residential living conditions. The adoption of this resolution and policy provides procedures for the enforcement of housing regulations and the maintenance of habitable living conditions that protect the wellbeing of residents and complies with state law.

A similar policy was adopted on March 16, 2026, however, this item is before City Council at this time to allow for the consideration of additional language regarding City staff inspections.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed.

ATTACHMENTS

1. Resolution 2026-17
2. Proposed Resolution 2026-18 with Proposed Policy Attached

RESOLUTION NO. 2026-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MERCED, CALIFORNIA, ESTABLISHING INSPECTION PROCEDURES FOR MULTI-UNIT SUBSTANDARD BUILDINGS POLICY

WHEREAS, California Assembly Bill 548 ("AB 548) was enacted during the 2023 legislative session to ensure safe and habitable living conditions in multi-unit residential buildings, by requiring local enforcement agencies to establish policies and procedures for inspecting such buildings when a housing unit is found to be substandard or in violation of state housing laws, and the City's building official, or their code enforcement officer, or building inspector determines that the substandard condition(s) could reasonably affect other units; and,

WHEREAS, AB 548 requires that the developed policies and procedures meet specific requirements, including the identification of hazardous conditions that could affect other units, the inspection of adjacent units, the allowance of inspection of all units in the presence of severe building-wide conditions, and the provisions of notice to property owners; and,

WHEREAS, the City of Merced recognizes the importance of safeguarding the health and safety of residents living in substandard multi-unit housing and is committed to ensuring compliance with State law.

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

SECTION 1. That the City acknowledges the importance of maintaining safe residential living conditions in multiple-unit residential buildings.

SECTION 2. That the Inspection Procedures for Multi-Unit Substandard Buildings Policy provides procedures for the enforcement of housing regulations and the maintenance of habitable living conditions that protect the wellbeing of residents, and procedures for appeal of order for payment of relocation benefits pursuant to State law.

SECTION 3. That the City Council hereby approves the City of Merced Inspection Procedures for Multi-Unit Substandard Buildings Policy, attached hereto as Exhibit A.

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PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the 16th day of March, 2026, by the following vote:

AYES: 7 BOYLE, DUPONT, HARRIS, SERRATTO, SMITH, THAO, XIONG

NOES: 0 NONE

ABSENT: 0 NONE

ABSTAIN: 0 NONE

APPROVED:
MATTHEW SERRATTO, MAYOR

MAYOR

ATTEST:

D. SCOTT MCBRIDE, CITY CLERK

BY: _____
Assistant / Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

CRAIG J. CORNWELL, CITY ATTORNEY

X:\Resolutions\2026\City Attorney\Multi Unit Inspection Procedure Resolution 1A.docx

INSPECTION PROCEDURES FOR MULTI-UNIT SUBSTANDARD BUILDINGS POLICY

SUBJECT: Inspection of Multi-Unit Buildings

EFFECTIVE: Adopted March 16th ,2026

PURPOSE:

Assembly Bill 548 (2023), codified as Health and Safety Code Section 17970.7, requires local enforcement agencies to develop policies and procedures for inspecting a property with multiple residential units whenever an inspector or code enforcement officer has determine that (1) a unit is "substandard," as defined in Section 17920.3, or in violation of Section 17920.10 (regarding lead hazards); and (2) the defects or violations have the potential to affect other units at the property. This policy is adopted in compliance with Health and Safety Code Section 17970.7.

POLICY:

It is the policy of the City of Merced to properly handle substandard living conditions within multi-unit buildings and to maintain an accurate record of noticing in order to protect tenants' rights and the living conditions of the community.

PROCEDURES:

A. Inspection

All inspections are to be consistent with the current laws and inspection practices in place. Upon inspection of a unit within a multi-unit complex that the code enforcement officer/building inspector determines to be substandard pursuant to Health and Safety Code Section 17920.30 or in violation of Health and Safety Code Section 17920.10, the code enforcement officer/building inspector must determine whether those violations are such that they could reasonably affect additional units in the complex. The code enforcement officer/building inspector shall document and photograph all violations that may be used as a basis for additional inspections of adjacent units.

B. Determination

When determining whether to inspect additional units, the code enforcement officer/building inspector may consider factors including, but not limited to:

- Building type;
- Building age;
- Building size;
- Construction method;

EXHIBIT A

- Cause of the substandard condition; and
- History of violations.

A non-exhaustive list of violations that could reasonably affect other units are:

- Mold;
- Mildew;
- Pests; and/or
- Lead Hazards.

If one of the above listed or another violation is present and the code enforcement officer/building inspector determines the violation(s) could reasonably affect other units, the code enforcement officer/building inspector must inspect or reasonably attempt to inspect the following:

- Adjacent units (above, below, and neighboring); and
- Any additional units that the code enforcement officer/building inspector determines could be reasonably affected.

If severe and widespread defects or violations are found, the code enforcement officer must inspect or attempt to inspect all units within the building. In the event the tenants of adjacent and reasonably affected units do not respond to the request to inspect, the code enforcement officer/building inspector may seek an inspection warrant based on the violations in the adjacent unit.

C. Notice of Violation Requirements

Upon the conclusion of the inspection, and within a reasonable time, the code enforcement officer/building inspector shall draft a notice of violation to advise the owner/operator and tenant of each known violation and of each action required to remedy the violation. Notice must be issued to the following:

- Property owner/operator;
- Tenant of unit;
- Tenants of adjacent units (above, below and neighboring); and
- Tenants of additional units that the code enforcement officer determines could be reasonably affected.

The notice should include the following:

- Date of the inspection;
- A list of violation(s) discovered;
- Actions required to correct the violation(s); and
- Time frame in which to make the corrective actions.

If the code enforcement officer/building inspector determines the violations are particularly severe and widespread, the code enforcement officer must notify all tenants within the building.

D. Re-Inspection

The code enforcement officer/building inspector must schedule a re-inspection to verify the anticipated corrections outlined in the notice or order to repair or abate.

EXHIBIT A

RESOLUTION NO. 2026-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MERCED, CALIFORNIA, RESCINDING RESOLUTION NO. 2026-17 AND ESTABLISHING INSPECTION PROCEDURES FOR MULTI-UNIT SUBSTANDARD BUILDINGS POLICY

WHEREAS, California Assembly Bill 548 ("AB 548) was enacted during the 2023 legislative session to ensure safe and habitable living conditions in multi-unit residential buildings, by requiring local enforcement agencies to establish policies and procedures for inspecting such buildings when a housing unit is found to be substandard or in violation of state housing laws, and the City's building official, or their code enforcement officer, or building inspector determines that the substandard condition(s) could reasonably affect other units; and,

WHEREAS, AB 548 requires that the developed policies and procedures meet specific requirements, including the identification of hazardous conditions that could affect other units, the inspection of adjacent units, the allowance of inspection of all units in the presence of severe building-wide conditions, and the provisions of notice to property owners; and,

WHEREAS, the City of Merced recognizes the importance of safeguarding the health and safety of residents living in substandard multi-unit housing and is committed to ensuring compliance with State law; and

WHEREAS, Merced City Council adopted Resolution No. 2026-17 on March 16, 2025, and at that time requested the item to come for consideration of staff's timing to issue a Notice of Violation after an inspection is concluded.

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

SECTION 1. That Resolution No. 2026-17, is hereby rescinded.

SECTION 2. That the City acknowledges the importance of maintaining safe residential living conditions in multiple-unit residential buildings.

SECTION 3. That the Inspection Procedures for Multi-Unit Substandard Buildings Policy provides procedures for the enforcement of housing regulations and the maintenance of habitable living conditions that protect the wellbeing of residents, and procedures for appeal of order for payment of relocation benefits pursuant to State law.

SECTION 4. That the City Council hereby approves the City of Merced Inspection Procedures for Multi-Unit Substandard Buildings Policy, attached hereto as Exhibit A.

PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the ____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:
MATTHEW SERRATTO, MAYOR

_____
MAYOR

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY: _____
Assistant / Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

Craig Cornwell
CRAIG J. CORNWELL, CITY ATTORNEY

X:\Resolutions\2026\City Attorney\Multi Unit Inspection Procedure Resolution 1B.docx

INSPECTION PROCEDURES FOR MULTI-UNIT SUBSTANDARD BUILDINGS POLICY

SUBJECT: Inspection of Multi-Unit Buildings

EFFECTIVE: Adopted April _____,2026

PURPOSE:

Assembly Bill 548 (2023), codified as Health and Safety Code Section 17970.7, requires local enforcement agencies to develop policies and procedures for inspecting a property with multiple residential units whenever an inspector or code enforcement officer has determine that (1) a unit is "substandard," as defined in Section 17920.3, or in violation of Section 17920.10 (regarding lead hazards); and (2) the defects or violations have the potential to affect other units at the property. This policy is adopted in compliance with Health and Safety Code Section 17970.7.

POLICY:

It is the policy of the City of Merced to properly handle substandard living conditions within multi-unit buildings and to maintain an accurate record of noticing in order to protect tenants' rights and the living conditions of the community.

PROCEDURES:

A. Inspection

All inspections are to be consistent with the current laws and inspection practices in place. Upon inspection of a unit within a multi-unit complex that the code enforcement officer/building inspector determines to be substandard pursuant to Health and Safety Code Section 17920.30 or in violation of Health and Safety Code Section 17920.10, the code enforcement officer/building inspector must determine whether those violations are such that they could reasonably affect additional units in the complex. The code enforcement officer/building inspector shall document and photograph all violations that may be used as a basis for additional inspections of adjacent units.

B. Determination

When determining whether to inspect additional units, the code enforcement officer/building inspector may consider factors including, but not limited to:

- Building type;
- Building age;
- Building size;
- Construction method;
- Cause of the substandard condition; and
- History of violations.

EXHIBIT A

A non-exhaustive list of violations that could reasonably affect other units are:

- Mold;
- Mildew;
- Pests; and/or
- Lead Hazards.

If one of the above listed or another violation is present and the code enforcement officer/building inspector determines the violation(s) could reasonably affect other units, the code enforcement officer/building inspector must inspect or reasonably attempt to inspect the following:

- Adjacent units (above, below, and neighboring); and
- Any additional units that the code enforcement officer/building inspector determines could be reasonably affected.

If severe and widespread defects or violations are found, the code enforcement officer must inspect or attempt to inspect all units within the building. In the event the tenants of adjacent and reasonably affected units do not respond to the request to inspect, the code enforcement officer/building inspector may seek an inspection warrant based on the violations in the adjacent unit.

C. Notice of Violation Requirements

Upon the conclusion of the inspection, and within a reasonable time, (not-to-exceed thirty (30) days), the code enforcement officer/building inspector shall draft a notice of violation to advise the owner/operator and tenant of each known violation and of each action required to remedy the violation. Notice must be issued to the following:

- Property owner/operator;
- Tenant of unit;
- Tenants of adjacent units (above, below and neighboring); and
- Tenants of additional units that the code enforcement officer determines could be reasonably affected.

The notice should include the following:

- Date of the inspection;
- A list of violation(s) discovered;
- Actions required to correct the violation(s); and
- Time frame in which to make the corrective actions.

If the code enforcement officer/building inspector determines the violations are particularly severe and widespread, the code enforcement officer must notify all tenants within the building.

D. Re-Inspection

The code enforcement officer/building inspector must schedule a re-inspection to verify the anticipated corrections outlined in the notice or order to repair or abate.

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-316 Meeting Date: 4/20/2026

Report Prepared by: Craig J. Cornwell, City Attorney

SUBJECT: Adoption of an Urgency Ordinance Establishing a Temporary Moratorium on Street Closure Encroachment Permits Pursuant to California Government Code Section 65858

REPORT IN BRIEF

Considers adopting an urgency ordinance establishing a temporary moratorium on the approval, issuance, processing, or appeal of street closure encroachment permits under Merced Municipal Code Section 12.42 and other administrative policies, while allowing limited administrative approvals under defined criteria. The moratorium will provide the City time to evaluate and implement a comprehensive regulatory framework governing street closures to ensure public safety, coordination, and consistency in application.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Ordinance 2590,** An urgency Ordinance of the City Council of the City of Merced, California, establishing a temporary moratorium on street closures, pursuant to California Government Code Section 65858; and

B. Directing staff to study and return with proposed amendments to the Merced Municipal Code to establish a comprehensive framework governing street closures, including distinctions between parades, community events, and other uses of the public right-of-way.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than as recommended by staff; or,
3. Deny; or,
4. Continue to a future meeting.

AUTHORITY

California Government Code Section 65858

DISCUSSION

Background

The City regulates temporary street closures and use of City-owned properties through Merced

Municipal Code Section 12.42 and related administrative policies. These regulations include a requirement that no new street closure request be considered within sixty (60) days of a prior authorization.

In recent months, the City's enforcement of these long-standing provisions has highlighted inconsistencies in prior application and revealed gaps in the current regulatory framework governing street closures contributing to a decline in public safety health and welfare.

Current Issues

The existing regulatory structure does not distinguish between different types of street closures, including parades, community events, and private uses of the public right-of-way. As a result:

-Requests are evaluated without a clear categorization framework
- Scheduling and spacing of closures lack consistency
- Administrative processes are inefficient and difficult to apply uniformly

Additionally, the absence of a coordinated framework creates the potential for:

- Overlapping or closely timed street closures
- Impaired traffic circulation
- Reduced emergency vehicle access
- Increased strain on Police, Fire, and Public Works resources

The City also faces possible exposure to claims of arbitrary or inconsistent treatment due to prior uneven enforcement of existing requirements.

Need for Interim Action

Without immediate action, the City would continue to process and approve street closure requests under a framework that lacks clear standards and coordination. This could result in either unsafe concentrations of street closures or continued inconsistent decision-making, both of which present risks to public health, safety, and welfare.

Proposed Moratorium

The proposed urgency ordinance establishes a temporary moratorium on the approval, issuance, processing, or appeal of street closure encroachment permits. The moratorium is limited to forty-five (45) days, unless extended in accordance with State law.

Administrative Exceptions

To maintain operational flexibility, the ordinance allows for limited administrative approvals where:

- No material adverse impact to traffic or emergency access will occur
- Adequate spacing and coordination are maintained
- City staffing and public safety resources are not strained
- All relevant departments (Planning, Police, Fire, Engineering, and Public Works) approve the closure
- Written findings are made demonstrating consistency with public health and safety

This approach ensures that necessary and manageable events may proceed while preventing the conditions that prompted the moratorium.

Next Steps

During the moratorium period, staff will evaluate the current regulatory structure, develop a framework distinguishing between types of street closures, establish clear scheduling, spacing, and safety standards, and return to City Council with proposed amendments to the Merced Municipal Code.

IMPACT ON CITY RESOURCES

None at this time.

ATTACHMENTS

1. Urgency Ordinance 2590 Establishing a Temporary Moratorium on Street Closures
2. Administrative Policies and Procedures A-25
3. Merced Municipal Code Section 12.42

ORDINANCE NO. _____

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MERCED, CALIFORNIA, ESTABLISHING A TEMPORARY MORATORIUM ON STREET CLOSURES, PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858

WHEREAS, *California Government Code Section* 65858 authorizes a city to adopt an interim ordinance as an urgency measure to protect the public health, safety, and welfare related to general plan, specific plan or zoning code proposals being considered or studied within a reasonable time; and

WHEREAS, the City regulates temporary street closures through provisions in its Merced Municipal Code and related policies, including a requirement that no new street closure request be considered within sixty (60) days of a prior authorization; and

WHEREAS, in recent months, the City's enforcement of these provisions, revealed the inconsistencies and gaps in the regulatory framework governing street closures; and

WHEREAS, the current regulatory structure does not distinguish between parades, community events, and private uses of the public right-of-way, resulting in administrative inefficiencies and inconsistent application; and

WHEREAS, the lack of a coordinated framework creates a risk of overlapping closures that may impair traffic circulation, limit emergency vehicle access, and strain public safety resources; and

WHEREAS, continued approval or denial of requests under the existing framework would result in unsafe concentrations of closures or arbitrary decision-making; and

WHEREAS, the prior inconsistent enforcement combined with unclear standards may expose the City to potential claims of unequal or arbitrary treatment; and

WHEREAS, these conditions constitute a current and immediate threat to the public health, safety, and welfare by impairing safe and coordinated use of the public right-of-way; and

WHEREAS, the City is studying ordinance revisions to create a comprehensive framework distinguishing types of street closures and implementing clear scheduling and safety standards; and

WHEREAS, pending completion of that work, it is necessary to temporarily limit new street closures while allowing narrowly defined administrative exceptions; and

WHEREAS, this ordinance is adopted as an urgency measure and shall take effect immediately.

THE CITY COUNCIL OF THE CITY OF MERCED DOES ORDAIN AS FOLLOWS:

SECTION 1.

The City Council declares this ordinance necessary for the immediate preservation of public health, safety, and welfare.

SECTION 2.

A moratorium is hereby imposed on the approval, issuance, processing, or appeal of street closure encroachment permits under Merced Municipal Code Section 12.42, except as provided in this ordinance.

SECTION 3.

Notwithstanding the moratorium established in Section 2, the City Manager or designee may administratively approve certain street closure encroachment permits upon making written findings that the approval is consistent with the purpose of this ordinance and will not result in the conditions this ordinance seeks to prevent.

Administrative approvals under this section shall be limited to applications that meet all the following criteria:

A. No Material Adverse Impact.
The proposed street closure will not impair traffic circulation, emergency vehicle access, or public safety operations, and will not create conditions that would adversely affect the safe and coordinated use of the public right-of-way.

B. Spacing and Concentration Controls.
The proposed closure will not occur within 30 days of another street closure in the same or adjacent area unless the City Manager makes a written determination that sufficient spacing exists to avoid an excessive concentration or cumulative impacts.

C. Operational Feasibility.
The proposed closure can be accommodated within existing City staffing, traffic control capacity, and public safety resources without creating strain on City operations by requiring extraordinary measures or reallocation of critical services.

D. Staff Review.
The closure has been reviewed and approved by the City's Planning, Police, Fire, Engineering and Public Works Divisions, including verification of emergency access and traffic control measures.

E. Written Determination.
Each administrative approval shall include written findings demonstrating compliance with this section and consistency with the public health, safety, and welfare.

SECTION 4.

This ordinance applies citywide except as otherwise provided.

SECTION 5.

This ordinance shall be in effect for forty-five (45) days unless extended.

SECTION 6.

The City shall study impacts and develop regulatory amendments during this moratorium.

SECTION 7.

This ordinance may be extended consistent with Government Code Section 65858.

SECTION 8.

If any portion is invalid, remaining portions remain effective.

SECTION 9.

This ordinance takes effect immediately upon a four-fifths vote.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Merced on the ____ day of _____, 2026, and was passed and adopted at a regular meeting of said City Council held on the ____ day of _____, 2026, by the following called vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:
MATTHEW SERRATTO, MAYOR

_____
Mayor

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY:_____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY

Craig Cornwell 4-14-2026
City Attorney Date

ADMINISTRATIVE POLICES AND PROCEDURES

SUBJECT: USE OF CITY AND REDEVELOPMENT AGENCY-OWNED REAL PROPERTY

EFFECTIVE: May 20, 1997

PURPOSE: To establish a policy setting forth the procedure for use of City and Agency-owned real property by non-profit organizations

POLICY:

(A) Use of City or Redevelopment Agency-owned property shall be limited to non-profit organizations who pledge to use the proceeds from any such use for charitable and public benefit purposes.

(B) The City or Agency-owned real property shall only be used for the purposes set forth in Merced Municipal Code Section 20.62.050, i.e., fireworks sales, pumpkin sales, or Christmas tree sales.

(C) The City and Agency-owned real property permitted for the above uses are limited to the following properties:

(1) Commercial/Professional Office (CO)
(2) Neighborhood Commercial (CN)
(3) Thoroughfare Commercial (CT)
(4) General Commercial (GC)
(5) Central Commercial (CC)

The City Manager may in his discretion delete any of the above properties from use or may add additional properties thereto upon a determination that the properties are suitable for the above uses.

(D) Use of the real property is subject to the following conditions:

(1) Applicant must submit a City-owned Real Property Use Permit application to the One-Stop Division of Development Services at least fourteen (14) days prior to date of requested use. Reservations for sites may be made up to one (1) year in advance of date of use;

(2) Applicant shall comply with all applicable statutes, ordinances, rules, regulations, etc., including all regulations of the City of Merced Fire Department;

(3) Applicant shall defend, indemnify and hold the City and the Redevelopment Agency free and harmless from and against any and all claims arising from applicant's use of the property;

(4) Applicant shall provide an insurance policy in the face amount of at least $500,000 satisfactory to the City which names the City and the Redevelopment Agency, its officers, employees, and agents as additional insureds, and which covers Applicant's indemnity obligations;

(5) Applicant shall remove all structures, debris, and other materials from the property no later than the last day of the permit's date of use;

(6) Applicant shall comply with all other requirements of Section 20.62.050 of the Merced Municipal Code;

(7) Applicant must certify that proceeds from the use shall be used for charitable and public benefit purposes only;

(8) Applicant shall comply with such other conditions as may be attached to the permit depending on the type of use.

(E) Development Services Department (One-Stop Division) shall be the lead department responsible for issuing the Real Property Use Permits. Issuance of permits for any site shall be made on a first come, first serve basis. Only one site may be obtained per organization per event. Any permit may be denied due to any unmitigatable hazard or because of anticipated use by the City or Redevelopment Agency. The City may revoke use of a site due to Applicant's non-compliance with any condition or upon a determination that the site is needed for use by the City or the Redevelopment Agency.

(F) A person seeking issuance of a Real Property Use Permit shall file an application. All applications shall include the following attachments:

(1) Certificate of insurance;
(2) Completed business license application, if appropriate; and,
(3) Permit from the State Fire Marshal (depending on use).
(4) Location Map showing site configuration and surrounding uses.

(G) Fee for a Real Property Use Permit shall be $35.00. Additional fees through Fire or other departments may be applied based on type of use. All fees shall be paid a minimum of one week prior to date of use.

(H) Each permit shall be valid for a maximum period of forty-five (45) days or less as indicated in the permit. No permit shall be allowed at the same location or on the same premises if the same or similar permit has been allowed on that property within the previous sixty (60) days.

(I) Temporary signs shall be allowed in accordance with Merced Municipal Code Section 17.36.570.

(J) Any decision by the Development Services Department to issue or deny a Real Property Use Permit may be appealed to the City Council by filing a written appeal with the Development Services Department. The City Council shall hear the appeal at their next regularly scheduled meeting, which is at least five (5) days after the appeal is filed. The City has the right to immediately revoke a permit if the permit holder is in violation of any of the conditions placed on the permit, or if the property is needed for City or Agency purposes. Should revocation occur, the permit holder has the right to appeal in writing at the next regularly scheduled City Council meeting occurring at least five (5) days after the appeal is filed with the Development Services Department. Revocation shall not be stayed while the appeal is pending. The City Council decision shall be final.

PROCEDURE:

RESPONSIBILITY	ACTION
City Planner	(1) Designates staff member(s) to perform duties assigned as Permit Agent(s) under this policy and procedure.
Applicant	(2) Submit application for Real Property Use Permit at least one month prior to the proposed use. (Reservations for sites may be made up to one year in advance)
Permit Agent	(3) Completes, or ensures that Applicant has completed, all necessary information on Permit Application and has included all required attachments, as described in the Application Instructions.
	(4) Forwards the Application for review and approval to Fire Department, and any other department impacted. NOTE: Applicant may wish to personally obtain the required sign-offs to expedite the process. Some departments may require more than 24 hours processing time to review plans or conduct site inspections.
	(5) Transmits informational copies to other affected departments.
Fire Department	(6) Reviews proposed use and Site Plan for potential safety hazards. a. If no hazards are identified, initial, date and return Application to Permit Agent. b. If hazard is identified, recommend to Permit Agent means to mitigate hazard.
Permit Agent	(7) Advises Applicant of possible hazard, means of mitigation, and any additional conditions attached to permit, or that permit is denied for specified reasons.

(9) Following payment of fees by Applicant, Permit Agent assigns a permit number and logs permit issuance.

(10) Issues the Property Use Permit to Applicant.

(11) Copies of Permit shall be filed with Inspection Services.

(12) If permit is denied, advises applicant of appeal procedure.

APPROVED:

City Manager

CITY OF MERCED

City-owned Real Property Use Permit Application

Permit Number:	Issued for the Period:
Total Fee:	Date:
Check Number:	Received By:

Date:_____

Name of Organization: _____

Non-Profit I.D. number:_____

Organization Address:_____

Contact Person:_____

Phone Number: _____

Site Location:_____

Type of Use:_____

Beginning and Ending Dates for Use:_____

A fee of $35.00 must accompany this Real Property Use Application to cover cost of processing. This is not a business license fee. Other fees through Fire or other City departments may be applied based on type of use. All fees shall be paid a minimum of one week prior to date of use through the Finance Department.

Applicant shall defend, indemnify and hold City free and harmless from and against any and all claims arising from Applicant's use of property.

Applicant shall provide an insurance policy in the face amount of at least $500,000 satisfactory to the City which names the City, its officers, employees and agents as additional insureds and which covers Applicant's indemnity obligations.

Applicant shall attach a Location Map to this application (see attached example) and a Business License application

_____ _____

Signature Date

NOTE: **Falsification of this application is a misdemeanor and grounds for revocation of any permit.**

Proof of Non-Profit Status_____ Location Map_____ Fees_____ Insurance_____ Indemnification_____

APPROVED:_____ DENIED:_____ APPROVED:_____ DENIED_____

_____ _____ _____ _____

Planner Date Fire Chief Date

INSTRUCTIONS FOR COMPLETION
CITY-OWNED REAL PROPERTY USE PERMIT APPLICATION

1. **NAME OF ORGANIZATION** - Name of non-profit organization requesting permit.

2. **NON-PROFIT I.D. NUMBER** - Proof on non-profit status, as provided by the State of California.

3. **ORGANIZATION ADDRESS** - Organization's permanent address including city and state.

4. **CONTACT PERSON**- Name of representative who can answer questions.

5. **PHONE NUMBER** - Phone number of organization or organization's representative.

6. **SITE LOCATION** - Identify exact location of site to be used.

7. **TYPE OF USE** - Describe the purpose for which the site will be used and identify item(s) to be sold or service to be performed.

8. **BEGINNING AND ENDING DATES** - Identify the dates site will be in use.

9. **FEES** - Following submittal of application, Permit Agent shall calculate all fees required. Fees are payable through the Finance Department prior to issuance of permit.

10. **REQUIRED ATTACHMENTS** - Applicant shall attach to the application the following: Original, signed Certificate of Insurance; completed Business License application, Location Map clearly indicating desired site; surrounding uses; and site layout showing position of signs, vehicles, campers, tents, etc.; and proof of non-profit status, as provided by the State of California.

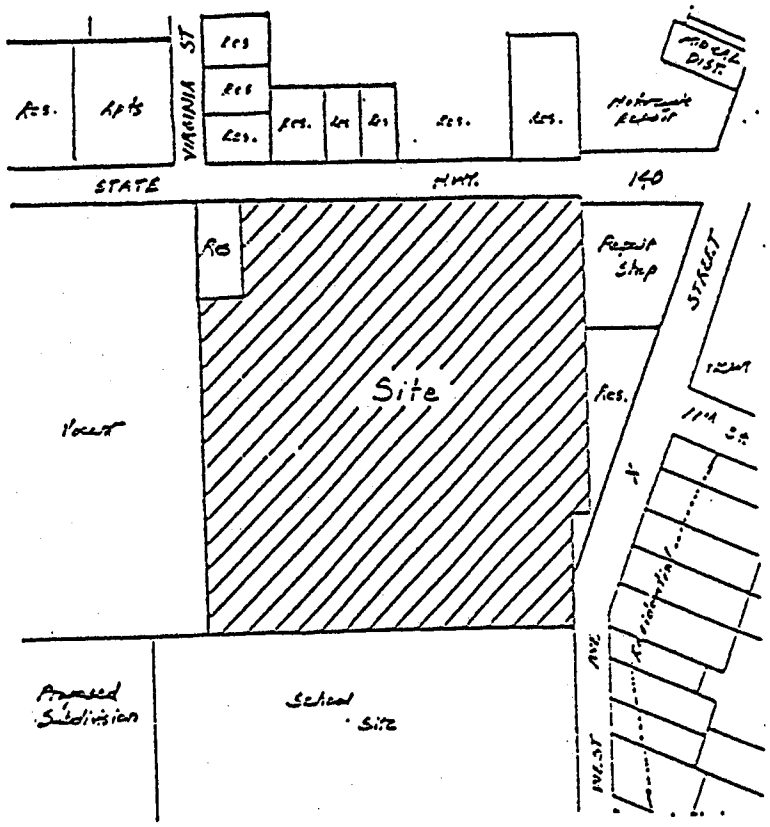
11. **SIGNATURE** - Individual applying for permit shall sign and date application.

EXAMPLE

All maps must have the following information:

1. Applicant's name
2. Date
3. Scale of drawing (i.e. 1/8" = 1')
4. Arrow showing North direction (Drawing should be oriented to the North)

LOCATION MAP



LOCATION MAPS MUST SHOW PARCELS AND LAND USES WITHIN 150' OF THE SUBJECT SITE

Scale 1" : 200'

12.36.120 - Revocation of encroachment permit.

A. Violation of any provision of this chapter, or any federal, state, county or local health regulations shall be grounds for revocation of the encroachment permit. In addition, any conduct of any permittee which is a threat to public health and safety shall be grounds for immediate revocation of the encroachment permit. Violation shall also be grounds for denial of any subsequent application by the permittee.

B. Notice of revocation hearing before the city manager shall be given to the permittee by mail at least five (5) days before the date of the hearing. At the hearing, the permittee may show cause why such permit should not be revoked or should not have been revoked. The city manager shall mail his determination of the revocation to the permittee within five (5) days after the hearing.

(Ord. 1941 § 1 (part), 1996).

Chapter 12.42 - TEMPORARY STREET CLOSURES

Sections:

12.42.010 - Permit required.

A. It is unlawful for any person to construct, erect, place, keep or maintain any sign, showcase, rack, frame, or other device for the storage, display or sale of any food or merchandise of any kind, or to construct any structure or obstruction of any type along, under, over or above any public street or alley or otherwise close any such street or alley without first obtaining an encroachment permit from the city manager or his designee. Notwithstanding Section 12.08.020, encroachment permits shall be issued if all the requirements of this chapter are met and the city manager or his designee finds that the granting of such encroachment permit will not unduly interfere with the rights of the public or significantly contribute to any traffic or other safety hazards.

B. No encroachment permit shall be issued for more than forty-eight (48) hours, or for any location within eight hundred (800) feet of a location covered by an encroachment period within the previous sixty (60) days.

C. Encroachment permits do not constitute the granting of an easement by the city and are only transferable or assignable with the permission of the city manager or his designee.

(Ord. 1941 § 2 (part), 1996).

12.42.020 - Application for encroachment permit.

Applications for encroachment permits pursuant to this chapter shall be submitted to the city manager. Every application shall contain the following information:

A. The name, address, social security number and driver's license number of the applicant.

B. A description of the proposed use of the encroachment area and the equipment, obstructions, etc., intended to be placed in the encroachment area.

C. Such additional information as may be required by the city manager or his designee.

(Ord. 1941 § 2 (part), 1996).

12.42.030 - Insurance.

Every permittee shall be required to furnish the city with a certificate of insurance with coverage of at least $500,000 for property damage and $500,000 for personal injury or a minimum combined single limit coverage of $500,000 naming the city, its officers, agents and employees as additional insureds. This certificate shall provide that thirty (30) days written notice of cancellation shall be given to the city.

(Ord. 1941 § 2 (part), 1996).

12.42.040 - Hold harmless agreement.

Every permittee shall sign an agreement to indemnify and hold harmless the city, its officers, agents and employees from any and all liability, costs, damages or injuries to persons or damage to property which may arise out of or in any way be connected with the use of the encroachment permit.

(Ord. 1941 § 2 (part), 1996).

12.42.050 - Public property use fee for non-residential uses.

For the privilege of using public property for a private business purpose, a permit fee shall be paid by a non-residential permittee in advance in the sum of fifty dollars ($50) for each encroachment permit.

(Ord. 1941 § 2 (part), 1996).

12.42.060 - Designated location.

A. A permittee shall only use such street or alley as is designated and approved by the city manager or his designee.

B. Public safety shall be the principal factor considered when determining allowable locations. In addition, a designated area shall not:

1. Be located on a major arterial street.
2. Extend for more than four hundred (400) feet along a street or alley.
3. Include any sidewalk along the designated area.

(Ord. 1941 § 2 (part), 1996).

12.42.070 - Additional requirements.

A. Permittee shall erect no permanent structure within the encroachment area.
B. All equipment, trash and debris shall be removed from the encroachment area prior to the expiration of the encroachment permit.
C. Permittee shall place and remove traffic barricades and post parking restrictions as required by the city manager or his designee.
D. Permittee shall contact all businesses and residences within one-half mile of the encroachment area at least seventy-two (72) hours prior to the encroachment period advising them of the encroachment period and the intended use of the encroachment area. Permittee shall secure signatures granting permission from businesses which have frontage on the encroachment area, and present such with the completed application.
E. Security shall be provided by the permittee as required by the police department.
F. Permittee shall pay for any city service required for security or for any clean-up not performed by the permittee.

(Ord. 1941 § 2 (part), 1996).

12.42.080 - Sale of alcoholic beverages.

Notwithstanding Section 9.12.020, the sale and consumption of alcoholic beverages shall be permitted within the encroachment area if permittee complies with all other laws relating to the sale of alcoholic beverages.

(Ord. 1941 § 2 (part), 1996).

12.42.090 - Revocation of encroachment permit.

A. Violation of any provision of this chapter, or any federal, state, county or local health regulation shall be grounds for revocation of the encroachment permit. In addition, any conduct of any permittee which is a threat to public health and safety shall be grounds for immediate revocation of the encroachment permit. Violation shall also be grounds for denial of any subsequent application by the permittee.
B. Notice of revocation hearing before the city manager shall be given to the permittee by mail at least five (5) days before the date of the hearing. At the hearing, the permittee may show cause why such permit should not be revoked or should not have been revoked. The city manager shall mail his determination to the permittee within five (5) days after the hearing.

(Ord. 1941 § 2 (part), 1996).

12.42.100 - Appeal.

Any decision of the city manager to issue, revoke, or deny an encroachment permit may be appealed to the city council by filing a written appeal with the city manager within ten (10) days of mailing of the city manager's decision. The city council shall hear the appeal at the next regularly scheduled meeting provided that the appeal is received at least seven (7) days before the meeting date. The city council's decision shall be final.

(Ord. 1941 § 2 (part), 1996).

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-206 Meeting Date: 4/20/2026

Report Prepared by: Christopher Jensen, Director, Parks and Community Services

SUBJECT: Consideration of Recommendation of Recreation and Parks Commission to Honor the Request to Name the Stage in Bob Hart Square Plaza, Merced Rotary Stage

REPORT IN BRIEF

Requesting Council's consideration of the application for naming the Stage in Bob Hart Square Plaza, Merced Rotary Stage; accepting and appropriating a one-time contribution of $50,000.

RECOMMENDATION

Council- Adopt a motion:

A. Requesting Council's consideration of the proposed Facility naming application by Merced Rotary Club to name the Stage in Bob Hart Square Plaza to Merced Rotary Stage; and,

B. Accepting a contribution of $50,000 from Merced Rotary Club, increase revenue in Fund 5000-Parks and Community Service CIP and appropriating the same to CP220073 Bob Hart Square Expansion for the betterment of the plaza.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Deny; or,
3. Refer to staff for reconsideration of specific items (specific items to be addressed in the motion)

DISCUSSION

Background

The Parks and Community Services Department was contacted by Brenda Callahan Johnson and Barbara Ward, President of Merced Rotary Club about the Clubs interest in supporting Art and Culture performances in the new Bob Hart Square Plaza. The proposal submitted included naming the stage in Bob Hart Square Plaza, the Merced Rotary Stage in consideration of a 100-year tradition of the Merced Rotary's support of downtown Merced and local recreational assets across the City.

In addition, Merced Rotary Club is proposing a one-time contribution of $50,000 to the City of Merced for supporting the use of the stage and plaza. In addition, Merced Rotary is interested in donating annually to support ongoing artistic performances in the Bob Hart Square Plaza, referred to as "Concerts on the Square". This agreement would be brought back at another date for Councils Consideration or information. This application is for permanent naming of the stage in Bob Hart

Square.

The City follows Policy A-20 to structure and consider park and recreation facility naming applications. The policy details that the Recreation & Parks Commission and two sitting Council members will form the “Selection Committee” in order to evaluate applications and make a recommendation to City Council based on their findings.

Process

City staff shall review the written proposal for adherence to the stated criteria and authentication of statements relative to contributions in the case of an individual before forwarding the request to the Recreation and Parks Commission and the Selection Committee of Commissioners and City Council members.

The Recreation and Parks Commission/Selection Committee (s) offered the opportunity for public input on the proposed naming at a published public hearing on March 3rd, 2026.

The Recreation and Parks Commission/Selection Committee (s) reviewed the proposal according to the criteria establish in Policy A-20 and is forwarding their recommendation (s) to the City Council for the final decision.

The Commission Subcommittee reviewed the application and is recommending Council confirm their recommendation and name the Stage in Bob Hart Square, Merced Rotary Stage and appropriate the $50,000 to be designated towards supporting the plaza amenities and the City sponsored Concert on the Square performances.

IMPACT ON CITY FINANCES

Accepting and appropriating one-time contribution funding of $50,000 from Merced Rotary Club in Fund 5000-Parks and Community Service CIP, Project CP220073, to be used by Parks & Community Services for the betterment of the plaza and Stage in Bob Hart Square in support of ongoing performances.

Recommendation B requires five affirmative votes for approval.

ATTACHMENTS

1. A-20 Parks and Facilities Naming Policy
2. Naming Application
3. Merced Rotary Club Donation Acceptance Form
4. Bob Hart Square- Merced Rotary Stage Naming
5. Donation Acceptance Agreement

ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: PROCEDURES FOR NAMING CITY PARKS, RECREATION AREAS, AND FACILITIES AND REDEVELOPMENT AGENCY FACILITIES

EFFECTIVE : July 7, 2003

Supersedes: **Policy for Naming Parks 2/96**

Purpose:

The purpose of this policy is to provide uniform guidelines for the determination of names for parks and public facilities acquired, built, established, or installed by the City of Merced and/or the Merced Redevelopment Agency.

Objectives:

1. Ensure that parks, recreational areas, and facilities and Redevelopment Agency facilities are easily identified and located.

2. Ensure that names designated for parks, recreational areas and facilities and Redevelopment Agency facilities are consistent with the values and character of the area or neighborhood served.

3. Encourage public participation in the naming, renaming and dedication of parks, recreation areas and facilities and Redevelopment Agency facilities.

4. Encourages the dedication of lands, facilities, or donations by individuals and/or groups.

Definition:

Parks, recreation areas, and facilities and Redevelopment Agency facilities includes all property assets under the City's ownership and control; including buildings, structures, open spaces, public parks, natural areas, wetlands, environmental habitat and land.

Criteria:

The policy of the City of Merced is to name parks, recreation areas, and facilities and Redevelopment Agency facilities through an adopted process utilizing established criteria emphasizing community values and character, local history, geography, environment, civics and service unique to the community of Merced. The following criteria shall be used in determining the appropriateness of the naming designation:

1. Geographic location (neighborhood, significant areas, etc.).
2. Natural features.
3. A person (living or deceased) with historical or cultural significance.
4. A person/ group (living or deceased), with feature particularly identified with the land or facility.

Standards

1. The process to name parks, recreation areas, and facilities and Redevelopment Agency facilities shall not begin until after the City has acquired title to the land and/or formally accepted the dedication.

2. Conditions of property donation as agreed upon by the donor and the City shall be honored regarding the naming of the parks, recreation areas, and facilities and Redevelopment Agency facilities subject to these adopted policies.

3. Names that are similar to existing parks, properties or facilities in the City system (or other systems in the metro area) should not be considered in order to minimize confusion.

4. The City reserves the right to change the name of any City/Redevelopment Agency facility to maintain consistency with these policies.

Procedure:

Naming of City parks, recreation areas, and facilities and Redevelopment Agency facilities:

1. A request for naming of a park, recreational area, or facility and Redevelopment Agency facility shall be submitted <u>in writing.</u> Voice mail and emails will <u>not be accepted</u>.

2. Those submitting a naming request should show how the proposed name is <u>consistent with the criteria</u> stated in this policy.

3. When naming after a person or persons, the application will describe the contributions to the City of Merced. Written documentation of approval by next of kin of person to be honored (if available/possible) is required as part of the proposal.

4. A request for naming of parks, recreation areas, and facilities and Redevelopment Agency facilities shall be submitted in writing to the Director of Parks and Community Services. The Recreation and Park Commission and two appointed City Council members shall review all written requests for naming of parks, recreation areas or facilities or Redevelopment Agency facilities as the Selection Committee.

5. A request for naming other City/Redevelopment Agency Facilities shall be submitted to Department Head of the lead City department involved with the project. Two City Council members, the City Manager, and a maximum of three (3) other members shall form the Selection Committee to review all requests for naming all other City/Redevelopment Agency facilities.

6. City staff shall review the written proposal for adherence to the stated criteria and authentication of statements relative to contributions in the case of an individual before forwarding the request to the Recreation and Parks Commission and/or the Selection Committee of City Council members, City Manager, and other members. If the request is incomplete, staff will contact the applicant, in writing, and provide them with the opportunity to resubmit a revised request.

7. The Recreation and Parks Commission/Selection Committee (s) will offer the opportunity for public input on the proposed naming at a published public hearing.

8. The Recreation and Parks Commission/Selection Committee (s) shall forward their recommendation (s) to the City Council for the final decision.

9. The Recreation and Parks Commission/Selection Committee can initiate the naming process without a public request and whenever deemed necessary and/or in the best interest of the City of Merced; following the established criteria.

Standards for Renaming of City Parks, Recreation Areas and Facilities or Redevelopment Agency Facilities

1. Renaming of parks, recreation areas, and facilities and Redevelopment Agency facilities carries with it a much greater burden of process compared to the initial naming. Tradition and continuity of name and community

identification are important community values. Each application must meet the criteria in this policy, but meeting all criteria does not ensure renaming.

2. A request for renaming of a park, recreational area, or facility or Redevelopment Agency facility shall be submitted in writing to the Parks and Community Services Department or the specific Department Head of the lead City department involved with the project.

3. The request shall include the proposed name change, the purpose of the change, and how the proposed name change is consistent with the criteria established. When renaming after a person or persons, the application will describe the contributions to the City. A written documentation approval by the next of kin of the person to be honored (if available/possible) is required as part of the proposal.

4. City staff will review the proposal for adherence to the stated criteria and authentication of statements relative to contributions in the case of an individual before forwarding to the Recreation and Parks Commission/Selection Committee(s). If the request is incomplete, staff will contact the applicant, in writing, and provide them with the opportunity to resubmit a revised request.

5. The recognized Neighborhood Association will be notified of the proposal when the Recreation and Parks Department and/other City Departments receive a complete application.

6. The Recreation and Parks Commission/Selection Committee(s) will offer the opportunity for public input on the proposed naming at a published public hearing.

7. The Recreation and Parks Commission/Selection Committee(s) shall forward their recommendation(s) to City Council for final decision.

8. Upon adoption of this policy, all naming proposals previously submitted and recommended for reconsideration by the City Council, shall be resubmitted on the new approved form. City staff will contact the applicant, in writing, and provide them with the opportunity to resubmit a revised request.

Reviewed and Approved:

James G. Marshall, City Manager

APPLICATION FOR PARKS, RECREATION AREAS AND FACILITIES AND REDEVELOPMENT AGENCY FACILITY NAMING

As a policy, parks, recreation areas, and facilities and Redevelopment Agency facilities shall be named in accordance with geographical, historical or ecological features indigenous to the park site or to the immediate vicinity of the site. Parks, recreation areas, and facilities and Redevelopment Agency facilities may be named for an individual (s) under the following conditions:

1. **Where the individual has made a significant gift of land to the City of Merced and/or the Redevelopment Agency, or**

2. **In memoriam for an individual who has made a significant contribution to the City of Merced/Redevelopment Agency.**

Recreational facilities or resource management areas within a park may be named for a corporation or an individual, living or deceased, who:

1. **Has made a significant contribution to the protection of natural, cultural, or horticultural resources of the City of Merced, or**

2. **Has made substantial contributions to the advancement of commensurate types of recreational opportunities within the City of Merced, or**

3. **Has made significant contributions to the betterment of a specific park, consistent with the established criteria and standards for the designated facility.**

In support of this policy, nominations for naming parks, recreational areas, and facilities and Redevelopment Agency facilities, shall be evaluated on the basis of the above criteria and upon appropriate documentation.

Person making nomination:(required)_____

Address:(required)_____

Contact Phone Number:(required) _____

E-mail:(not required) _____

Suggested Name:(required) _____

Biographical Information: (Explain)

Civic Involvement: (Explain)

Connection to Facility: (Please explain in depth)

Reason for Nomination: (Required)

_____

_____

Additional Comments: (required)

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Date received By City staff: _____

Reviewed by:_____

Approved by: (Department Head) _____

Submit to City Council for Direction:_____

Date scheduled for review by Selection Committee: _____

Date person submitting nomination notified: _____

ADDITIONAL INFORMATION MAY BE ATTACHED

EVALUATION SHEET

Name of City Facility:_____

Suggested Name:_____

City Department/Selection Committee: _____

Date of Review: _____

1. **Rate significant gift of land to the City (√)**

Significant	Moderate	Minor	No Gift
( )	( )	( )	( )

2. **Rate significant contribution to the City (√)**

Significant	Moderate	Minor	No Contribution
( )	( )	( )	( )

3. **Rate significant contribution to protect natural cultural, or horticultural resources of the City of Merced (√)**

Significant	Moderate	Minor	No Contribution
( )	( )	( )	( )

4. **Rate substantial contribution to the advancement of appropriate types of recreational opportunities within the City of Merced (√)**

Significant	Moderate	Minor	No Contribution
( )	( )	( )	( )

5. **Rate significant contribution to the betterment of a specific park or City facility consistent with the established criteria and standards for the designated facility classification (√)**

Significant	Moderate	Minor	No Contribution
( )	( )	( )	( )

In support of this policy, nominations for naming City and Redevelopment Facilities or resource management areas shall be evaluated on the basis of the above criteria and upon appropriate documentation.

APPLICATION FOR PARKS, RECREATION AREAS AND FACILITIES AND REDEVELOPMENT AGENCY FACILITY NAMING

As a policy, parks, recreation areas, and facilities and Redevelopment Agency facilities shall be named in accordance with geographical, historical or ecological features indigenous to the park site or to the immediate vicinity of the site. Parks, recreation areas, and facilities and Redevelopment Agency facilities may be named for an individual (s) under the following conditions:

1. **Where the individual has made a significant gift of land to the City of Merced and/or the Redevelopment Agency, or**

2. **In memoriam for an individual who has made a significant contribution to the City of Merced/Redevelopment Agency.**

Recreational facilities or resource management areas within a park may be named for a corporation or an individual, living or deceased, who:

1. **Has made a significant contribution to the protection of natural, cultural, or horticultural resources of the City of Merced, or**

2. **Has made substantial contributions to the advancement of commensurate types of recreational opportunities within the City of Merced, or**

3. **Has made significant contributions to the betterment of a specific park, consistent with the established criteria and standards for the designated facility.**

In support of this policy, nominations for naming parks, recreational areas, and facilities and Redevelopment Agency facilities, shall be evaluated on the basis of the above criteria and upon appropriate documentation.

Person making nomination:(required) Barbara Ward, President

Address:(required) P.O. Box 751, Merced, CA 95341

Contact Phone Number:(required) [redacted]

E-mail:(not required) [redacted]

Suggested Name:(required) Merced Rotary Stage

Attached

Biographical Information: (Explain)

Civic Involvement: (Explain)

Connection to Facility: (Please explain in depth)

Reason for Nomination: (Required)

Additional Comments: (required)

Date received By City staff: 11.21.25

Reviewed by: Christopher Jensen

Approved by: (Department Head) Christopher Jensen

Submit to City Council for Direction:

Date scheduled for review by Selection Committee: January 26, 2026

Date person submitting nomination notified: January 22nd, 2026

ADDITIONAL INFORMATION MAY BE ATTACHED

Honorable Mayor Serratto and Council Members:

The Merced Rotary Club is pleased to formally request the naming rights to the new stage in Bob Hart Square. In support of this request, we are offering a contribution of $50,000, as well as funding for an appropriate plaque or signage for the stage in accordance with the City's specifications.

The Merced Rotary Club has a rich and longstanding history in the City of Merced. As one of the community's oldest service organizations, we have spent our 103-year history meeting and serving in the heart of downtown earning us the informal title of the "Downtown Rotary Club." Since our founding in 1922, our meetings have been held in downtown Merced, beginning at the historic El Capitan Hotel. We take great pride in seeing the hotel revitalized, standing as a reminder of our club's origins. Many of our members work in, own property in, and actively support the downtown corridor, recognizing the critical importance of investing in its continued growth and vitality.

As you may know, the Merced Rotary Club has contributed to numerous capital projects throughout the community, including the Rotary Coves at Lake Yosemite, the shade structure at Rahilly Park, the Scout Hut in Applegate Park, and most recently the scoreboard at El Capitan High School. However, we have not yet had the opportunity to make a significant capital investment in downtown Merced, where our roots lie and we are truly excited for the chance to do so through this project.

Our commitment extends beyond naming rights! The club is eager to support the arts in downtown Merced by sponsoring talent and performances on the stage for the community to enjoy. Downtown has become a vibrant highlight of our city, and we are proud to play a role in supporting its momentum.

Finally, much of the millions of dollars we have invested in the community over the years comes from private funds and small donors. It is important that these donors see the lasting impact of their generosity. Naming the stage in Bob Hart Square *The Merced Rotary Stage* would serve not only as a visible reminder of their contributions "doing good," but also as a testament to the power of community involvement and the importance of supporting Rotary. This recognition would also strengthen our ability to continue raising funds and giving back.

Thank you for your thoughtful consideration of our request. We look forward to the opportunity to discuss this further.

Respectfully,
The Merced Rotary Club

EVALUATION SHEET

Name of City Facility:_____

Suggested Name:_____

City Department/Selection Committee: _____

Date of Review: _____

1. **Rate significant gift of land to the City (√)**

Significant	Moderate	Minor	No Gift
( )	( )	( )	( )

2. **Rate significant contribution to the City (√)**

Significant	Moderate	Minor	No Contribution
( )	( )	( )	( )

3. **Rate significant contribution to protect natural cultural, or horticultural resources of the City of Merced (√)**

Significant	Moderate	Minor	No Contribution
( )	( )	( )	( )

4. **Rate substantial contribution to the advancement of appropriate types of recreational opportunities within the City of Merced (√)**

Significant	Moderate	Minor	No Contribution
( )	( )	( )	( )

5. **Rate significant contribution to the betterment of a specific park or City facility consistent with the established criteria and standards for the designated facility classification (√)**

Significant	Moderate	Minor	No Contribution
( )	( )	( )	( )

In support of this policy, nominations for naming City and Redevelopment Facilities or resource management areas shall be evaluated on the basis of the above criteria and upon appropriate documentation.

ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: DONATION AND GIFT POLICY

EFFECTIVE: October 21, 2019

PURPOSE

To establish a formal process for acceptance and documentation of donations made to the City. This policy provides guidance when individuals, community groups, and businesses wish to make donations to the City. This policy also establishes the standards for City employees and City officials regarding the acceptance of gifts during the performance of City business.

POLICY:

A. Types of Donations

Donations may be offered in the form of cash, real or personal property. Designated donations means those donations that the donor specifies for a particular City department, location, or purpose. Undesignated donations means those donations that are given to the City for an unspecified use.

B. Consistency With City Interests

Designated donations may only be accepted when they have a purpose consistent with the City's goals and objectives and are in the best interest of the City of Merced. The City must always consider the public trust and comply with all applicable laws when accepting donations.

C. Acceptance of Undesignated Donations of Cash or Tangible Items

All donations to the City, including offers to employees related to the City, shall immediately be submitted for consideration for acceptance. Based on the value of the donation offered as outlined below, appropriate City staff shall review every donation and determine if the benefits to be derived warrant acceptance of the donation. The following points list the threshold amounts for donation acceptance:

1. Offers of donations of cash or items valued up to $5,000 may be accepted by the City Manager.

2. Offers of donations of cash or items valued more than $5,000 must be accepted by the City Council. Donations valued at more than $5,000 shall be accepted

through a written agreement consistent with these guidelines and approved by the City Council.

D. Acceptance of Designated Donations of Cash or Tangible Items

Based on the value of the donation offer, as outlined in Section C above, appropriate City staff shall review the conditions of any designated donation and determine if the benefits to be derived warrant acceptance of the donation. Criteria for the evaluation include, but are not limited to:

1. Consideration of an immediate or initial expenditure is required in order to accept the donation;

2. The potential and extent of the City's obligation to maintain, match, or supplement the donation.

E. Acknowledgment of Donations

1. A Donation Acceptance Form is required to be completed by the receiving Department Director and/or the City Manager's Office for all donations provided to the City (form attached).

2. Acknowledgment of the donation should be in writing and be the responsibility of the Department Director who is the beneficiary of the donation. Undesignated donations shall be acknowledged by the City Manager. A copy of the Donation Acceptance Form and the acknowledgement agreement should be forwarded to donors.

3. The Donor Acceptance Form, including the donor's name and donation amount, are public information subject to disclosure pursuant to the California Public Records Act.

F. Declined Donations

The City of Merced reserves the right to decline any donation if, upon review, acceptance of the donation offer is determined in the sole discretion of the City to not be in the best interests of the City.

G. Distribution of Donation

1. Tangible items will be distributed to appropriate City Departments for use or, at the discretion of the Department Director or City Manager, disposed of in an appropriate manner according to this policy.

2. Donations of cash for designated donations will be deposited into the appropriate revenue account for the designated City Department and appropriated accordingly.

3. Donations of cash for undesignated donations under $5,000 will be deposited into the City's General Fund Other Revenue account. Undesignated donations in an amount over $5,000 will be distributed at the direction of the City Council.

H. Dissemination of Information

1. A copy of each Donation Acceptance Form for accepted donations shall be forwarded for information to the City Council by the City Manager's Office.

2. A copy of each Donation Acceptance Form for accepted donations shall be forwarded for information to the Finance Department and the designated department for which the donation was assigned.

3. Each original Donation Acceptance Form shall be maintained by the City Clerk.

I. Acceptance of Gifts to Employees and/or Elected Officials of the City

1. Employees and or elected officials of the City shall follow the provisions listed in City of Merced Conflict of Interest Code as it relates to the receipt of gifts.

2. Employees and elected officials of the City are required to be objective and fair in dealing with the public and persons or firms doing business with the City. Employees shall not solicit or accept gifts or gratuities for the performance of their City job responsibilities.

3. No employee and or elected officials of the City shall directly or indirectly solicit, accept, or attempt to accept any money, fee, credit, gift, gratuity, object of value, or compensation of any kind which the elected official or employee knows, or has reason to know is being offered:

    a. For the purpose of improperly obtaining or rewarding favorable treatment;

    b. With interest to influence the official or employee in the discharge of official duties or;

    c. In consideration of having exercised official powers or performed official duties.

4. Anonymous gifts shall be delivered to the City Manager for appropriate disposition.

5. Under the Political Reform Act, public officials and employees are required to disclose certain personal financial holdings as outlined in California Government Code sections 81000-91014. The Fair Political Practices Commission requires all public officials and employees to file a 'conflict-of-interest statement,' known as Form 700. In Schedule D of Form 700, detailed requirements in reporting gifts of a dollar value and shall be used.

APPROVED:

Steven S. Carrigan
City Manager

Attachments:
1. Donation Acceptance Form
2. Donation and Gift Policy Acknowledgment Form

CITY OF MERCED
DONATION ACCEPTANCE FORM

Name of Donor: Merced Rotary Club

Address: PO Box 751 City: Merced State: CA Zip: 95341

Description of Donation: $50,000 one time funding todars supporting Bob Hart Square stage and plaza amenities. Up to $2500 annually donated to support Concert on the Square performenace series.

Donor Estimate of Current Value: $50,000

Potential immediate or initial acquisition or installation cost, any on-going maintenance or replacement cost: Unknown

Intended Use: To support the continued development of Bob Hart Square to house musical and cultural performances.

Conditions of Acceptance or Donor Designation: To be used to support equipment, services or supplies in support of the ongoing development of Bob Hart Square to support artistica and cutlural performances.

Remarks:

Department Receiving Donation: City of Merced Parks & Community Services

APPROVED/ DISAPPROVED

3.30.26
Date

Christopher Jensen
Department Head Signature

Date

City Manager Signature

Approval of City Council Required if Donation Exceeds $5,000.

Date Submitted to Council

Date Approved by Council

Date

Mayor Signature

NOTE: The City of Merced cannot guarantee future funding for repair, maintenance, use or replacement of donated items.
cc: City Council, Finance Department, City Clerk

CITY OF MERCED, CALIFORNIA

DONATION AND GIFT POLICY ACKNOWLEDGEMENT

I have received and read the City of Merced Donation and Gift Policy and understand its provisions.

Christopher Jensen

Employee (PRINT Name)

Christopher Jensen

Employee Signature

3.30.26

Date

BOB HART SQUARE- STAGE NAMING

- A proposal submitted by Merced Rotary Club

HISTORY OF WORK

- Downtown Planning
- ARPA funded renovation
- Downtown Anchor
- Art and Culture District Designation
- Park and Rec Facility Naming Policy- Recommended Naming
  - Council Action Item

ARPA FUNDED RENOVATIONS

- ARPA funded investments Downtown
  - adding parking to the area
  - reduce the number of street closures
  - create community anchor for events and celebrations downtown

DOWNTOWN ANCHOR- BOB HART SQUARE

DOWNTOWN DESIGNATION

- State of California has made strides in supporting Art and Cultural District designations over past several years
- Cultural Districts for 2026–2030, bringing the total to 24 state-recognized districts
- Downtown Merced was one of 10 recently designated as a state recognized Arts and Cultural District
  - Bob Hart Square one of the many highlights recognized by the designation

PROPOSAL- MERCED ROTARY

Merced Rotary has requested naming the stage at Bob Hart Square- ***Merced Rotary Stage***

History in Merced
Have made significant investments in Recreational Spaces across Merced including Rahilly Park. Often known as the Downtown Merced Rotary as major supporters of business downtown, looking for opportunity to make significant investment in downtown spaces focused on arts and entertainment.

One Time Committed Funding
Merced Rotary is proposing a one-time contribution $50,000 towards the plaza and Stage to support supportive amenities.

Ongoing Supportive Funding for City Sponsored Performances
In addition, Merced Rotary will work with City staff on an agreement detailing annual contributions towards performances on the Bob Hart Square stage. Those agreements will be brought back at another time.

CITY OF MERCED- PROCESS FOR NAMING PARKS AND REC. FACILITIES

The City of Merced has a rich history of recognizing commitments of individuals and or groups who has supported parks and community services in various capacities

Policy A-20 outlines the process to be used wen reviewing proposals for naming such facilities.

Review Committee was established through Recreation and Parks Commission

- Held Public Hearing on March 3rd
- Non opposition
- Recommending Council move forward with Naming as proposed

REQUESTED COUNCIL ACTION

- Adopt a motion
  - Approving the proposed Facility Naming application by Merced Rotary Club to name the Stage in Bob Hart Square Plaza, **Merced Rotary Stage**
  - Accept and appropriate $50,000 from Merced Rotary to Parks & Community Services, projects to be determined for Bob Hart Square Plaza.

DONATION ACCEPTANCE AGREEMENT

THIS DONATION ACCEPTANCE AGREEMENT is made and entered into this ___ day of _____, 2026, by and between the City of Merced, a California Charter Municipal Corporation ("City"), and Merced Rotary Club, ("Donor").

WHEREAS, the Donor has elected to donate $50,000.00 to the City to be used in furtherance of the Donor's purposes as set forth in the Donation Acceptance Form attached hereto as Exhibit A; and,

WHEREAS, City has purposes that are consistent with the Donor's purposes and has an interest in using the donation to advance the Donor's purposes.

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

1. The Donor shall pay to the City the donation amount of $50,000.00.

2. The City shall use the donation solely and exclusively for the ongoing development of Bob Hart Square to support artistic and cultural performances.

3. The donation is conditioned upon the City expending the donation for the purposes set forth herein and, where appropriate, crediting the Donor as the source of funds.

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:_____
D. Scott McBride
City Manager

ATTEST:
D. SCOTT MCBRIDE CITY CLERK

BY:_____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY

BY: Craig Cornwell 4-9-2026
City Attorney Date

ACCOUNT DATA:
M. VENUS RODRIGUEZ, FINANCE OFFICER

BY:_____
Verified by Finance Officer

DONOR
MERCED ROTARY CLUB

BY:_____
(Signature)

_____
(Typed Name)

Its:_____
(Title)

\\VM-MERFILE01\Attorney\Agreements\Parks & Recreation\2026\Donation Acceptance Agreement - Rotary.docx

CITY OF MERCED
DONATION ACCEPTANCE FORM

Name of Donor: Merced Rotary Club

Address: PO Box 751 City: Merced State: CA Zip: 95341

Description of Donation: $50,000 one time funding todars supporting Bob Hart Square stage and plaza amenities. Up to $2500 annually donated to support Concert on the Square performenace series.

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Intended Use: To support the continued development of Bob Hart Square to house musical and cultural performances.

Conditions of Acceptance or Donor Designation: To be used to support equipment, services or supplies in support of the ongoing development of Bob Hart Square to support artistica and cutlural performances.

Remarks:

Department Receiving Donation: City of Merced Parks & Community Services

APPROVED/ DISAPPROVED

3.30.26
Date

Christopher Jensen
Department Head Signature

Date

City Manager Signature

Approval of City Council Required if Donation Exceeds $5,000.

Date Submitted to Council

Date Approved by Council

Date

Mayor Signature

NOTE: The City of Merced cannot guarantee future funding for repair, maintenance, use or replacement of donated items.
cc: City Council, Finance Department, City Clerk

EXHIBIT A

CITY OF MERCED, CALIFORNIA

DONATION AND GIFT POLICY ACKNOWLEDGEMENT

I have received and read the City of Merced Donation and Gift Policy and understand its provisions.

Christopher Jensen
Employee (PRINT Name)

Christopher Jensen
Employee Signature

3.30.26
Date

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-236 Meeting Date: 4/20/2026

Report Prepared by: Samuel J. Rashe, Planning Manager, Development Services Department

SUBJECT: Approval of a First Amendment to the Deposit and Reimbursement Agreement with University Vista Master Plan, LLC, Relating to the University Vista Annexation (Annexation #22-02) to Annex 290 Acres of Land Located at the Northwest Corner of Bellevue Road and Lake Road to the City of Merced, and Approval of a First Amendment to the Professional Services Agreement with Environmental Science Associates

REPORT IN BRIEF

Considers approving amendments to the Deposit and Reimbursement Agreement with University Vista Master Plan, LLC, and the Professional Services Agreement with Environmental Science Associates to increase the amount of the contract for environmental services and to reimburse for City staff time to manage said contract.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the First Amendment to the Deposit and Reimbursement Agreement with University Vista Master Plan, LLC, in the amount of $49,706, which includes the increase in contracted environmental services ($45,188) and management time by City staff ($4,518) for a total contracted amount of $990,748; and,

B. Approving the First Amendment to the Professional Services Agreement with Environmental Science Associates to complete Environmental Services for University Vista Annexation (Annexation #22-02) in the amount of $45,188 for a total contract amount of $900,681; and,

C. Approving an increase of revenue in the amount of $45,188 to Fund 3000-Development Services, Developer Capital Fees account and appropriating the same to Professional Services account for payment to Environmental Science Associates; and,

D. Approving an increase in revenue in the amount of $4,518 to Fund 3000-Development Services, Cost Recovery account; and,

E. Authorizing the City Manager to execute all necessary documents.

ALTERNATIVES

1. Approve the First Amendment to the Deposit and Reimbursement Agreement and the Professional Services Agreement; or,
2. Amend the First Amendment Professional Services Agreement, and or Deposit and

Reimbursement Agreement (with specified amendments to be specified in council motion; or
3. Direct staff to make changes and return to Council later; or,
4. Deny; or,
5. Continue the matter to a future Council meeting (date and time to be specified in motion).

AUTHORITY

The Cortese-Knox-Hertzberg Act of 2000 establishes procedures for city annexations and other local government changes in organization. Merced Municipal Code Title 19 spells out environmental review procedures for the City.

DISCUSSION

Proposed Project

On September 20, 2021, City Council reviewed a Pre-Annexation application for University Vista located at the northwest corner of Bellevue Road and Lake Road for a 290-acre mixed-use development, in which City Council indicated general support for the annexation. On December 6, 2021, the City of Merced entered into a Deposit Reimbursement Agreement with University Vista Master Plan, LLC, and an Agreement for Services with Environmental Science Associates (ESA) for the sum of Eight Hundred Fifty-Five Thousand Four Hundred Ninety-Three Dollars ($855,493.00).

ESA has submitted a request to amend the professional services agreement for the University Vista Project Environmental Impact Report (EIR) in the amount of Forty-Five Thousand One-Hundred Eighty-Eight dollars ($45,188) to address work that falls outside the original contract scope and budget. After issuance of the Notice of Preparation, an analysis of agricultural resources and wildfire impacts, due to local sensitivities, was added; the preparation of these additional sections required consultant effort not contemplated in the original agreement.

Further, the project applicant modified the project description by increasing residential unit counts, expanding commercial square footage, and retaining the existing site layout. These changes required updates to the project description and supporting environmental analysis. Additionally, when the original scope was developed, several technical studies had not yet been completed. Upon review of those studies, ESA determined that additional effort was needed to adequately prepare the air quality, biological resources, energy, and greenhouse gas emissions sections of the EIR.

The project also experienced a prolonged hiatus beginning in early 2023. As a result, the consultant must review previously completed work to re-familiarize staff with the project and ensure consistency across all EIR sections. Because the remaining budget is insufficient to complete these expanded tasks, an amendment is required to add funding to the Administrative Draft EIR task to complete the document in compliance with CEQA requirements.

City Council Action

City staff is recommending that the City Council approve the Amended Professional Services Agreement (Attachment 3) in the amount of $45,188 to Environmental Science Associates to perform the environmental services for the University Vista Annexation to the City of Merced. Staff is also

recommending the approval of the Amended Deposit and Reimbursement Agreement (Attachment 4) with University Vista Master Plan, LLC, in the amount of $49,706 to cover the costs of the contract ($45,188) as well as City staff time involved in managing the contract ($4,518).

IMPACT ON CITY RESOURCES

The City is not responsible for the cost of preparing the EIR document. University Vista Master Plan, LLC, will fund the entire cost of the ESA contract amendment as well as paying for City staff time to manage the contract.

This item requires 5 affirmative votes for approval.

ATTACHMENTS

1. Original Professional Agreement for Services with Environmental Science
2. Original Deposit and Reimbursement Agreement with University Vista Master Plan, LLC
3. First Amendment to the Professional Services Agreement with Environmental Science
4. First Amendment to the Deposit and Reimbursement Agreement with University Vista Master Plan, LLC
5. Land Use Map

AGREEMENT FOR SERVICES

THIS AGREEMENT is made and entered into this 6th day of DECEMBER, 2021, 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 Environmental Science Associates, a California Corporation, whose address of record is 2600 Capitol Avenue, Suite 200, Sacramento, California 95816 (hereinafter referred to as "Consultant").

WHEREAS, City is undertaking a project to annex approximately 291 acres, generally located at the northwest corner of Bellevue and Lake Roads; and,

WHEREAS, Consultant represents that it possesses the professional skills to provide environmental services 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 planning environmental 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 Director of Development Services 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 when the environmental document is completed to the City's satisfaction, all required copies of the document have been provided, all required meetings have been attended, and the final documents has been certified by the City.

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 Eight Hundred Fifty-Five Thousand Four Hundred Ninety-Three Dollars ($855,493.00).

5. METHOD OF PAYMENT. Compensation to Consultant shall be paid by the City after submission by Consultant of monthly invoices delineating the services performed each month.

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 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 authorized 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.

g. Notwithstanding any language in this Agreement to the contrary, Consultant shall be entitled to be paid pursuant to the terms of this Agreement until Consultant has obtained the insurance required by this Section 10 and provided documentation of said insurance to the City. 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 Consultant 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 Consultant from the Department of Industrial Relations. Theses 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: Stephanie Dietz
City Manager

CITY of MERCED, CALIFORNIA
INCORPORATED APRIL 1, A.D. 1889

ATTEST:
STEPHANIE R. DIETZ, CITY CLERK

BY:_____
Assistant/Deputy City Clerk

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APPROVED AS TO FORM:

BY: Kimberly Chu 11/16/21
City Attorney Date

301813 PO# 143835
ACCOUNT DATA:

BY: [signature]
Verified by Finance Officer V-13700
Funds available contingent upon council approval wf 11/30/21
017-0804-512-17-00 FL 11/30/21
$855,493.00

CONSULTANT
ENVIRONMENTAL SCIENCE
ASSOCIATES, A California Corporation

BY: [signature]
Brian Boxer

Its: Regional Director II
(Title)

Taxpayer I.D. No. 94-1698350

ADDRESS: 2600 Capitol Ave., Ste. 200
Sacramento, CA 95816

TELEPHONE: (916) 564-4600
FAX:
E-MAIL: BBoxer@esassoc.com

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ESA

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916.564.4501 fax

www.esassoc.com

November 18, 2021

Kim Espinosa
City of Merced, Planning Manager
678 West 18th Street
Merced, CA 95340

Subject: University Vista Project EIR –Scope of Work, Schedule, and Cost Estimate

Dear Kim:

Environmental Science Associates (ESA) is excited to team up with the City of Merced to provide environmental support and documentation for the University Vista project. We have assembled at team of highly qualified in-house specialists to assist in the preparation of documentation that will meet all requirements outlined in the California Environmental Quality Act (CEQA). Our specialists are proficient in analyzing a wide range of topics, including air quality, biological resources, cultural resources, greenhouse gas emissions, and noise. To augment our team, we have partnered with Fehr & Peers, which will prepare the transportation analysis; Black Water Consulting Engineers, Inc., which will prepare the water supply assessment (WSA); and ALH Economics, which will prepare the urban decay analysis. Our approach and scope of work are presented below.

Project Understanding

The proposed project involves the development of a large mixed-use community in the city of Merced. The 291-acre parcel is located on the northwestern corner of Lake and Bellevue roads, directly adjacent to the University of California, Merced (UC Merced) campus. The project proposes 4,176 dwelling units consisting of mixed-use housing, student housing, apartments, townhomes, and single-family homes. Non-residential uses would consist of approximately 778,400 square feet of commercial space and "employment centers," a central park, walking trails, environmental zones, and a hotel/hospitality zone next to Lake Yosemite. It is expected that the project will be built out in approximately 10 years and in three separate phases. Approvals for the project include annexation to the city of Merced, which would require a general plan amendment. Construction of the first phase is expected to begin in spring 2023.

Based on the size of the proposed project and a review of existing conditions, we agree with the City that the appropriate level of CEQA review would be the preparation of an Environmental Impact Report (EIR).

Approach

The City seeks an environmental consultant that understands the City's needs and delivers a comprehensive, legally defensible environmental document. The ESA Team understands that environmental compliance should do more than simply meet legal requirements. Rather, an EIR should reflect the City's aspirations for environmental stewardship and economic prosperity and present information clearly to promote transparency and public engagement. Our team's experience preparing and analyzing technically complex projects makes us an ideal partner for the City.

Scope of Work

ESA will prepare an EIR, as well as supporting technical documents, that meet the City's objectives, address current issues, are consistent with the changing regulatory environment, and achieve the City's objectives for the project site.

This scope of work is based on our understanding of the services requested by the City, the ESA Team's familiarity with similar environmental analysis work, and our familiarity with the local and regional context. Throughout the scope we have made assumptions about information that will be available from the City and from the applicant team, and therefore, may help to streamline the EIR data gathering, impact analysis, and budget.

The work scope and cost estimate reflect our expectations of the environmental issues that could arise from the project, and the public involvement and legal scrutiny that this project is expected to receive. The EIR scope of work is designed to produce an objective CEQA document that reflects the City's independent judgment, reflects the proposed project objectives, and creates outstanding legal defensibility. It will be imperative that underlying assumptions, project definition, alternatives, and other factors are consistent from the outset.

Task 1: Project Management

ESA has assembled a project management team and approach that will maximize our ability to meet the deadlines established for this project. ESA's Project Director (Christina Erwin) will be actively involved in developing the analytical approach to individual sections, providing strategic CEQA guidance and internal quality control for the environmental document, and ensuring the commitment of ESA resources to meet the project schedule. ESA's Project Manager (Paul Stephenson) will oversee preparation of each component of the environmental analysis and, as the day-to-day project lead, will coordinate interaction between the City, applicant team and ESA staff.

This scope and budget assumes a high level of involvement by this team to address project management issues, including coordination and meetings with the applicant team, the City team, internal coordination of the technical members of the team, guidance of the technical team, preparation of public presentations, review and revision based on City comments, QA/QC, and other related tasks. We have assumed up to two hours of project management time per week for 52 weeks under this task.

Task 1 Deliverables:

- ✓ Monthly progress reports, invoices, quality assurance, budget management, and project communications.

Task 2: Meetings with City and Applicant Team

This task includes a project kickoff meeting, and ongoing bi-weekly project coordination meetings/conference calls with the City and applicant team. It is anticipated that these meetings will be attended by ESA's Project

Director supported, as needed, by our Project Manager, and/or Deputy Project Manager as well as other team members as needed to address issues of concern.

2.1: Kickoff Meeting

Key ESA team members will attend a kickoff meeting with the applicant team and City staff prior to commencing work on the environmental document. Subjects for review and discussion at the meeting will include, but not be limited to:

- Confirmation of the project components, phasing, and appropriate baseline;
- Confirmation of the scope of work, level of analysis, budget, schedule, and communication protocols;
- Identification of project data, information sources, and key contacts; and
- Discussion of key issues known to be of concern to agencies, interest groups, and the public.

It is assumed that the City and applicant team will provide any project-specific studies prepared to-date, exhibits, project description details including project and on- and off-site infrastructure plans, and materials for development of the environmental document prior to the kick-off meeting. If additional information is required, we will submit a memorandum identifying outstanding information requirements and the dates when such information is needed in order to maintain schedule compliance.

2.2: Ongoing Project Coordination Meetings

The schedule for the EIR will be facilitated through regular, effective communication between the applicant team, the City, and the ESA management team and technical staff. Therefore, we propose that meetings be scheduled, depending on need, at a standard time and place on a bi-weekly basis. In the event that meetings are determined to be unnecessary, they can be readily cancelled; in our experience it is much easier to cancel a standing meeting than to call an ad-hoc meeting on short notice. We have assumed a total of 26 meetings during the life of the project with each meeting lasting up to two hours.

As is noted above, it is our strong recommendation that these ongoing project coordination meetings include a core group comprised of the applicant team, City planning and environmental staff, and the ESA team. To successfully meet the project schedule commitments, this group will need to work seamlessly as a team, with regular and expeditious issue identification and resolution, regular and clear communication about assumptions that can be consistently applied through the EIR, and similar issues.

Task 2 Deliverables:

- ✓ Project kickoff meeting agendas and meeting notes
- ✓ Weekly project coordination meeting/conference call agendas and meeting notes

Task 3: Prepare Notice of Preparation

3.1 Prepare Notice of Preparation

ESA will prepare a Notice of Preparation (NOP) for the proposed EIR. The NOP project description will describe the proposed project, land uses, densities and intensities, and anticipated uses. The NOP will also include information regarding the scoping meeting and the process for completing the EIR. It will indicate that an EIR is in preparation, and request guidance from agencies and the public regarding the scope and content of the information to be included in the EIR.

A Draft NOP will be submitted to the City staff for review and comment. Based on one set of consolidated City comments, the ESA team will prepare a Final NOP and Notice of Completion (NOC).

3.2 Scoping Meeting

During the 30-day review period of the NOP, the City will hold a scoping meeting conducted by the City and supported by ESA. The purpose of the scoping meeting will be to provide responsible agencies and the public the opportunity to provide input into the proposed scope of the EIR. ESA will prepare the format and exhibits for this meeting. The City will be responsible for scheduling the date, time, and location for the meeting and securing the meeting room. Following the 30-day review period, ESA will collect and review all comment letters received and summarize the content of the comment letters in the Administrative Draft EIR (ADEIR).

3.3 Staff Support

On behalf of City staff, ESA will submit the NOP and NOC to the Office of Planning and Research (OPR) State Clearinghouse. ESA will also circulate the NOP to the applicable responsible and trustee agencies and interested parties, as directed by the City, post the NOP with the Merced County Clerk, and publish the NOP in a newspaper of general circulation.

Task 3 Deliverables

- ✓ Draft and Final NOP (electronic only)
- ✓ Notice of Completion (NOC) (electronic only)
- ✓ Attendance at one scoping meeting
- ✓ Scoping Report (electronic only)
- ✓ Newspaper notice

Task 4: Peer Review Technical Reports

Three technical reports are being prepared by the applicant team for the proposed project. ESA will peer-review these reports and provide recommendations for improving the analysis in each report if necessary. Details for this task are provided below.

Biological Resources Assessment

An ESA senior biologist will peer review the biological resources assessment which will include results from protocol-level special-status plant surveys, wet- and dry-season branchiopod surveys, California tiger salamander (*Ambystoma californiense)* larval survey and habitat assessment, California Rapid Assessment Method (CRAM) assessment, burrowing owl (*Athene cunicularia*) surveys and a comprehensive tree inventory. Suggested revisions and/or recommendations for additional analysis will be provided in a memorandum.

Assumptions

- The draft biological resources assessment will be thorough, clearly-written, and prepared by experienced, qualified biologists.
- The biological assessment will cover the entire project site and any applicable species buffers (e.g., 0.5-mile buffer for Swainson's hawk, *Buteo swainsoni*) as part of its study area.
- Madrone Ecological Consulting will provide proposed mitigation measures for all significant impacts to all special-status species.

Air Quality/Energy/Greenhouse Gas Study

ESA understands that the applicant has contracted independent air quality, health risk, GHG emissions and energy technical work for the CEQA analysis. Consistent with standard practice to ensure its independent judgement, ESA's in-house technical experts will peer review the technical work and provide suggested revisions and/or recommendations for additional analysis in a memorandum.

Assumptions

- Up to two one-hour meetings between ESA and the applicant's technical contractor.
- The project application will provide ESA with the required information to complete the emissions review, inclusive of model input and output files and technical appendices.

Population/Employment/Housing Study

The project applicant is preparing a population, employment, and housing report to determine if the proposed project would exceed growth projections for the City and the County. ESA will peer review the report for completeness, accuracy, and adequacy to support the population, employment, and housing analysis in the ADEIR. Suggested revisions and/or recommendations for additional analysis will be provided in a memorandum.

Task 4 Deliverables

- ✓ Memorandums containing suggested revisions and/or recommendations for additional analysis (electronic only)

Task 5: Conduct Tribal Consultation

The proposed project is required to comply with Senate Bill 18 and Assembly Bill 52, two sets of regulations related to tribal consultation. The City is the responsible agency for compliance with these regulations.

On behalf of the City, ESA will contact the Native American Heritage Commission (NAHC) to request information on any known sacred sites within the project site and a list of Native American tribes and organizations with cultural affiliated to the project site.

Government Code Section 65352.3 (Senate Bill 18) requires that prior to the adoption or amendment of a general plan or specific plan, a local government must notify the appropriate tribes (on the contact list maintained by the NAHC) of the opportunity to conduct consultations for the purpose of preserving, or mitigating impacts to, cultural places located on land within the local government's jurisdiction that is affected by the proposed plan adoption or amendment. Tribes have 90 days from the date on which they receive notification to request consultation.

Public Resources Code Section 21080.3 (Assembly Bill 52) requires that the lead agency begin the consultation process prior to the release of a negative declaration, mitigated negative declaration, or environmental impact report. The lead agency is required to send notification letters to tribes who have requested formal consultation on projects within that agency's jurisdiction; the lead agency may also elect to send letters to all tribes on the NAHC list with cultural affiliation to the project site. Tribes have 30 days from the date on which they receive notification to request consultation.

On behalf of the City, ESA will draft a combined Senate Bill 18/Assembly Bill 52 letter for the City to send to culturally affiliated Native American tribes. Within 5 days of receipt of the draft letter, the City will provide comments, official City letterhead, and a contact person for inclusion on the letter. Once received, ESA will send the letters via certified email to the culturally-affiliated tribes on the NAHC list. ESA will document all correspondence sent and received as part of the consultation process. This scope includes up to two meetings (on-site or virtual) with interested tribes. The results of the consultation will be incorporated into the tribal cultural resources section of the CEQA document.

Assumptions

- This scope does not include any formal recordation or evaluation of potential tribal cultural resources, which can be included under a separate scope and budget, if deemed necessary.
- Additional meetings, if requested by the tribe(s), would be scoped separately.

Task 5 Deliverables

✓ A letter notifying culturally affiliated Native American tribes of the proposed project (electronic-only)

Task 6: Prepare Administrative Draft Environmental Impact Report

The following environmental resource areas will be addressed in the EIR:

- Aesthetics
- Air Quality
- Biological Resources
- Cultural Resources
- Energy
- Geology and Paleontological Resources
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Noise and Vibration
- Population and Housing
- Public Services
- Recreation
- Transportation and Circulation
- Tribal Cultural Resources
- Utilities and Service Systems
- Growth Inducement
- Alternatives

It is assumed that the agricultural resources environmental resource area will be scoped out as the project site is designated grazing land by the California Department of Conservation's Farmland Mapping and Monitoring Program, and thus is not considered Important Farmland by the State. In addition, the project site is not zoned for agricultural use by the County of Merced nor is it under Williamson Act contract. It is also assumed that the mineral resources environmental resources area will be scoped out as there are no mineral resources located on or in the vicinity of the project site. Finally, while the project site is located near a state responsibility area, it is not located within a very high fire hazard severity zone, and thus wildfire is not expected to be an issue.

ESA will prepare an ADEIR that analyzes the potential environmental impacts of the proposed project in the environmental resource areas identified above. To the extent appropriate, the analyses from other relevant documents will be incorporated by reference to maximize the use of the previously prepared analyses and information. As appropriate, the EIR will document City codes, prior adopted measures, or relevant policies of the Merced Vision 2030 General Plan that would avoid or reduce the magnitude of project impacts, and will also identify potential project-specific mitigation measures that could further reduce the impacts of the proposed project.

We assume that City staff will review the ADEIR and provide comments that represent the independent judgment of the City. We will participate in meetings to discuss, clarify, and determine the proper direction for revising the document based on City staff comments. The EIR will use the same significance thresholds as those used in the Draft EIR for the Yosemite Avenue-Gardner Avenue to Hatch Road Annexation Project issued by the City in September 2021.

The preparation of the ADEIR will be undertaken as specified below.

Introduction

The introduction to the ADEIR will present the project background, including the history of the site. It will describe the organization of the EIR, type and use of the EIR, the environmental review process, the focus of the EIR analysis, other documents used in preparation of the EIR, lead and responsible agencies, and opportunities for public comment.

Summary

The Summary chapter will include a brief description of the proposed project and will summarize the main findings of the ADEIR. We will include a summary table that presents all of the impacts described in the ADEIR, the significance of each impact before and after potentially feasible mitigation measures, and the significance of each impact after implementation of mitigation measures. As required under CEQA, the Summary will also summarize areas of controversy, the comparative effects of alternatives analyzed, and significant and unavoidable impacts, if any.

Project Description

The project description chapter of the ADEIR will describe the key elements of the proposed project based on project description information provided by members of the applicant team. ESA will review the information provided and identify any additional information requirements necessary for the ADEIR. The project description will describe the following:

- Existing conditions on the project site and in the surrounding area;
- Proposed mix of uses and land use designations;
- Circulation and access;
- On- and off-site infrastructure;
- Construction methods and timeframes;
- City approvals; and
- Other agency approvals.

If such information is not going to be made available, we will identify assumptions that can be made regarding the proposed project. We are expecting that the City and applicant team will confirm these assumptions. Special attention will be given to explaining the annexation process in light of AB 3312, which allows properties contiguous with the UC Merced campus to be annexed to the City after the campus is annexed to the City via a road extension.

Environmental Setting, Impacts and Mitigation Measures

The technical analysis will focus on the environmental resource areas identified above. To the extent that the Merced Vision 2030 General Plan identifies policies or programs that could reduce potentially significant

impacts, such mitigating policies and programs will be identified in the discussion, placed in the proposed project's Mitigation Monitoring and Reporting Program (MMRP), and made a condition of project approval.

For each impact, the following will be provided:

- Environmental setting;
- Regulatory setting;
- Significance thresholds;
- Technical approach and methodology;
- Impact analysis and significance conclusions;
- Mitigation measures that may be required to address impacts of the proposed project; and
- Residual significance conclusions.

Aesthetics

This section of the ADEIR will addresses the potential effects of the proposed project related to aesthetics and visual conditions. Potential impacts will be evaluated within the context of existing conditions based on analyses of photographs, site reconnaissance, and project data. The analysis will include evaluation of potential impacts associated with scenic resources, views, visual character, and light and glare. The analysis of impacts on visual character and views will incorporate a characterization of the existing visual qualities of the project site and surrounding area; key public views of other area aesthetic resources; a description of relevant regulations, policies, and guidelines governing views and visual considerations; and an evaluation of impacts, including the potential for the project to introduce features that would detract from the visual character of the area, conflict with applicable policies or guidelines, or create substantial sources of light or glare. Applicable policies that will be considered in the evaluation of aesthetic effects will include urban design, urban expansion, open space, and land use policies included in the Merced Vision 2030 General Plan and the Bellevue Community Plan.

This scope of work does not include preparation of visual simulations or light impact study by ESA. Should the City or applicant team wish to include visual simulations or a light impact study to support the EIR analyses, ESA can submit a scope of work and cost estimate for this service.

Air Quality

After peer reviewing the technical study, in-house technical experts will then peer-review the air quality section of the ADEIR to be prepared by the project applicant's technical consultant The section will be reviewed for adequacy under CEQA, inclusive of methodology description, significance criteria applied, adequacy of identified mitigation measures and post-mitigation significance determinations. Cumulative analysis will also be peer reviewed for internal consistency with other cumulative analysis in other sections of the Draft EIR.

Biological Resources

The peer-reviewed biological resources assessment will be used to document existing biological resources. To ensure that an up-to-date and timely list of special-status species is included in the analysis, ESA will conduct a database search for a list of special-status species from the California Department of Fish and Wildlife's Natural Diversity Database (CNDDB), U.S. Fish and Wildlife Service List of federal endangered and threatened species that occur in or may be affected by the proposed project, and the California Native Plant Society Inventory of Rare Plants. ESA will evaluate the potential of the proposed project to result in impacts to sensitive biological resources and develop mitigation measures to minimize or avoid impacts to these resources, where feasible.

Assumptions

- This scope assumes that the biological resources assessment will include at a minimum a biological reconnaissance survey of the site, representative photographs of biological resources referenced in the report, and identification of all wetlands and other aquatic features within the site.
- The biological resources assessment will include all figures necessary to support the biological resources CEQA section, including distribution of landcover types within the project site and location of any known special-status species (e.g., known raptor nests). ESA will not need to prepare any additional figures.
- ESA biologists will not need to conduct any field visits (e.g., including but not limited to an aquatic resources delineation, protocol level species surveys, or biological reconnaissance surveys) to prepare this CEQA section.

Cultural and Tribal Cultural Resources

To determine the cultural resources sensitivity of the project site and to provide background information for the cultural resources and tribal cultural resources sections of the EIR, ESA will complete the following tasks:

- ESA will complete a records search at the Central California Information Center (CCIC) of the California Historical Resources Information Center (CHRIS) for the project site to identify existing records, reports, and maps that have information about the prehistory and history of the project site and vicinity. The purpose of the review will be to: (1) determine whether known cultural resources have been recorded within or adjacent to the project site; (2) assess the likelihood for unrecorded cultural resources to be present based on historical references and the distribution of nearby sites; and (3) develop a context for the identification and preliminary evaluation of cultural resources. Included will be a review of the Built Environment Resources Directory (BERD) and the Archaeological Determinations of Eligibility (ADOE), which contain information on resources listed in the National Register of Historic Places (National Register), the California Register of Historical Resources (California Register), and the California Historic Landmarks. ESA also will review historic maps and aerial imagery.

- ESA cultural resources staff will conduct a pedestrian survey of the 291-acre project site. The purpose of the survey will be to identify cultural resources and to assess the potential for cultural resources in the project site. This scope assumes the survey will take three cultural resources staff, two days to complete

and up to four cultural resources will be identified, including existing canals. Cultural resources will be recorded on Department of Parks and Recreation (DPR) 523 forms and will be preliminarily evaluated for their potential eligibility for the California and National Registers. Formal evaluation, consultation with the State Historic Preservation Officer, and any subsequent efforts regarding cultural resources, if warranted, would be scoped separately.

- As required by the CHRIS use agreement, the results of the background research and survey will be documented in a Cultural Resources Survey Report. ESA will submit one electronic draft copy of the report for review. ESA will prepare a final version of the report, incorporating one round of comments. ESA will provide a copy of the reports to the CCIC following approval of the document.

- ESA will prepare the cultural and tribal cultural resources sections of the CEQA document based on the results of the above tasks. The sections will include the background research, results of survey and evaluation efforts, and an assessment of impacts to cultural and tribal cultural resources. Mitigation measures to reduce impacts to a less-than-significant level will be applied, as feasible. The tribal cultural resources section will also include the results of the tribal outreach effort described under Task 5.

Assumptions

- This scope does not include a subsurface survey to test for the presence or absence of buried archaeological resources, which can be completed under a separate scope and budget, if deemed necessary.
- This scope assumes that no historic-age buildings are in the project site that would require recordation or evaluation. If such resources are identified, appropriate follow up work would be completed under a separate scope and budget.

Energy

After peer reviewing the technical study, in-house technical experts will then peer-review energy section of the ADEIR to be prepared by the project applicant's technical consultant. The section will be reviewed for adequacy under CEQA, inclusive of methodology description, significance criteria applied, adequacy of identified mitigation measures and post-mitigation significance determinations. Cumulative analysis will also be peer reviewed for internal consistency with other cumulative analysis in other sections of the Draft EIR.

Geology and Paleontological Resources

The key geology issues of concern for the proposed project would be unsuitable soils (undocumented fill), or unstable soils (e.g., expansive soils). It is assumed that a preliminary geotechnical investigation has not yet been conducted. ESA will conduct a desktop study of geotechnical conditions for soil conditions, such as liquefaction potential, and seismic conditions. The presence of liquefaction zones may place limitations and/or geotechnical requirements on development plans. In addition, ESA will check records for the potential presence of paleontological resources. ESA will address the potential geology and paleontological resources related impacts of the proposed project in accordance with CEQA requirements. The evaluation will address whether

implementation of the proposed project would result in significant impacts to the public or the environment. ESA will:

- Review reports, maps, and data published by the United States Geological Survey (USGS), California Geological Survey (CGS), Natural Resources Conservation Service, and other sources to identify and summarize geologic, seismic, and soil conditions, and paleontological resources within the project area and develop a comprehensive understanding of the potential risks from seismic events, unstable soils, and other CEQA Appendix G criteria.

- Identify the relevant regulations, building codes and standards, and local ordinance codes that would apply to construction and operation of the proposed project, and determine the manner and extent to which compliance would address potential impacts. This will include discussing how the state Construction General Permit and the California Building Code would address seismic, unstable soils, and erosion issues. The degree to which such requirements will reduce potential effects and any additional actions that might be required will receive careful consideration.

- Describe methods to manage storm water to prevent erosion; and determine if, where, and to what extent geologic hazards to structures would remain after compliance with building codes.

- Identify which, if any, impacts are significant, and present mitigation, where applicable and feasible, to reduce the impacts to below applicable significance thresholds.

Greenhouse Gas Emissions

After peer reviewing the technical study, in-house technical experts will then peer-review GHG emissions section of the ADEIR to be prepared by the project applicant's technical consultant. The section will be reviewed for adequacy under CEQA, inclusive of methodology description, significance criteria applied, adequacy of identified mitigation measures and post-mitigation significance determinations.

Hazards and Hazardous Materials

The primary hazards and hazardous materials issue would be previous agricultural use of the property proposed for development, as well as nearby properties, and whether any residual contamination may be present that would affect the construction or operation of the proposed project. The 2016 Phase I Environmental Site Assessment (ESA) did not identify any recognized environmental conditions. The project site is designated as a moderate fire hazard severity zone. ESA will address the potential hazards and hazardous materials related impacts of the proposed project in accordance with CEQA requirements. The evaluation will address whether implementation of the proposed project would result in significant impacts to the public or the environment. ESA will:

- Develop a site-specific setting of the environmental conditions using published site-specific reports and maps (e.g., the Phase I ESA), along with other relevant reports and information from the state GeoTracker and EnviroStor database websites, with a focus on the housing opportunity sites. The information will be reviewed to prepare the setting to identify the hazards and hazardous material issues that could result from the implementation of the proposed project.

- Identify the relevant regulations and local ordinance codes that would apply to construction and operation of the proposed project, and determine the manner and extent to which compliance would address potential impacts.

- Identify which, if any, impacts are significant, and present mitigation, where applicable and feasible, to reduce the impacts to below applicable significance thresholds.

Hydrology and Water Quality

The key hydrology and water quality issues of concern for the proposed project would be water quality impacts during construction. The project is not located within a 100-year Federal Emergency Management Agency (FEMA) flood hazard zone. ESA will address the potential hydrology and water quality related impacts of the proposed project in accordance with CEQA requirements. The evaluation will address whether implementation of the proposed project would result in significant impacts to the public or the environment. ESA will:

- Review reports, maps, and data published by the state, county, FEMA, and other sources to identify and summarize hydrologic and water quality conditions in the project area, and develop comprehensive understanding of potential issues of concern.

- Identify the relevant regulations, building codes and standards, and local ordinance codes that would apply to construction and operation of the proposed project, and determine the manner and extent to which compliance would address potential impacts. This will include discussing how the state Construction General Permit, local Municipal Separate Storm Sewer System (MS4) permit, and low impact development (LID) requirements would address erosion and runoff issues. The degree to which such requirements will reduce potential effects and any additional actions that might be required will receive careful consideration.

- Describe project design features to manage storm water, and determine if, where, and to what extent impacts would remain after compliance with building codes and geotechnical recommendations.

- Identify which, if any, impacts are significant, and present mitigation, where applicable and feasible, to reduce the impacts to below applicable significance thresholds.

Land Use and Planning

The analyses of land use in the ADEIR will describe the existing environmental conditions of the project site and surrounding area, analyze the proposed project's compatibility with existing and proposed land uses (including UC Merced), and address the proposed project's consistency with applicable City of Merced land use goals and policies and zoning. As the proposed project would also include annexation into the City, the section will also examine Merced County Local Agency Formation Commission (LAFCO) policies concerning annexation.

Noise and Vibration

The project site is located over five miles from the nearest freeway (State Route 99). Predominant noise sources in the area are vehicle traffic on Lake and Belleview roads. Given the 291-acre size of the project area, ESA will conduct three long-term noise measurements to characterize existing noise conditions at the project site, which are likely to be primarily affected by nearby traffic. The noise analysis will examine effects related to construction noise and vibration, and noise impacts of mechanical equipment and loading docks. Traffic noise on local streets generated by project vehicles will be quantitatively assessed based on turning movement volumes at local intersections provide by the non-CEQA portion of the traffic study. The noise analysis will identify nearby sensitive receptors, primarily residences, and assess project impacts on these receptors, identifying mitigation measures if applicable.

Population and Housing

This section of the ADEIR will describe the characteristics and trends of population, employment, and housing in the City of Merced and Merced County and describe the potential changes to population, employment, and housing, including shifts in the jobs/housing ratio and the displacement of existing housing and residents, that could occur with implementation of the proposed project. The information and analysis in this section will draw from the peer-review technical study prepared by the project applicant.

Public Services

The ADEIR will evaluate the proposed project's demand for fire and police protection from the Merced fire and police departments, respectively. In addition, the ADEIR will evaluate the proposed project's demand for public schools, parks, and other Public facilities such as community centers and libraries. For each issue, the ADEIR will include a discussion of existing service levels, and will calculate demands created by the proposed project.

The purpose of this analysis is to determine if the project would result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services.

Recreation

Existing conditions related to City parks and recreation will be described, along with the proposed project demand for parks and recreation facilities based on housing units and population. The passive open space and

passive park facilities provided in the proposed project will be described, as will the project's payment of in-lieu or other required fees that support local and regional parks.

Transportation and Circulation

The transportation analysis being prepared by Fehr & Peers will include two phases. Phase 1 will provide the transportation impact analysis and documentation required by CEQA while Phase 2 will provide a traffic analysis to analyze the project's effect on area intersections, for purposes of compliance with the City of Merced's Level of Service D standard. A brief description of each phase is provided below. See the attached scope of work for more detail.

Phase 1: The City of Merced has not adopted guidance on Vehicle Miles Travel (VMT) analysis methodology, VMT-based metrics, and significance thresholds for CEQA impact assessment. It is expected that the significance thresholds from the Yosemite Avenue-Gardner Avenue to Hatch Road Annexation Project Draft EIR will be applied to the project, providing consistency between the documents. Regarding the actual VMT analysis methodology, Fehr & Peers will review options including the Yosemite Annexation Draft EIR methodology (based on StreetLight data) and use of a travel demand model (which may also incorporate StreetLight data to improve model performance), and develop a proposed approach for discussion with the City. Next, Fehr & Peers will estimate and forecast VMT. Finally, Fehr & Peers will prepare the environmental and regulatory setting for the CEQA document and prepare the transportation impact assessment for the project. The impact analysis will address impacts with respect to VMT as well as non-auto travel modes, including transit riders, bicyclists, scooter riders, and pedestrians, and will address safety impacts.

Phase 2: Fehr & Peers will conduct a traffic analysis to determine the project's consistency with the Merced Vision 2030 General Plan Level of Service D policy. The scope of this study and more detailed methodology will be developed in consultation with City staff. The analysis includes up to 25 intersections, including project access intersections on Lake Road, Bellevue Road and Golf Road. The following scenarios will be analyzed:

- Existing Conditions;
- Existing with Project Conditions;
- Cumulative No Project Conditions (cumulative year to be determined); and
- Cumulative With Project Conditions.

Utilities and Service Systems

The proposed project would result in demand for utilities and service systems that could affect water supply and demand for the conveyance and treatment of wastewater from the site. However, we assume that the proposed project would incorporate landscaping and other open space that could reduce the amount of stormwater runoff entering the City's stormwater drainage system. The ADEIR will analyze the proposed project's demand and impacts on water supply, wastewater conveyance and treatment, stormwater drainage conveyance, and solid waste generation. The analyses will rely on a WSA being prepared by Black Water Consulting Engineers, Inc. to consider the potential for the buildout of the proposed project to affect available

water supplies, and will also consider the capacities of existing wastewater and stormwater drainage conveyance and treatment facilities. See the attached scope of work for more detail on the contents of the WSA.

Growth Inducement and Urban Decay

Consistent with the requirements of State CEQA Guidelines section 15126.2(d), the ADEIR is required to consider the ways in which the project could induce additional growth, either through the removal of obstacles to growth or through the creation of economic stimuli that might spur growth beyond that provided for in the General Plan. In addition, consistent with CEQA case law, the ADEIR must consider the ways that the proposed project might trigger economic blight that would result in physical adverse effects to buildings and/or public spaces.

In the context of the ADEIR, the focus of this analysis will be on how the proposed project would change uses from the Merced Vision 2030 General Plan and how the proposed project would alter the prior conclusions in the Merced Vision 2030 General Plan regarding growth inducement and urban decay.

Growth Inducement. ESA will compare the potential for the proposed project to remove obstacles to growth through construction of infrastructure improvements that would provide such capacity that unplanned growth could occur. The ADEIR will also document the ways that the proposed project would affect growth-inducement in the area. Particular attention will be directed to the additional pressure for growth on unincorporated land between the project site and the City's northern boundary. The analysis will consider whether any utility or transportation improvements would facilitate growth in the City of Merced that is currently constrained or limited.

Urban Decay. The proposed project will increase the amount of commercial retail, office and hotel use within the City of Merced, and the increase could result in the abandonment of established commercial retail, office and hotel businesses in other parts of the City, thus resulting in urban decay as the structures that house these businesses may no longer be properly maintained. The ADEIR will discuss the potential for the commercial retail, office and hotel space included in the proposed project to result in urban decay based on a quantitative urban decay analysis being prepared by ALH Economics. The analysis will focus on the impact of the project's commercial retail, office, and hotel components on the market areas for each sector. The analysis will also consider the cumulative impacts of other retail centers either under construction or planned in the market area. See the attached scope of work for more detail.

Cumulative Impacts

Each issue area section will define cumulative impacts, the cumulative context and scenario, geographic or temporal scope, and methods for characterizing cumulative impacts. The cumulative impacts identified for each issue area will then be summarized in the Cumulative Impacts portion of each topical section contained in the ADEIR. The cumulative analysis will utilize either a cumulative list of projects or growth projections found in planning documents.

Alternatives

An EIR must include an analysis of a reasonable range of potentially feasible alternatives to the proposed project that would achieve most of the goals of the project but could avoid or substantially lessen the magnitude of one or more of the project's significant impacts (see State CEQA Guidelines Section 15126.6(a)). The Alternatives chapter will reiterate the objectives of the proposed project.

ESA anticipates analyzing up to four (4) alternatives. We will also describe alternatives that were considered but rejected from full analysis. The final selection of alternatives will be coordinated with the City and the applicant team, and will need to meet the requirements of CEQA. As the proposed project is expected to result in a potentially significant impact with respect to air quality emissions during construction and operation of the project due to the size of the project and the number of vehicle trips that are expected to be generated, the alternatives will focus on ways to reduce air quality emissions. Examples of alternatives could include the following:

1. No Project/No Development. This alternative assumes the project site would remain in its current state.
2. No Project/General Plan Buildout. This alternative assumes the project site would be redeveloped consistent with the existing land use designations identified in the County's General Plan. This would result in development under the land use designation of Rural Residential Center (RRC) and zoning designation of Rural Residential (R-R).
3. All Housing. This alternative would evaluate the entire site being developed with housing, which generates less traffic than non-residential uses such as commercial.
4. Reduced Commercial. This alternative would consider the effects of less non-residential space within the Project site area and more residential space with the planning area, which would generate less traffic.

Based on the analysis conducted, ESA will identify the Environmentally Superior Alternative. If the Environmentally Superior Alternative is the No Project Alternative, then among the remaining alternatives the one that is considered environmentally superior will be identified.

Unavoidable Significant Impacts

This section will summarize the significant and unavoidable environmental effects identified in the technical impact analyses of the ADEIR.

Quality Assurance/Quality Control

The Project Director and Project Manager will review every component of the ADEIR for completeness, accuracy, and adequacy to ensure that all CEQA requirements have been met.

Administrative Draft

ESA will submit an electronic version of the complete ADEIR to both the City of Merced and to the applicant team for review and comment.

Task 6 Deliverables

- ✓ Complete Administrative Draft EIR (electronic word and pdf versions)
- ✓ Cultural Resources Survey Report (electronic word and pdf versions)

Task 7: Prepare Draft Environmental Impact Report

7.1: Screencheck Draft Environmental Impact Report

ESA anticipates that all comments on the ADEIR will be directed through the City of Merced Development Services Department, Planning Division, which will convey their approved comments to ESA. ESA will incorporate City staff comments on the ADEIR and submit one electronic version of the Screencheck Draft EIR. We have assumed that no new technical studies will be prepared and that ADEIR technical studies will not need to be substantially revised based on changes to the proposed project or other pre-approved assumptions.

7.2: Draft Environmental Impact Report

ESA will incorporate City staff comments on the Screencheck DEIR based on a single set of consolidated comments, and submit a final public Draft EIR to the City for distribution for a 45-day public comment period. We expect that the comments will direct revisions to the Screencheck DEIR, and we have assumed that the comments will be primarily editorial in nature.

7.3 Staff Support

On behalf of City staff, ESA will submit an electronic copy of the entire document and a NOC to the State Clearinghouse. We will also prepare a Notice of Availability (NOA) to accompany the Draft EIR. ESA will distribute the NOA to interested stakeholders, post the NOA with the Merced County Clerk, and publish the NOA in a newspaper of general circulation in the area affected by the proposed project.

Task 7 Deliverables

- ✓ Screencheck Draft EIR (electronic)
- ✓ Draft EIR and NOC (10 bound copies of Draft EIR + 1 Appendices + electronic + web-ready electronic for City to distribute) (1 electric copy for submittal to the State Clearinghouse)
- ✓ NOA (electronic only)

Task 8: Prepare Administrative and Final EIR Documents

8.1: Administrative Final EIR

ESA will review the comments received during the public review period on the Draft EIR. We will prepare written responses to comments and make appropriate changes to the Draft EIR to create the Administrative Final EIR (AFEIR) document. The AFEIR will include:

- a brief introduction;

- revisions to the Draft EIR text;
- enumerated comment letters on the Draft EIR;
- responses to all comments on substantive environmental issues presented in the Draft EIR; and
- a listing of revisions to the Draft EIR; and
- a Draft Mitigation Monitoring and Reporting Program (MMRP).

Based on our understanding of the proposed project, we expect that the level of comment received during public review of the Draft EIR will be modest. It is our current expectation that comments on the Draft EIR will be limited to a few letters from local residents, UC Merced campus planning staff, community-based groups, labor unions, and potentially agencies such as the United States Army Corps of Engineers, California Department of Fish and Wildlife (CDFW), and Caltrans.

ESA has provided an estimate of the level of effort required to prepare responses to comments based on our experience with other similar projects in the Merced area, our current understanding of the relative support and opposition to the project, and our understanding of the schedule. More specifically, this assumes that no more than 40 pages of agency and public comment on the Draft EIR is received and that no new substantive issues are raised that were not originally addressed in the Draft EIR. ESA will respond to comments related to the potential physical impacts of the proposed project as they relate to the environmental analyses presented in the Draft EIR within the estimated level of effort. We have assumed that responses will involve explanation, clarification, or amplification of the contents of the Draft EIR. ESA has assumed that no new technical analyses will be required nor that completed technical studies will need to be substantially revised based on changes to the project or pre-approved assumptions as part of the response to comments.

8.2: Final EIR

Following City review of the AFEIR, ESA will make revisions to the responses and prepare the Final EIR.

Task 8 Deliverables

- ✓ Administrative Final EIR (1 electronic copy)
- ✓ Final EIR for publication (4 bound hard copies + electronic + electronic web-ready)

Task 9: Findings of Fact and Statement of Overriding Considerations

In the event that the City determines to approve the proposed project, ESA will prepare written Findings of Fact, pursuant to section 15091 of the State CEQA Guidelines and in the City's format, to support final City actions on the project site. The Findings will include a specific finding for each significant impact of the project, describing the nature and significance of the impact, the status of mitigation, and the rationale for any mitigation that is to be rejected or that lies in the authority of another jurisdiction.

Assuming that one or more impacts are found to be significant and unavoidable, consistent with the requirements of Section 15093 of the State CEQA Guidelines, ESA will prepare a Statement of Overriding Considerations (SOC) for the proposed project that describes the reasons for project approval despite the occurrence of such impacts. It is anticipated that the SOC will identify a range of economic, employment, and social considerations. Since CEQA requires that the SOC be based on substantial evidence, ESA assumes that the basis for the SOC will be found in financial, fiscal, and other economic studies undertaken by the applicant team, and provided to ESA.

The Findings of Fact and the SOC will be drafted as companions to other "decision" documents developed for the project approval process, such as the City Staff Report, draft resolutions, and the like.

ESA will prepare a draft version of the Findings and SOC for submittal to the City and the applicant team. In the past, project attorneys have taken these draft documents and finalized them internally, and we have assumed that the project attorneys would do the same in this case. However, if the City would like support from ESA in finalizing these documents, we will do so based on the availability of budget or an augment if determined necessary.

Task 9 Deliverables

- ✓ Draft Findings of Fact and Statement of Overriding Considerations (electronic)

Task 10: Environmental Impact Report Hearings

10.1: Planning Commission Hearings

The ESA Project Director and Project Manager will participate in one (1) public hearing before the City Planning Commission related to consideration of certification of the EIR and approval of the proposed project. We will prepare any necessary presentations and answer EIR-related questions during the hearing on the project's merits.

10.2: City Council Hearings

The ESA Project Director and Project Manager will participate in one (1) public hearing before the City Council for consideration of certification of the EIR and approval of the proposed project. We will prepare any necessary presentations and answer EIR-related questions during the hearing on the project's merits.

10.3 Staff Support

On behalf of City staff, ESA will prepare and file the Notice of Determination (NOD) with the State Clearinghouse and the Merced County Clerk. The applicant team will be responsible for the fees (County Clerk's filing fee and CDFW State fee) associated with filing of the NOD.

Task 10 Deliverables

- ✓ Attend one (1) City Planning Commission hearing, including relevant materials

✓ Attend one (1) City Council hearing, including relevant materials

Schedule

The following schedule has been formulated based on ESA's experience and understanding of the CEQA process, as well as timeframes and review periods for various components of this EIR in order to meet established deadlines. Factors that could lengthen or shorten the schedule include dates of receipt of project information, length of administrative document review, and unanticipated issues arising from internal or public review of the environmental document. A tentative schedule for the EIR is below.

In developing the draft schedule, we have assumed the following:

- Project team and City will be available as necessary for review meetings on the ADEIR, Screencheck, Draft EIR, and Administrative Final EIR; and
- No new issues raised in late comments on NOP or comments on the ADEIR.

University Vista Project EIR – Preliminary Schedule			
Task		**Duration**	**Tentative Completion Date**
1	Project Management	12 months	December 2022
2	Kickoff Meeting	TBD	Early December 2021
	Weekly Coordination Meetings	Bi-weekly	Ongoing
3	Prepare Draft NOP	2 weeks	December 2021
	City/Applicant Review of Draft NOP	4 weeks	January 2022
	Prepare and Publish Final NOP	2 week	January 2022
	NOP public review	30 days	March 2022
	Scoping Meeting	TBD	Mid-February 2022
4	Peer Review Technical Reports	4 weeks	March 2022
5	Conduct Tribal Consultation	20 weeks	April 2022
6	Prepare ADEIR	20 weeks	April 2022
	City/Applicant Review of ADEIR	3 weeks	May 2022
7	Prepare Screencheck Draft EIR	4 weeks	June 2022
	City/Applicant Review of Screencheck Draft EIR	2 weeks	June 2022
	Prepare and Publish Draft EIR	2 weeks	July 2022
	DEIR public review	45 days	August 2022
8	Prepare AFEIR	5 weeks	September 2022
	City/Applicant Review of AFEIR	2 weeks	October 2022
	Revise and Publish FEIR	2 weeks	October 2022
9	Prepare Findings of Fact and SOC	Concurrent with Task 7	June 2022
10	Planning Commission Hearing	TBD	Mid-November 2022
	City Council Hearing	TBD	Early December 2022

Budget

As shown in the attached spreadsheet, our cost estimate for the EIR is $855,493.

We look forward to discussing our proposal with you and are excited to work on this transformative project. Please feel free to contact us at 916.564.4500 or at our email addresses below.

Sincerely,

Christina Erwin
Project Director
cerwin@esassoc.com

Paul Stephenson, AICP
Project Manager
pstephenson@esassoc.com

University Vista EIR
ESA Labor Detail and Expense Summary

11/8/2021

					S. Rosenblum							
					D. Beauchamp	S. Smith	E. Pimentel	M. Hensel	B. Carroll			
	Employee Names		C. Easter		M. Fagundes	J. Iyer	J. Feyk-Miney	A. Maudru	B. Sewell			
			B. Pittman		C. Sanchez	K. Bayne	S. Patterson	M. Mattes	M. Le	K. Olsen		
			M. Newland									
		B. Boxer	C. Erwin	M. Burns	P. Stephenson	H. Koenig	J. Teofilo	A. Sims	D. Alexander	J. Songco		
	Labor Category	Senior Director III	Director III	Director II	Managing Associate III	Managing Associate II	Senior Associate II	Associate II	Associate I	Project Technician III	Total Hours	Labor Price
Task #	**Task Name/Description**	$ 325	$ 260	$ 245	$ 220	$ 205	$ 170	$ 135	$ 115	$ 130		
1.0	Project Management	24	24		80		40				168	$ 38,440
2.0	Meetings with City and Applicant Team										-	$ -
	2.1 Kick-off Meeting	2	4		8		8				22	$ 4,810
	2.2 Ongoing Project Coordination Meetings	8	24		52		26				110	$ 24,700
3.0	Prepare Notice of Preparation										-	$ -
	3.1 Prepare Notice				2		12			12	26	$ 4,040
	3.2 Scoping Meeting		8		16					4	28	$ 6,120
	3.3 Staff Support				8		16				24	$ 4,480
4.0	Peer Review Technical Reports										-	$ -
	Biological Resources Assessment		4			32					36	$ 7,600
	Air Quality/Energy/Greenhouse Gas Study		4		8	68	16				96	$ 19,460
	Population/Employment/Housing Study					16					16	$ 3,280
5.0	Conduct Tribal Consultation		4			16		8			28	$ 5,400
6.0	Prepare Administrative Draft Environmental Impact Report						16			48	64	$ 8,960
	Introduction						8				8	$ 1,360
	Summary						32				32	$ 5,440
	Project Description						32				32	$ 5,440
	Aesthetics					48					48	$ 9,840
	Air Quality		2			8	4				14	$ 2,840
	Biological Resources		2			24					26	$ 5,440
	Cultural and Tribal Cultural Resources					8		88	20		116	$ 15,820
	Energy		1		4						5	$ 1,140
	Geology and Paleontological Resources			2					40		42	$ 5,090
	Greenhouse Gas Emissions		1			6					7	$ 1,490
	Hazards and Hazardous Materials			2					32		34	$ 4,170
	Hydrology and Water Quality			2	2			32			36	$ 5,250
	Land Use and Planning					32					32	$ 6,560
	Noise and Vibration				38			10			48	$ 9,710
	Population and Housing					32					32	$ 6,560
	Public Services						24				24	$ 4,080
	Recreation						16				16	$ 2,720
	Transportation and Circulation				32						32	$ 7,040
	Utilities and Service Systems				16		24				40	$ 7,600
	Growth Inducement and Urban Decay						16				16	$ 2,720
	Alternatives						32				32	$ 5,440
	Other CEQA-mandated Sections						8				8	$ 1,360
	Quality Assurance/Quality Control		32		64						96	$ 22,400
7.0	Prepare Draft Environmental Impact Report										-	$ -
	7.1 Screencheck Draft Environmental Impact Report		8		36	2	24			16	86	$ 16,570
	7.2 Draft Environmental Impact Report		4		24	2	20			12	62	$ 11,690
	7.3 Staff Support				8		16				24	$ 4,480
8.0	Prepare Administrative and Final EIR Documents										-	$ -
	8.1 Administrative Final EIR		6		24	2	40			16	88	$ 16,130
	8.2 Final EIR		2		16	2	24			12	56	$ 10,090
9.0	Findings of Fact and Statement of Overriding Considerations				8		32				40	$ 7,200
10.0	Environmental Impact Report Hearings										-	$ -
	10.1 Planning Commission Hearings		8		8						16	$ 3,840
	10.2 City Council Hearings		8		8						16	$ 3,840
	10.3 Staff Support				2		4				6	$ 1,120
Total Hours		34	146	6	464	298	490	138	92	120	1,788	
Total Labor Costs		$ 11,050	$ 37,960	$ 1,470	$ 102,080	$ 61,090	$ 83,300	$ 18,630	$ 10,580	$ 15,600		**$ 341,760**
Percent of Effort - Labor Hours Only		1.9%	8.2%	0.3%	26.0%	16.7%	27.4%	7.7%	5.1%	6.7%	100.0%	
Percent of Effort - Total Project Cost		1.3%	4.4%	0.2%	11.9%	7.1%	9.7%	2.2%	1.2%	1.8%		39.9%

ESA Labor Cost	**$**	**341,760**
Labor Cost Communication Fee	**$**	**10,253**
ESA Non-Labor Expenses		
Reimbursable Expenses	$	6,728
ESA Equipment Usage	$	300
Subtotal ESA Non-Labor Expenses	**$**	**7,028**
Subconsultant Costs	**$**	**496,453**
PROJECT TOTAL	**$**	**855,493**

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Attachment 1: Scope of Work

Introduction and Approach

The University Vista project is envisioned as a mixed-use community that would bring new homes, office space, retail uses and other amenities to northeast Merced. Located just west of the growing UC Merced campus, the community would serve both the campus as well as the city and neighboring unincorporated areas. Fehr & Peers has extensive experience working in the City and County of Merced, and with UC Merced in particular. We have also been leading the transportation planning and engineering industry in developing analysis methods to respond to the requirements of Senate Bill 743 and related legislation. We are currently developing a new travel demand model for the Merced County Association of Governments (MCAG) and are proposing to assist the agency in developing vehicle miles of travel (VMT) analysis methodology guidance for its member agencies, a task that we have performed for many other agencies in the state.

We have developed the scope of work below to provide two key phases of work. Phase 1 provides the transportation impact analysis and documentation required for the CEQA document on the project (tentatively assumed to be an EIR). Phase 2 provides a traffic analysis to analyze the project's effect on area intersections, for purposes of compliance with the City of Merced's Level of Service D standard.

Scope of Work

Phase 1 – CEQA Transportation Impact Analysis

Task 1 – Selection of VMT Analysis Methodology, Metrics and Significance Thresholds

The City of Merced has not adopted guidance on VMT analysis methodology, VMT-based metrics, and significance thresholds for CEQA impact assessment. Therefore, Fehr & Peers recommends that an early consultation take place with City to discuss options for these items and come to agreement on the approach, prior to preparation of the CEQA document. We note that the recently released EIR for the Yosemite Avenue Gardner to Hatch Annexation provides a methodology, metrics and thresholds which may be considered; however, there may be reasons to use an alternative methodology for the University Vista project, given its size and mix of uses. Based on direction from ESA, Fehr & Peers expects to apply the significance thresholds from the Yosemite Annexation EIR for this project, providing consistency between the documents. Regarding the actual VMT analysis methodology, we will review options including the Yosemite Annexation DEIR methodology (based on StreetLight data) and use of a travel demand model (which may also incorporate StreetLight data to improve model performance), and develop a proposed approach for discussion with the City and ESA. This consultation will also include significance criteria for the other transportation modes and users, including transit riders, bicyclists, scooter riders, and pedestrians, plus safety.

Task 2 – VMT Estimates and Forecasts

The methodology and significance criteria decisions from Task 1 will determine the specific approach to developing VMT estimates for baseline conditions and VMT forecasts for project conditions. For

purposes of initial budget estimate, this scope presumes that a travel demand model will be selected that is capable of producing regional, citywide, and local VMT metrics and traffic volume forecasts. Fehr & Peers has conducted a preliminary review of available travel demand models and sketch planning tools and found none of them 'off the shelf' to fully comply with the CEQA expectations for adequate analysis. Therefore, for budgeting purposes, we have presumed that the currently available San Joaquin-Stanislaus-Merced Three-County Model (TCM) could be selected. This model has been applied for regional planning purposes but has not been calibrated and validated within the local project study area. Local area calibration and validation is important to ensure the model is appropriately sensitive to the specific project land use and network changes and produces reasonable output results as recommended in *NCHRP Report 765, Analytical Travel Forecasting Approaches for Project-Level Planning and Design*, Transportation Research Board, 2014. Typical validation tests should comply with the *2017 Regional Transportation Plan Guidelines for Metropolitan Transportation Planning Organizations*, CTC, 2017 and *Travel Model Validation and Reasonableness Checking Manual, Second Edition*, FHWA, 2010.

For this task, Fehr & Peers will obtain the version of the TCM used by MCAG for its most recent RTP. We will spend up to 100 hours performing static and dynamic model validation tests to help determine potential calibration refinements that would improve the model's performance within the local study area and with respect to VMT outputs for the project specific land uses. Static tests will compare the model's volume estimates to observed daily traffic counts available from MCAG and the City of Merced within the study area. Dynamic tests will include residential land use trip generation sensitivity, employment land use trip generation sensitivity, and transportation network capacity sensitivity. Trip length estimates from the model will also be compared to independent estimates derived from the 2012 California Household Travel Survey (CHTS) and StreetLight estimates. Fehr & Peers has already prepared CHTS estimates and will purchase StreetLight estimates specific to the project land uses within analogous land use context near the project site. This work will be per formed with the base year model. If needed, model refinements to the base year model will be incorporated into the future year model.

Task 3 – Setting

Fehr & Peers will prepare an Environmental and Regulatory Setting for the environmental document, using a document template provided by the environmental consultant. The Setting will include the following content:

- Existing roadway, bicycle, and pedestrian networks in the project vicinity
- Current transit routes and service frequencies, as well as pre-COVID information if appropriate
- Current plans for the completion of Campus Parkway to East Yosemite Avenue, and the status of joint UC Merced/City/County planning for the final segment north to the UC Merced campus, including Lake Road and Bellevue Road traffic thresholds governing the timing of Campus Parkway design and construction and Bellevue Road widening
- A summary of relevant planning and policy documents, including the Merced General Plan, Merced Climate Action Plan, Bellevue Community Plan, UC Merced Long Range Development Plan, and adopted MCAG RTP/SCS.
- A discussion of the relevant legislation and guidance describing transportation impact assessment under SB 743, including the current state of guidance for the City of Merced
- Estimates of selected VMT metrics from the modified base year TCM

Task 4 – Impacts and Mitigation Measures/Draft EIR

Fehr & Peers will prepare the transportation impact assessment of the project. The impact analysis will address impacts with respect to VMT as well as non-auto travel modes, including transit riders, bicyclists, scooter riders, and pedestrians, and will address safety impacts. Significance criteria will be selected as part of Task 1. Note that the safety impact analysis with take into account current Caltrans guidance regarding impact assessments for the roadway network; this scope presumes at a minimum a review of the project's effect on the mix, volume, and speed of traffic on off-site roadways directly serving the site, to verify that conditions would remain consistent with applicable city design standards for the affected facilities. More detailed collision history or collision risk analysis is not included at this time but will be discussed during Task 1, which could result in a modification of this scope.

Our project budget includes two rounds of comments on the administrative draft EIR chapter and preparation of editorial revisions if requested.

Task 5 – Final EIR

This task includes 40 professional hours to provide support to the team in preparing responses to public comments on the Draft EIR and preparation of the Final EIR. Depending on the number and complexity of the public comments, a scope and budget adjustment may be needed.

Task 6 – Calls and Meetings

Fehr & Peers will participate in conference calls and meetings as part of this scope of work. For budgeting purposes, up to 10 calls and two on-site meetings are assumed.

Phase 2 – External Traffic Analysis

Task 7 – External Traffic Analysis

Fehr & Peers will conduct a traffic analysis to determine the project's consistency with the City of Merced General Plan Level of Service D policy. The scope of this study and more detailed methodology will be developed in consultation with City staff; the following describes the basic steps and assumed study locations for purposes of the budget estimation.

Study Intersections

Our estimated budget includes up to 25 intersections, including project access intersections on Lake Road, Bellevue Road and Golf Road, and external intersections along Bellevue Road, Lake Road, Golf Street, Farmland Road, State Route 59, and other roadways connecting the project site to downtown, State Route 99 and other regional connector roadways. Key intersections along the planned extension of Campus Parkway between East Yosemite Avenue and Bellevue Road will be included in the study intersection list. We will propose a study intersection list for City staff review and adjust the list as directed prior to beginning the analysis.

Scenarios

The following analysis scenarios will be included:

- Existing Conditions
- Existing with Project Conditions
- Cumulative No Project Conditions (cumulative year to be determined)
- Cumulative With Project Conditions

Methodology

Volume Development

Existing conditions will be based on new traffic counts (7-9 AM and 4-6 PM), supplemented with information derived from a "Big Data" vendor such as StreetLight to provide context on how current traffic volumes have changed since the pre-COVID timeframe (late 2019/early 2020). If the City so directs, we can adjust the count volumes to represent pre-COVID conditions, but there are CEQA considerations to discuss prior to making that decision. Counts should not be taken during the holiday period (Thanksgiving week through the New Year).

Existing With Project conditions will be developed using the TCM along with a project trip generation assessment using Fehr & Peers' mixed use development trip generation analysis tool, MXD+. The MXD+ analysis will be used to refine and improve the model's representation of the project site trips.

Cumulative No Project volumes will be developed with the TCM. This includes obtaining land use assumptions for the University Community area south of UC Merced and other notable growth areas such as the Yosemite Avenue Gardner to Hatch Annexation, and adjusting the TCM model land use accordingly. The Cumulative No Project model will include the extension of Campus Parkway from East Yosemite Avenue to Bellevue Road. We will discuss whether Bellevue Road should be assumed to be widened to four lanes in the Cumulative No Project model with City staff.

Cumulative With Project volumes will be developed with the TCM, along with the Project trip generation information developed for the Existing With Project scenario.

Intersection Analysis

Fehr & Peers will use the Highway Capacity Manual 6 methodology within the Synchro software platform to assess AM and PM peak hour service levels for all scenarios. We will incorporate planned improvements for the cumulative scenarios. We will assess the project's impact on level of service for both the Existing With Project and Cumulative With Project scenarios, and develop improvement recommendations to address any deficiencies. For intersections already below LOS D without the project, we will discuss the appropriate threshold for project contribution to improvements with City staff prior to identifying a conflict with the General Plan LOS D policy.

Documentation

We will document the Phase 2/Task 7 work in a stand-alone report and will respond to one round of review with consolidated comments, preparing editorial revisions if requested. Additional analysis would require a scope and budget adjustment.

UNIVERSITY VISTA PROJECT
URBAN DECAY ANALYSIS
NOVEMBER 1, 2021

SCOPE OF WORK

ALH Economics plans to conduct several tasks relevant to urban decay of the proposed University Vista project, which is anticipated to be annexed into the City of Merced (the "Project"). The Project incorporates a range of commercial land uses, including retail, office, and hospitality, in addition to a broad range of residential products. These residential products are anticipated to include student housing, apartments, townhomes, and single-family homes. The overall Project is anticipated to be built out in 3 phases, over an approximate 10-year time period.

The urban decay tasks and analysis will focus on the commercial components of the Project. The tasks are presented in phases, with Phase 1 associated with production of the urban decay analysis for environmental review purposes, Phase 2 associated with progress calls and updates, and Phase 3 associated with any subsequent public process.

Phase 1: Urban Decay Analysis

Task 1. Baseline Tasks

Task 1.1 Project Initiation and EIR Coordination. ALH Economics will initiate the urban decay analysis through reviewing existing Project materials and coordinating with ESA (the Project EIR Consultant), and other associated parties regarding key data points, such as prospective development timing, trip distribution assumptions, employment density by land use, relevant Merced, Merced County, or other regional employment estimates and projections, Project retail sales, and cumulative projects detail. The purpose of this will be to achieve consistency between other Project documents and the urban decay analysis and study. Data required to support the analysis not included in existing materials will be specially requested of ESA.

Task 1.2. Project Definition. ALH Economics will review the development program with ESA and other relevant parties and formulate a working definition of the Project. This will include identifying the amounts of built space by type of use by phase over the development horizon. ALH Economics anticipates the land uses will primarily include retail space (including neighborhood-serving retail), office or other employment-generator space, and hospitality. For study purposes, some assumptions regarding the size and type of commercial retail tenants will need to be developed, to help drive the analysis and enable coordination with other Project team members about assumptions.

Task 1.3. Definition of Competitive Market Area(s). ALH Economics will define competitive market area(s) appropriate for analysis of the Project. Given that the Project includes three relatively disparate land uses, there may be more than one competitive market area.

For the retail component, the market area will be defined as the area from which the majority of retail demand for the Project is anticipated to originate. This will be defined through several approaches,

including visual observation and data analysis, and analysis of the distribution pattern of existing and planned competitive retailers and retail centers, especially centers comparable to the Project's proposed retail component. Examination of the area's geography and regional highway system will also contribute to the definition of this area. ALH Economics will additionally estimate the level of Project demand likely to be generated from within the market area versus other sources of demand.

To accomplish this task for the office component, ALH Economics will talk to commercial office real estate brokers and other parties active in the office market to learn about the nature and location of office nodes in and around Merced. This will include gaining an understanding of the nature of the office market, including occupier trends and product size and orientation. This research will be paired with analysis of the local transportation network to ascertain the geographical strengths and weaknesses of the Project location relative to other area office nodes. From this research, ALH Economics will identify the geographic markets anticipated to comprise the competitive market area for the Project's office component.

For the hotel component, ALH Economics will research the distribution and location of area hotels, identify the market draw for area hotel stays, and determine the geographic area within which a Project hotel would be most competitive.

Task 1.4. Conduct Site and Competitive Area Reconnaissance. ALH Economics will visit the Project location and competitive market areas. The purpose of these visits will be to understand the Project location vis-à-vis the competitive market areas, to visit and inventory competitive properties, and to assess prospective impacts on existing commercial retail space nodes, competitive office space nodes, and area hotels.

Task 2. Retail Analysis Tasks

Task 2.1. Demographic Estimates and Projections Compilation. Population and household demographic estimates and projections comprise a fundamental benchmark for purposes of ALH Economics' urban decay analyses for retail projects. Accordingly, effort will be required to compile population and household estimates and projections for the market area. These will likely be prepared using data from generally accepted government resources to the extent possible, but may also involve the acquisition of data from fee-based resources, such as Esri or Claritas, which are national vendors of economic and demographic data. This task will provide an opportunity to ensure that any future households generated by planned residential projects in the market area are included in the household projections. This will include planned residential units within the Project itself.

Task 2.2. Retail Demand Analysis. ALH Economics maintains a retail demand model that estimates market area retail spending potential based upon household counts, income, and consumer spending patterns. ALH Economics will prepare this analysis for the market area, and then estimate the level of demand for market area retail as a whole, including capture rate sensitivity analysis. The Project's implied retail capture rate will then be estimated by comparing the Project's estimated sales to the market area demand estimate, for the current population base and projected household growth.

Task 2.3. Existing Comparable Impacts. This task will examine the Project's sales absorption relative to the existing retail base, and assess the potential for existing retailers to experience negative sales impacts as a result of the Project. This analysis will be dependent upon qualitative findings from

fieldwork visits to the relevant market area shopping centers, including Downtown Merced. The purpose of the visits will be to identify relative retail niches, to generally assess the nature and strength of their operations, and to qualitatively assess the degree to which the Project's retail space may compete with existing stores and the associated level of sales losses that may be experienced by these types of stores.

Task 2.4. Existing Retail Base Impacts. ALH Economics has developed a quantitative approach to estimate the extent of existing area sales that might be diverted by new or expanded retailers. The approach takes into consideration the extent to which existing area retailers share in local or regional demand, the extent to which area retailers experience net regional attraction or leakage in key retail categories, and the anticipated distribution of the prospective retailer project's sales. The data points most critical to this analysis include estimated area sales data, a retail demand and sales leakage analysis, and the projected retail project sales.

This quantitative analysis will be paired with tours of competitive market area shopping centers, including Downtown Merced retailers. These competitive facilities will be identified through review of existing documents, internet research, and field research. The purpose of the tours will be to identify relative retail niches, to generally assess the nature and strength of their operations, and to qualitatively assess the degree to which the Project may compete with existing competitive stores or centers and the associated level of sales losses that may be experienced by these types of stores or centers.

Task 2.5. Cumulative Retail Impacts Analysis. In addition to examining the impact of the Project's retail component, the analysis will also consider the cumulative impacts of other retail centers either under construction or planned in the market area. This analysis will include projects known to the City of Merced or Merced County, as well as other relevant competitive market area locations, if any, for which entitlement applications have been submitted. Thus, retail projects with a reasonable expectation of being developed during or shortly after the timeframe of the Project will be incorporated into the analysis. ALH Economics will additionally coordinate with ESA to identify these cumulative retail projects, and to ensure the use of common assumptions regarding planned retail projects. The preceding store impact findings will be augmented through sensitivity analysis to include these projects.

Task 3. Office Analysis Tasks

Task 3.1. Research Office Market Statistics. ALH Economics will compile office market statistics for the competitive market area(s). To the extent possible, historical market data will be obtained, demonstrating the historical pattern of office real estate product development. If such data are not available, which may be the case for Merced in particular, this task will focus more exclusively on current market statistics, including amount of inventory, vacancy, absorption, and lease rates. These data will be obtained from real estate brokerage firms to the extent possible.

Task 3.2. Employment Estimates and Projections Compilation. Employment estimates and projections will comprise a fundamental benchmark for the office component of the urban decay analysis. Accordingly, employment estimates and projections will be compiled for Merced County (as projections for smaller geographic areas are not readily available). These will be prepared using generally accepted government resources to the extent possible, as well as other economic resources.

Task 3.3. Prepare Office Space Demand Projections. Pursuant to the Task 3.2 employment projections, coupled with qualitative research on the anticipated future office market potential, ALH Economics will

prepare long-term demand projections for office space in Merced County. The purpose of these demand projections will be to examine the impact of the Project in the context of the future anticipated growth in regional demand for office space, moderated to consider the local Merced market.

Task 3.4. Existing Office Impacts. ALH Economics will prepare estimates of the Project's impact on office space in the competitive market area. This will take into consideration the potential for the Project to compete with or divert demand away from existing office nodes serving Merced and other competitive areas. As the Project development horizon is phased, this task will seek to take into consideration the phased development program and the age of existing office space.

Task 3.5. Cumulative Office Impacts Analysis. In addition to examining the impact of the Project's office component, the analysis will also consider the cumulative impacts of other new office development projects under construction or planned in the competitive market areas. This analysis will include office projects known to the City of Merced and Merced County as well as other relevant competitive market area locations, if any, for which entitlement applications have been submitted. Thus, office projects with a reasonable expectation of being developed during or shortly after the timeframe of the Project will be incorporated into the analysis. ALH Economics will additionally coordinate with ESA to identify these cumulative office projects, and to ensure the use of common assumptions regarding planned projects.

Task 4. Hotel Analysis Tasks

Task 4.1: Overview of Local Market Conditions. ALH Economics will conduct a market overview of the lodging market in and around the City of Merced. The overview will focus on identifying Merced's market niche within the region (e.g., Merced County) and review recent and historic trends, such as occupancy rates, average daily room rates, and historic increase in supply. The performance trends will be compared to industry standards to gain an understanding of the relative performance of the hotel sector in Merced.

Task 4.2: Supply Analysis. ALH Economics will document the supply of hotels competitive with the Project's planned hotel component. This documentation will focus on hotels in and around Merced and will include property-specific information obtained from Smith Travel Research, including property name, type of hotel, date opened, number of rooms, average daily room rate, and amenities. This task will also include a review of competitive planned and proposed hotel products to the extent possible.

Task 4.3: Demand Analysis. A demand analysis for hotel rooms in Merced will be prepared to assess the degree to which demand will exist for net new hotel rooms in Merced. This demand analysis will take into consideration a range of factors, including historic changes in room supply, average daily room rate and occupancy trends, historic and projected trends in visitor spending on accommodations, and a derived room count or lodging expenditures capture for Merced.

Task 4.4. Prepare Operational Assumptions. ALH Economics will prepare estimated operational assumptions for the Project hotel. This will especially include an assumed occupancy rate and hotel classification (e.g., budget, midscale, upper midscale, upscale, and luxury). These assumptions will be critical to the impact analysis, for the hotel alone as well as cumulatively.

The hotel classifications range from the highest priced hotels, considered Luxury hotels, to the more budget-oriented Economy hotels. The additional classifications present in this market include Upscale, Upper Midscale, and Midscale.

Task 4.5: Hotel Market Impact Assessment. This task will assess the extent to which development of the Project hotel may or may not affect demand for hotel rooms at existing Merced hotels. The analysis will consider whether there is potential for new hotel rooms to satisfy pent up or otherwise unmet demand for hotel rooms in Merced. If these levels of demand exist then the analysis will conclude the Project hotel will not have a negative impact on existing hotels. If, however, sufficient demand does not exist to absorb the Project hotel rooms at an industry-acceptable occupancy rate, then the analysis will conclude that some existing hotels may experience lower occupancy rates as a result of the Project hotel development. The analysis will conclude if this lower occupancy rate will negatively affect existing hotels, especially to the extent of prompting the potential for existing hotel closure. The analysis will forecast impacts for the Project's first five years of operation.

Task 4.6. Cumulative Hotel Impacts Analysis. In addition to examining the impact of the Project's hotel, the analysis will also consider the cumulative impacts of other new hotel development projects under construction or planned in the competitive market areas. This analysis will include hotel projects known to the City of Merced and Merced County as well as other relevant competitive market area locations, if any, for which entitlement applications have been submitted. Thus, hotel projects with a reasonable expectation of being developed during or shortly after the timeframe of the Project will be incorporated into the analysis. ALH Economics will additionally coordinate with ESA to identify these cumulative hotel projects, and to ensure the use of common assumptions regarding planned projects.

Task 5. Conclusions and Report Preparation

Task 5.1. Urban Decay Determination. Based upon the preceding task findings, ALH Economics will develop an estimate of the extent to which development of the Project may or may not contribute to urban decay. These findings will be presented for both proposed land uses. In order to establish baseline conditions for this analysis, a general visual assessment of existing warehouse and retail space occupancies/vacancies and building conditions will be conducted, and any general areas of existing or potential physical deterioration will be noted. This will be part of the earlier Reconnaissance task.

A determination that the Project could result in potential urban decay would need to be predicated upon a finding of negative economic impact so severe that large-scale warehouse properties used for fulfillment center purposes or retail properties might become vacated as a result and that it would be expected that, those buildings and/or property, rather than being reused within a reasonable time, would remain vacant, deteriorate, and lead to the decline of the associated or nearby real estate. If ALH Economics finds no or minimal negative impact, then urban decay would not be a logical result. However, building vacancy alone is not sufficient to cause urban decay, as such vacancy could provide an opportunity for properties to be redeveloped for other purposes, or for property owners to engage in economic development efforts to improve properties. Therefore, ALH Economics will reach out to industrial and retail brokers active in and around the competitive market areas or local government officials to obtain their perception of the potential for alternative land use development scenarios for vacated industrial and retail properties. If relevant, local planning documents will be examined to determine long-term planning goals for impacted areas.

Task 5.2. Report Preparation. ALH Economics will prepare a succinct report documenting the urban decay study tasks, approach, and findings. Quantitative findings relevant to the report will be fully documented and attached as exhibits. An Administrative Draft of the report will be submitted to ESA for review. The report will then be finalized upon receipt of a consolidated set of review comments from ESA as well as the City of Merced.

Phase II: Progress Conference Calls

ALH Economics will participate in progress conference calls on the Project, either on the phone or via Zoom or other electronic meeting platform. The number of meetings will be mutually determined as the work progresses, but will be limited in number. ALH Economics will be available to obtain Project information, coordinate assumptions, share findings, or participate in any other manner appropriate for the scheduled calls.

Phase III: Public Process

Task 1. Response to Public Comments

ALH Economics will review any relevant public comments submitted following distribution of the urban decay report. We will provide written responses if warranted for public distribution. Our Project fee estimate assumes no more than 8 hours of staff time required for this task. Any time commitment above this level will require additional fees. This will especially be the case if any expert reports or memorandums are submitted, including during the public process after completion of the FEIR.

Task 2. Public Hearing Attendance

ALH Economics' Project management can be available to attend public hearings relevant to the Project. This assumes no prior conflicts associated with the meeting dates. Other provisions may need to be made if such conflicts occur, such as the submission of additional written documents for the public record. The cited budget includes participation in up to two public hearings.

ANTICIPATED BUDGET

ALH Economics estimates a budget for this assignment totaling $72,000, including expenses for data, travel, and lodging.

BLACKWATER
CONSULTING ENGINEERS

October 29, 2021

(SENT VIA EMAIL)

Christina Erwin
Environmental Planning Program Manager
Environmental Science Associates
2600 Capitol Avenue, Suite 200
Sacramento, CA 95816
cerwin@esassoc.com

Subject: Proposal for Engineering Services – University Vista Project Water Supply Assessment

Dear Ms. Erwin,

Black Water Consulting Engineers (Black Water/Consultant) sincerely appreciates the opportunity to submit this scope of work to Environmental Science Associates (Client/ESA) for engineering services to complete Water Supply Assessment (WSA) for the University Vista Project (Project) in Merced, CA. We have reviewed the project description and have prepared the attached scope and fee to complete for the requested services. We understand the WSA will support the Project Environmental Impact Report and will include review and coordination with the City of Merced.

Our staff has experience working with agencies such as the City of Merced to evaluate water supply to serve existing and future development projects who see us as a top water and wastewater consulting firm. We have a specialized and highly trained team, as well as a comprehensive network of subconsultants and disciplines whose expertise is available to all of our clients.

Again, we appreciate the invitation to submit to you this proposal and express our interest in working with you. We consider this a terrific opportunity for Black Water. Should you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

Aja Verburg, P.E. 73020
Vice President

ENGINEERING SERVICES FOR
UNIVERSITY VISTA PROJECT
WATER SUPPLY ASSESSMENT

MERCED, CA

October 29, 2021

Black Water Consulting Engineers, Inc. (Black Water) is pleased to submit this Scope of Work (SOW) and fee estimate to Environmental Science Associates (Client) to prepare a Water Supply Analysis (WSA) for the City of Merced's University Vista Project (Project). The Project includes the development of a large mixed-use community in the City of Merced (City). The 291-acre parcel is located on the northwestern corner of Lake and Bellevue roads, directly adjacent to the University of California, Merced campus. The Project proposes 4,176 dwelling units consisting of mixed-use housing, student housing, apartments, townhomes, and single-family homes. Non-residential uses would consist of approximately 778,400 sf of commercial space and "employment centers," a central park, walking trails, environmental zones, and a hotel/hospitality zone next to Lake Yosemite. It is expected that the project will be built out in approximately 10 years and in three separate phases. Approvals for the project include annexation to the City, which would require a general plan amendment. Construction of the first phase is expected to begin in spring 2023.

Task 1 – Project Meetings and Administration

This task includes Project correspondence and meetings with the Client, City, other consultants and stakeholders via telephone or virtual meetings.

Administration includes general office and overhead activities directly attributed to tracking and managing the progress of the project. Typical tasks included phone calls, copying and production, budget and schedule tracking, resource allocation, and invoicing.

Deliverables: Detailed monthly invoices

Task 1 Fee: $4,090

Task 2 – Resource Documents, Information, and Data Review

Black Water staff review the City's 2020 Urban Water Management Plan (UWMP) to determine available water supply and current projected demand. Black Water will also review Project materials available that will assist in projecting the Project's water supply requirements.

Deliverables: Requests for Information

Task 2 Fee: $2,652

Task 3 – Water Supply Assessment

Black Water will prepare a WSA for the Project to determine if the City has adequate water supply to meet projected water demands for its current users and projected future users for the new development. The WSA will include, at a minimum:

- Water System Background Information
- Summary of the Project
- Description of the water supply that includes:
    - Existing water supply
    - Future supply
- Supply impacts consistent with the Merced Groundwater Subbasin Groundwater Sustainability Plan
- Current and future water demand projections from the City of Merced 2020 UWMP
- Project water demand analysis
- 20-year supply and demand projections with water demand for the Project for:
    - Average year
    - Single Dry Year
    - Five Consecutive Dry-Years
- Entitlements or regulatory approvals
- Description of project impacts
- Determination of supply availability for the Project water demands
- Identification of potential supply sources, as applicable

A Draft WSA will be submitted for Client and City review and comment. The Final WSA will incorporate revisions and comments received.

Deliverable(s): Draft and Final WSA

Task 3: $25,916

TOTAL FIXED FEE (Tasks 1-3): $32,658

Schedule:

1. Project Kick-Off: December 6, 2021
2. Draft WSA: January 12, 2022
3. Final WSA: February 11, 2022

Tasks will be invoiced on a percent complete basis. Additional services may be provided as requested by the Client per Black Water's current rate schedule.

Exclusions:

1. Design
2. Construction drawings and specifications
3. Survey and right-of-way research
4. Agency/Permitting fees
5. Additional documents not specifically listed as Deliverables

Attachments: Black Water 2021 Fee Schedule

DEPOSIT AND REIMBURSEMENT AGREEMENT

THIS DEPOSIT AND REIMBURSEMENT AGREEMENT is made and entered into this 6th day of DECEMBER, 2021, by and between the City of Merced, a California Charter Municipal Corporation ("City") and University Vista Master Plan, LLC, a California Limited Liability Company, whose address of record is 6030 Seabluff Drive, #315, Playa Vista, California 90094 ("Developer").

WHEREAS, Developer desires to develop a mixed use project on approximately 291 acres generally located at the northwest corner of Bellevue and Lake Roads (hereinafter referred to as the "Project"); and

WHEREAS, Developer desires to reimburse City for all of the costs and expenses associated with assessing the environmental impacts of said Project under the California Environmental Quality Act ("CEQA").

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

1. REIMBURSEMENT. Without regard to the outcome or adequacy thereof, and without offset for any reason, Developer agrees to reimburse City for all actual fees, costs, and expenses of a certain contract entered into or to be entered into between City and Environmental Science Associates (the "Consultant") relating to the environmental review of the proposed Project under CEQA, subject to the condition that Developer must have reviewed and approved Consultant's proposal and any modifications to that proposal to be liable for fees, costs and expenses under such contract with Consultant. City will require Consultant to prepare a proposal that includes a detailed scope of work and estimate of fees, costs, and expenses. City shall submit Consultant's proposal to Developer for review and approval, and such approval by Developer shall not be unreasonably withheld, conditioned, or delayed. It is understood that City would not have engaged Consultant had Developer not made an express promise and guarantee to pay the fees, costs, and expenses related thereto. If Consultant later seeks modifications to its proposal, including, but not limited to, an increased budget authorization, City shall submit any such requested modification to Developer for review and approval, and such approval by Developer shall not be unreasonably withheld, conditioned, or delayed.

A. With regard to the aforementioned contract with Consultant, Developer shall deposit with the City the total estimated cost of Consultant's services, which equals the sum of Eight Hundred Fifty-Five Thousand Four Hundred Ninety-Three Dollars ($855,493.00). Within thirty (30) days of execution of this Agreement, the Developer shall deposit with the City the first of three equal installments of Two Hundred Eighty-Five Thousand One Hundred Sixty-Five Dollars ($285,165.00) with the second and third installments of Two Hundred Eighty-Five Thousand One Hundred Sixty-Four Dollars ($285,164.00) due within one hundred twenty (120) days and one hundred eighty (180) days of execution of this Agreement respectively. City shall apply this deposit to fees, costs, and expenses under its contract with Consultant and shall refund to Developer any unspent funds upon termination of this Agreement. In the event the aforementioned amount ($855,493.00) is amended or otherwise adjusted in the contract with the Consultant, Developer agrees to similarly amend its reimbursement obligation hereunder with the intent that the City will at all times be reimbursed for all actual fees, costs, and expenses under said contract with the Consultant, subject to the condition that Developer must have reviewed and approved any modifications to Consultant's proposal to be liable for resultant fees, costs, and expenses under the contract with Consultant. In the event the contract with the Consultant terminates, the Developer will only be responsible for its pro-rata share of the Consultant's cost to the date of termination.

B. In addition to the Consultant time spent on preparing the environmental impact report, City staff will spend considerable time administering the Consultant contract. Under City Council Resolution #98-31, also known as the "Planning and Development Fee Schedule," the management fee for environmental review reports is ten percent (10%) of the total environmental impact review cost. Pursuant to said Schedule, Developer hereby agrees to deposit within thirty (30) days of the mutual execution of this Agreement, the additional sum of Eighty-Five Thousand Five Hundred Forty-Nine Dollars ($85,549.00) to be applied toward the management fee for City staff time administering the preparation of an environmental document by the Consultant.

2. The Developer acknowledges that the above-referenced contract with Consultant is being entered into by City as an accommodation to the Developer to facilitate evaluation of the Developer's Project and does not guarantee any particular result or outcome. The Developer further acknowledges and agrees that it shall have no control over the work product of Consultant, and that its payment of the above sums is not dependent thereon. The Developer also acknowledges

and agrees that failure of the Developer to make payments when due shall be grounds for City to suspend work and/or cancel said contract.

3. The Developer reserves the right to provide a performance bond on behalf of Consultant, subject to Consultant's consent, and at the Developer' sole expense.

4. The Developer shall have the right to utilize the reports and work product of Consultant in connection with the proposed Project.

5. No application for any project from the Developer shall be considered for approval until the above-referenced contract with Consultant is completed. Nothing herein is intended to suggest any result upon the hearing of any such application thereon. The City retains its authority to grant, deny, or condition any and all projects and applications.

6. This Agreement shall terminate once Developer has reimbursed the City for all actual fees, costs, and expenses under the City's contract with Consultant, as specified in this Agreement.

7. 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.

8. In the event that either City or the Developer 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.

9. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

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

11. If any portion of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

12. This Agreement constitutes the complete, entire, exclusive, and final agreement and understanding between the parties as to the subject matter herein, superseding all negotiations, prior discussions, and preliminary agreements or contemporaneous understandings, written or oral.

13. 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.

14. 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: Stephanie Dietz
City Manager

ATTEST:
STEPHANIE R. DIETZ, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

CITY of MERCED, CALIFORNIA
INCORPORATED APRIL 1, A.D. 1889

APPROVED AS TO FORM:

BY: Kimball Cluz 11/16/21
City Attorney Date

301812
ACCOUNT DATA:

BY: _____
Verified by Finance Officer
NO funds to encumber. MJ 11/30/21
FZ 11/30/21

MR # 31792
MR 11/30/21

UNIVERSITY VISTA MASTER PLAN, LLC, A California Limited Liability Company

BY: _____
Bobby Laughlin

ITS: Managing Member

Taxpayer I.D. No. 85-2018039

ADDRESS: 6030 Seabluff Drive #315
Playa Vista, CA 90094

TELEPHONE: (301) 467-5958

FAX: _____

EMAIL: bobby@pvequities.com

FIRST AMENDMENT TO AGREEMENT FOR SERVICES

THIS FIRST AMENDMENT TO AGREEMENT is made and entered into this ___ day of _____, 20__ , by and between the City of Merced, a California Charter Municipal Corporation ("City"), and Environmental Science Associates, a California corporation, ("Consultant").

WHEREAS, City is undertaking a project to annex approximately 291 acres, generally located at the northwest corner of Bellevue and Lake Road; and,

WHEREAS, City and Consultant have previously entered into a Services Agreement ("Agreement") dated December 6, 2021; and,

WHEREAS, City and Consultant desire to amend said Agreement to provide for additional services in connection with said project.

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

1. Section 23, "ADDITIONAL WORK," is hereby added to the Agreement to read as follows:

> Consultant shall perform the additional work outlined in the proposal from Consultant to City dated July 11, 2025, attached hereto as Exhibit "1".

2. Section 24, "ADDITIONAL COMPENSATION," is hereby added to the Agreement to read as follows:

> City shall pay to Consultant the not to exceed additional sum of Forty-Five Thousand One-hundred-Eighty Eight Dollars ($45,188.00) for the additional work described in the proposal attached hereto as Exhibit "1" and in accordance with the rates set forth on Exhibit "1."

3. Except as herein amended, the Agreement dated December 6, 2021, shall remain in full force and effect.

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

CITY OF MERCED
A California Charter Municipal
Corporation

BY:_____
D. Scott McBride
City Manager

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY:_____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY

BY: Craig Cornwell 3/9/2026
City Attorney Date

ACCOUNT DATA:
M. VENUS RODRIGUEZ, FINANCE OFFICER

BY:_____
Verified by Finance Officer

CONSULTANT
ENVIRONMENTAL SCIENCE
ASSOCIATES, A California Corporation

BY:_____
(Signature)

Brian Boxer
(Typed Name)

Its: Regional Director II
(Title)

BY:_____
(Signature)

_____
(Typed Name)

Its:_____
(Title)

Taxpayer I.D. No._____

ADDRESS:

TELEPHONE: 916-564-4600
FAX: _____
E-MAIL: Boxer@esassoc.com

2600 Capitol Avenue, Suite 200
Sacramento, CA 95816
916.564.4500 phone
916.564.4501 fax
esassoc.com

July 11, 2025

City of Merced
Attention: Jonnie Lan. Principal Planner
678 West 18th Street
Merced, CA 95340

RE: University Vista Project EIR - Contract Modification No. 1

Dear Ms. Lan:

This contract modification request describes out-of-scope tasks for the University Vista Project EIR contract, as described below.

ESA's scope of work for the University Vista project originally scoped out the agricultural resources and wildfire environmental topics as the project area was not designated as Important Farmland by the California Department of Conservation's Farmland Mapping and Monitoring Program (FMMP) and was not within a very high fire hazard severity zone as mapped by the Cal Fire's Fire and Resources Assessment Program (FRAP) at the time the notice of preparation was published in April 2022. However, in consideration of the sensitivity of agricultural land conversion and wildfire risk issues in the County of Merced, at the City's request, ESA subsequently prepared agricultural resources and wildfire sections and are thus requesting additional budget to cover this out-of-scope work.

In addition, shortly after ESA began preparation of the Administrative Draft EIR, the project applicant initiated changes to the project description to: (1) increase residential units counts and square footages; (2) increase commercial square footage in the commercial (non-mixed-use) pad; and (3) retain the same site layout as currently proposed. As a result, ESA was required to update the project description to reflect these changes and thus are also requesting additional funds to cover this work.

Next, concerning the preparation of the EIR air quality, biological resources, energy, and greenhouse gas emissions sections, ESA did not have the benefit of reviewing the applicant's technical studies prior to preparing our scope as they had not yet been prepared. Given their breath, our original budget to prepare these EIR sections is inadequate, and we are requesting additional funds to prepare these sections.

Finally, the project has been on hiatus since early 2023. As it has been over two years since the ESA team engaged in the project, ESA staff need to review the completed EIR sections to refamiliarize ourselves with the project and to ensure that the remaining sections are consistent in format and style with the sections that have been completed.

ESA currently has $4,812 remaining in Task 6, Administrative Draft EIR. At this time, ESA is requesting that an additional $45,188 to be added to Task 6 of our scope of work dated November 18, 2021, to cover this work. See the attached spreadsheet for details of our cost estimate. Please note that our billing rates have increased and request that our updated rates be used going forward.

EXHIBIT 1

Please feel free to contact us at (916) 564-4500 or at our mail addresses below if you would like to discuss this request further. We look forward to continuing our work with you and thank you for your time and consideration.

Sincerely,

Paul Mitchell
Project Director
pmitchell@esassoc.com

Paul Stephenson
Project Manager
pstephenson@esassoc.com

ESA

University Vista Contract Mod #1		P. Mitchel	P. Stephenson	C. Dugan	J. Iyer	C. Hughs	J. Orsolini	J. Medan	K. Olsen	TOTAL ESA LABOR COST & FEES						Total ESA Labor Cost
		Managing Consultant 6	Managing Consultant 4	Principal Consultant 3	Managing Consultant 4	Managing Consultant 1	Managing Consultant 1	Associate Consultant 3	Associate Consultant 4	ESA Total Hours	ESA Labor Subtotal ($)	Rate Escalation	Contingency	Technology & Data Management Fee	Total Labor Fee	
Task #	Task Name/Description	$312	$266	$276	$266	$197	$197	$175	$189							
	Revised Project Description	2	12						2	16.00	$ 4,194	$ -	$ -	$ 126	$ 126	$ 4,320
	Agricultural Resources		2					16		18.00	$ 3,332	$ -	$ -	$ 100	$ 100	$ 3,432
	Air Quality			2	28				2	32.00	$ 8,378	$ -	$ -	$ 251	$ 251	$ 8,629
	Biological Resources					8	32			40.00	$ 7,880	$ -	$ -	$ 236	$ 236	$ 8,116
	Energy			2	16				2	20.00	$ 5,186	$ -	$ -	$ 156	$ 156	$ 5,342
	Greenhouse Gas Emissions			2	24				2	28.00	$ 7,314	$ -	$ -	$ 219	$ 219	$ 7,533
	Wildfire		2					16		18.00	$ 3,332	$ -	$ -	$ 100	$ 100	$ 3,432
	Completed Section Review		16							16.00	$ 4,256	$ -	$ -	$ 128	$ 128	$ 4,384
6	**Total Hours**	**2**	**32**	**6**	**68**	**8**	**32**	**32**	**8**	**188.00**	**$ 43,872**	**$ -**	**$ -**	**$ 1,316**	**$ 1,316**	**$ 45,188**
	Total ($) Amount	**$624**	**$8,512**	**$1,656**	**$18,088**	**$1,576**	**$6,304**	**$5,600**	**$1,512**							

PROJECT COST ESTIMATE SUMMARY TABLE			
ESA Labor		$	43,872
Annual Rate Escalation Allowance		$	-
Contingency		$	-
Technology and Data Management Fee	3%	$	1,316
ESA Labor Amount		**$**	**45,188**
ESA Non-Labor Expenses			
Reimbursable Expenses (see Attachment A for detail)		$	-
ESA Equipment Usage (see Attachment A for detail)		$	-
Subtotal ESA Non-Labor Expenses		**$**	**-**
Subconsultant Costs		**$**	**-**
PROJECT TOTAL		**$**	**45,188**

FIRST AMENDMENT TO DEPOSIT AND REIMBURSEMENT AGREEMENT

THIS FIRST AMENDMENT TO DEPOSIT AND REIMBURSEMENT AGREEMENT ("Amendment") is made this ____ day of _____by and between the City of Merced, a California Charter Municipal Corporation ("City") and University Vista Master Plan, LLC, a California Limited Liability Company whose address of record is 6030 Seabluff Drive, #315, Playa Vista, California 90094 ("Developer").

RECITALS

A. WHEREAS, in December 2021, the Parties entered into a Deposit and Reimbursement ("Agreement") whereby Developer agreed to reimburse City on a payment schedule for $855,493.00 in cost and expenses City incurred in connection with Developer's project.

B. WHEREAS, the payment schedule for the reimbursement has changed and the Parties wish to amend the Agreement to reflect the updated schedule.

C. WHEREAS, except as modified herein, the terms of the Agreement shall remain the same.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, pursuant to paragraph 10 of the Agreement, the Parties agree to modify the Agreement as follows:

1. Section 15, "ADDITIONAL REIMBURSEMENT", is hereby added to the Agreement to read as follows:

A. Upon execution of this First Amendment, Developer shall deposit with the City the total estimated cost of Consultant's services, which equals the sum of Forty-Five Thousand One Hundred Eighty-Eight Dollars ($45,188.00). Within ten (10) days of the mutual execution of this Amendment, the Developer shall deposit with the City the first of four equal installments of Eleven Thousand Two-Hundred Ninety-Seven Dollars ($11,297.00). Installments of Eleven Thousand Two-Hundred Ninety-Seven Dollars ($11,297.00) due within ninety (90) days, one hundred twenty (120) days, and one hundred eighty (180) days of execution of this Amendment, respectively. City shall apply this deposit to fees, costs, and expenses under

its contract with Consultant and shall refund to Developer any unspent funds upon termination of the Agreement. In the event the aforementioned amount ($45,188.00) is amended or otherwise adjusted in the contract with the Consultant, Developer agrees to similarly amend its reimbursement obligation hereunder with the intent that the City will at all times be reimbursed for all actual fees, costs, and expenses under said contract with the Consultant, subject to the condition that Developer must have reviewed and approved any modifications to Consultant's proposal to be liable for resultant fees, costs, and expenses under the contract with Consultant. In the event the contract with the Consultant terminates, the Developer will only be responsible for its pro-rata share of the Consultant's cost to the date of termination.

2. Section 16, "ADDITIONAL MANAGEMENT FEE, is hereby added to the First Amendment to read as follows:

In addition to the Consultant time spent on preparing the environmental impact report, City staff will spend considerable time administering the Consultant contract. Under City Council Resolution #98-31, also known as the "Planning and Development Fee Schedule," the management fee for environmental review reports is an additional ten percent (10%) of the total environmental impact review cost. Pursuant to said Schedule, Developer hereby agrees to deposit within thirty (30) days of the mutual execution of this Amendment, the additional sum of Four-Thousand Five-Hundred Eighteen Dollars ($4,518.00) to be applied toward the management fee for City staff time administering the preparation of an environmental document by the Consultant.

3. Limited Scope of Amendment. Except as specifically modified herein, the terms of the Agreement shall remain the same.

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

CITY OF MERCED
A California Charter Municipal
Corporation

BY:_____
D. Scott McBride,
City Manager

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY:_____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY

BY: Craig Cornwell 3/30/2026
City Attorney Date

ACCOUNT DATA:
M. VENUS RODRIGUEZ, FINANCE OFFICER

BY:_____
Verified by Finance Officer

{Signatures continued on next page}

DEVELOPER UNIVERSITY VISTA MASTER

PLAN, LLC, A California Limited Liability Company

_____

Bobby Laughlin on behalf of
University Vista Master Plan, LLC

2600 Capitol Avenue, Suite 200
Sacramento, CA 95816
916.564.4500 phone
916.564.4501 fax
esassoc.com

July 11, 2025

City of Merced
Attention: Jonnie Lan. Principal Planner
678 West 18th Street
Merced, CA 95340

RE: University Vista Project EIR - Contract Modification No. 1

Dear Ms. Lan:

This contract modification request describes out-of-scope tasks for the University Vista Project EIR contract, as described below.

ESA's scope of work for the University Vista project originally scoped out the agricultural resources and wildfire environmental topics as the project area was not designated as Important Farmland by the California Department of Conservation's Farmland Mapping and Monitoring Program (FMMP) and was not within a very high fire hazard severity zone as mapped by the Cal Fire's Fire and Resources Assessment Program (FRAP) at the time the notice of preparation was published in April 2022. However, in consideration of the sensitivity of agricultural land conversion and wildfire risk issues in the County of Merced, at the City's request, ESA subsequently prepared agricultural resources and wildfire sections and are thus requesting additional budget to cover this out-of-scope work.

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EXHIBIT 1

Please feel free to contact us at (916) 564-4500 or at our mail addresses below if you would like to discuss this request further. We look forward to continuing our work with you and thank you for your time and consideration.

Sincerely,

Paul Mitchell
Project Director
pmitchell@esassoc.com

Paul Stephenson
Project Manager
pstephenson@esassoc.com

ESA

University Vista Contract Mod #1		P. Mitchel	P. Stephenson	C. Dugan	J. Iyer	C. Hughs	J. Orsolini	J. Medan	K. Olsen	TOTAL ESA LABOR COST & FEES						Total ESA Labor Cost
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Task #	Task Name/Description	$312	$266	$276	$266	$197	$197	$175	$189							
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	Energy			2	16				2	20.00	$ 5,186	$ -	$ -	$ 156	$ 156	$ 5,342
	Greenhouse Gas Emissions			2	24				2	28.00	$ 7,314	$ -	$ -	$ 219	$ 219	$ 7,533
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	Completed Section Review		16							16.00	$ 4,256	$ -	$ -	$ 128	$ 128	$ 4,384
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	Total ($) Amount	**$624**	**$8,512**	**$1,656**	**$18,088**	**$1,576**	**$6,304**	**$5,600**	**$1,512**							

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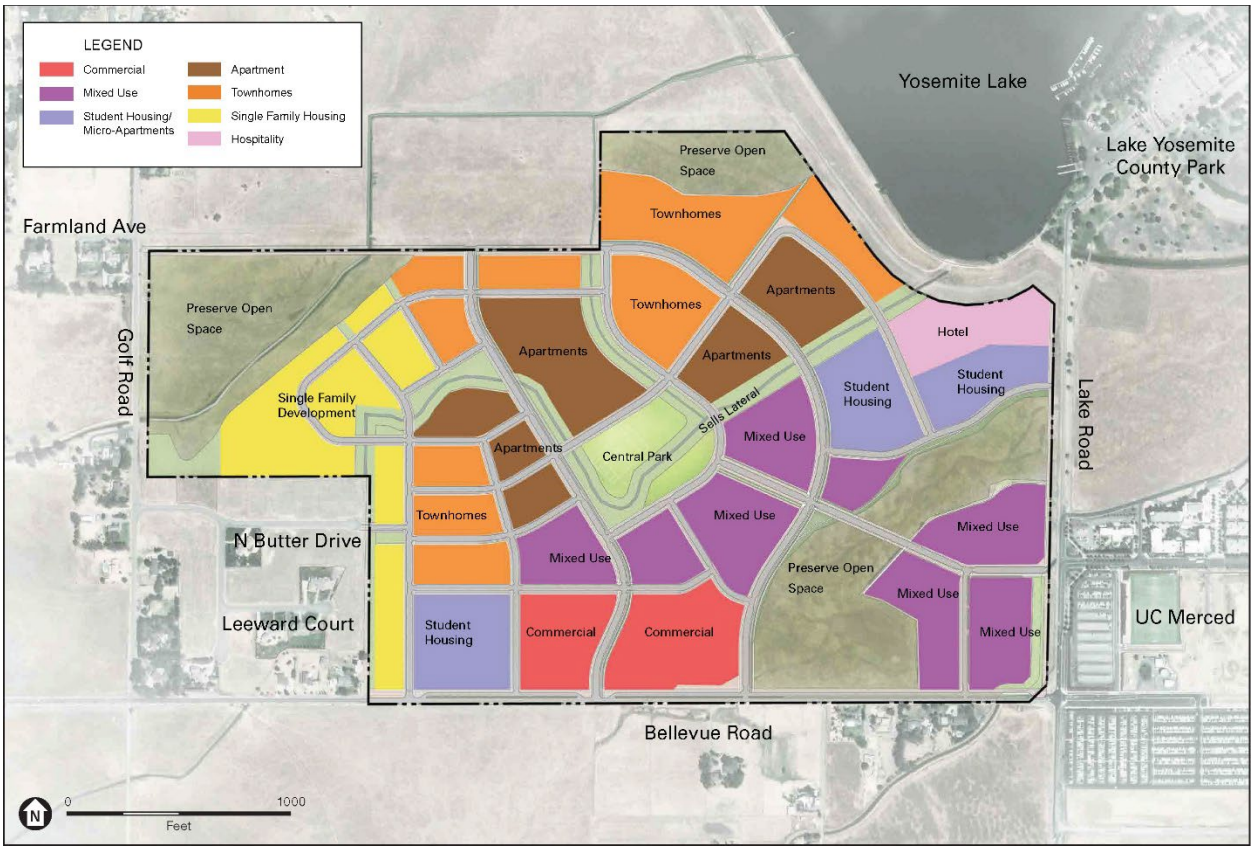
ESA Labor Amount		**$**	**45,188**
ESA Non-Labor Expenses			
Reimbursable Expenses (see Attachment A for detail)		$	-
ESA Equipment Usage (see Attachment A for detail)		$	-
Subtotal ESA Non-Labor Expenses		**$**	**-**
Subconsultant Costs		**$**	**-**
PROJECT TOTAL		**$**	**45,188**


LEGEND
Commercial
Mixed Use
Student Housing/ Micro-Apartments
Apartment
Townhomes
Single Family Housing
Hospitality
Yosemite Lake
Lake Yosemite County Park
Farmland Ave
Preserve Open Space
Townhomes
Preserve Open Space
Golf Road
Single Family Development
Apartments
Townhomes
Apartments
Apartments
Hotel
Student Housing
Student Housing
Sells Lateral
Mixed Use
Central Park
Apartments
Lake Road
Townhomes
Mixed Use
Mixed Use
N Butter Drive
Mixed Use
Preserve Open Space
Mixed Use
Leeward Court
Student Housing
Commercial
Commercial
Mixed Use
UC Merced
Bellevue Road
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1000
Feet

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-296 Meeting Date: 4/20/2026

Report Prepared by: Frank Quintero, Deputy City Manager

SUBJECT: City of Merced Letter of Comment to the DRAFT 2026 Business Plan and Technical Supporting Document as Published by the California High-Speed Rail Authority

REPORT IN BRIEF
City staff prepared a Letter of Comment concerning High-Speed Rail's DRAFT 2026 Business Plan including the Technical Supporting Document. Staff is seeking direction from the City Council if they desire to submit the Letter of Comment to the High-Speed Rail Authority.

RECOMMENDATION
City Council - Adopt a motion:

A. Approving the Letter of Comment to the High-Speed Rail Authority's DRAFT 2026 Business Plan including the Technical Supporting Document; and,

B. Authorizing the City Manager to send a Letter of Comment to the California High-Speed Rail Authority regarding the DRAFT 2026 Business Plan and Technical Supporting Document on behalf of the City Council of the City of Merced.

ALTERNATIVES
1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than as recommended by staff; or,
3. Deny; or,
4. Continue to a future meeting.

AUTHORITY
Charter of the City of Merced, Section 200, et seq.

CITY COUNCIL PRIORITIES
FY 2025-2026 Budget Tab 7, Economic Development and Airport, Objective #3, "Coordinate High Speed Rail, ACE Train MITC, and other projects that may serve as economic engines in Downtown Merced."

DISCUSSION
Business Plan Statutory Requirement:

Public Utility Code Section 185033 requires the High-Speed Rail Authority to publish, adopt, and

submit a Business Plan to the Legislature every two years. The first Business Plan was adopted in 2000, and since the codification of Public Utility Code Section 185033, Business Plans have been prepared and adopted from 2008 to 2024.
Each Business Plan must contain the following elements:

- The type of service the Authority anticipates it will develop;
- The proposed timeline for construction and the expected schedule for completing the environmental review process;
- Alternative financial scenarios based on different levels of service;
- Forecasts of ridership levels, operation and maintenance costs and capital costs;
- Written agreements with public or private entities to fund the system and an estimate of anticipated funding sources;
- And a discussion of foreseeable risks to the project and plans to mitigate those risks.

Once the Business Plan is published, the High-Speed Rail Authority must provide at least a 60-day period for public review and comment. ***The DRAFT 2026 Business Plan was issued on February 28, 2026, and comments are due by April 29, 2026. A High-Speed Board of Directors meeting is scheduled for April 29, 2026, when comments are due.*** The 2026 DRAFT Business Plan was introduced to the High-Speed Rail Board of Directors at the meeting of March 4, 2026 (ATTACHMENT 1.)

Upon approval of the DRAFT Business Plan, the document is also submitted to the Senate Committee on Transportation and Housing, the Assembly Committee on Transportation, the Senate Committee on Budget and Fiscal Review, and the Assembly Committee on Budget.

<u>DRAFT 2026 Business Plan Key Points as Applicable to Merced:</u>

- Station Relocation - The DRAFT 2026 Business Plan does not plainly state that the Downtown High-Speed Rail Station would be relocated from its current site, O St to R St/W. 15th St to W. 16th St, to Southeast Merced at Highway 99/Mission Avenue adjacent to the Union Pacific Railroad Tracks. However, the Technical Supporting Document calls out that Merced station would be relocated to Highway 99/Mission Avenue. The High-Speed Rail train is a project administered by the State of California. The final decision regarding the station location ultimately falls with the High-Speed Rail Authority and Governor's Office.

- Station Features - The Downtown Merced Station was originally designed to have multiple tracks, elevated, contain two platforms, supported by commercial uses, and be a full-service station with a Yosemite theme for the architecture. The Technical Supporting Document notes the following (excerpt from Page 51):

  Merced Station
  - New station and location near E. Mission Ave south of downtown Merced
  - Introduced as an overarching cost savings measure coupled with schedule timeline risk reductions. In addition, the newly proposed location supports Merced's long term growth plan along with providing a clear fundable path to high-speed rail delivery

- Station changed to a simple at-grade station, with a single side platform, with transit facilities, surface parking, and a small station support building.

- Amtrak/Gold Runner Connection - Both the DRAFT Business Plan and Technical Supporting Document illustrate that the Amtrak/Gold Runner connection to Sacramento will no longer be in Merced, but Madera.

- Shared Benefit Costs - Chapter 10 of the Technical Supporting Document, Shared Benefit Costs, identifies in Table 30, Grade Separations in southern segment of the Merced to Madera to cost $376M, but does not identify who would be sharing the costs.

- Tax increment Financing - The DRAFT Business Plan identifies the use of Tax Increment Financing Tools such as an Enhanced Infrastructure Financing District (EIFD) to help fund construction and commercialization. The use of such a tool has generally been limited to Cities and Counties. The proposed TIF model would divert future property tax growth and revenues that local governments rely upon to fund essential public services, including public health and safety, infrastructure maintenance, parks, housing programs, and local transportation improvements.

- Local Area Partnerships - Also contained in the DRAFT 2026 Business Plan is for the High-Speed Rail Authority "to maximize the economic and community benefits of high-speed rail station investments, it is important to strengthen partnership frameworks with local governments around land use planning and coordinated infrastructure investment." In his August 2025 CEO Report, the CEO identifies empowering the Authority with certain regulatory powers, including zoning and land use permitting controls over land it owns and within one-half mile radius of High-Speed Rail Stations. In essence, the Authority would not recognize the land use controls, and authority granted by the State to local jurisdictions.

- Encroachment Permitting - The DRAFT Business Plan also calls out empowering the Authority with certain regulatory powers including the issuance of encroachment permits to third parties. Granting such authority again devalues the discretion of local jurisdictions of issuing encroachment permit which generally protect major infrastructure investments made at the local level.

- Update Senate Bill 198 - The DRAFT Business Plan identifies the need to modify Senate Bill (SB) 198. Currently under SB 198, a Downtown Merced High-Speed Station is guaranteed supported by rail service from the Altamont Corridor Express (ACE) and Amtrak/Gold Runner. Furthermore, SB 198 restricts that amount of funding that may be spent outside of Phase I/Segment 1. Relocating the station from Downtown Merced to Southeast Merced requires amending SB 198. The City of Merced previously submitted a letter to the High-Speed Rail Authority noting that modifications to SB 198 should be decided by impacted stakeholders such the City of Merced, Merced County, and the Merced County Association of Governments (ATTACHMENT 2).

<u>Proposed Action:</u>

Adopt a motion approving a Letter of Comment to the High-Speed Rail Authority regarding the DRAFT 2026 Business Plan and Technical Supporting Document and authorize the City Manager to send a letter to the Authority behalf of the City Council of the City of Merced (ATTACHMENT 3).

Document Availability:

The DRAFT 2026 Business Plan and DRAFT 2026 Business Plan Technical Supporting Document may be downloaded at the following link: HSR 2026 DRAFT Business Plan <https://hsr.ca.gov/communications-outreach/reports/business-plans/2026-business-plan/>.

Scroll down to the bottom of the webpage to the link to the DRAFT 2026 Business Plan Technical Supporting Document

ATTACHMENTS

1. HSR Report -DRAFT 2026 Business Plan Introduction
2. Letter to High-Speed Rail Regarding Conceptual Station Move
3. DRAFT Letter to the High-Speed Rail Authority

CALIFORNIA High-Speed Rail Authority

California High-Speed Rail
BRIEFING: March 4, 2026, Agenda Item #5

TO: Board Chair Richards and Board Members

FROM: Mark Tollefson, Chief of Staff

DATE: March 4, 2026

RE: Draft 2026 Business Plan Release

Summary

As required by Public Utilities Code Section 185033, the California High-Speed Rail Authority (Authority) is required to prepare, publish, adopt, and submit an updated Business Plan to the Legislature on May 1 of every even year. Statute dictates that at least 60 days prior to submittal to the Legislature, the Draft Business Plan be released for public review and comment. The Draft 2026 Business Plan was posted on the Authority's website on February 28, 2026 thus opening the 60-day public comment period. Staff intends to present the plan and receive public comments at this March 4, 2026 Board meeting and through other public comment opportunities. After receipt of public comment, staff will present a proposed final 2026 Business Plan, with any recommended changes, to the Board for consideration and approval at the April 29, 2026, Board of Directors meeting.

Background

The Authority has produced business plans since 2012. All business plans provide a snapshot in time of the most current information about the high-speed rail program at the time of adoption. In requiring an updated plan every two years, the Legislature envisioned that these plans would reflect updated forecasts and estimates, decisions that have been made and changes that have occurred since the prior business plan. This has been the case with the Authority's previous plans and remains so with the Draft 2026 Business Plan.

Discussion

The Draft 2026 Business Plan is available for review at the following URL:

https://hsr.ca.gov/communications-outreach/reports/business-plans/2026-business-plan/

The Authority is providing the following options for submitting comments:

- By the online comment form available at the following URL: https://hsr.ca.gov/communications-outreach/reports/business-plans/2026-business-plan/2026-draft-business-plan-comment-form/
- By email at: BusinessPlan2026@hsr.ca.gov
- By U.S. mail to the Authority:

  California High-Speed Rail Authority Attn: Draft 2024 Business Plan

770 L Street, Suite 1180

Sacramento, CA 95814

Legal Approval

This is an informational item, Legal has reviewed and signed off on this item.

Budget and Fiscal Impact

This is an informational item on the Authority's 2026 Business Plan and by itself does not have a budget or fiscal impact.

Recommendations

This is an informational item.

CALIFORNIA
High-Speed Rail Authority

2026 Draft Business Plan

March 4, 2026
Chief of Staff Mark Tollefson

An Economic Corridor of Opportunity

- The benefits of high-speed rail extend beyond mobility; it is a catalyst for economic growth, environmental sustainability, and social equity to help meet the needs of a growing population.
- California is the world's fourth-largest economy, with a GDP of approximately $4.1 trillion. High-speed rail's Phase 1 route, from San Francisco to Greater Los Angeles, is among the world's most productive economic corridors.
- This corridor can convert travel-time savings into labor-market expansion, expanded housing opportunity, and new investment, making it one of the strongest high-speed rail markets anywhere.

2026 Business Plan Delivery Strategy

- Complete the Merced-Bakersfield initial operating segment and initiate service as early as possible
- Expand to major population centers to achieve revenue-positive operation and strengthen the foundation for future delivery
- Advance an early asset commercialization and ancillary revenue strategy – including power, broadband/technology, station-area opportunities, and other partnerships – to improve long-term financial performance and support system growth

Making the Vision a Reality: Merced to Bakersfield

DELIVERING EFFICIENCY & SAFETY FOR CALIFORNIA

The Authority is expediting work in the Central Valley by right-sizing the project for initial service.

SAVINGS

The Authority **saved an additional $2 billion** in the Merced-Bakersfield segment through scope changes related to infrastructure delivery, lowering the total cost to $34.8 billion.

TRIPS PER DAY

Initial service will begin with a planned 8 trips per day in both directions.

TRACKS

The Authority is scheduled to **begin laying tracks in 2026** .

FARE SERVICE

With tracks & electric system installation in beginning 2026, the Authority anticipates **fare service** from Merced to Bakersfield **beginning in 2033.**

SAFETY

The project is already having a positive impact on road safety, with dozens of new overcrossings opening throughout the area.

Streamlining & Cost Savings

OPTIMIZING SAVINGS AND FUTURE EXPANSION

New strategies and routes have helped decrease expected costs.

STRATEGY

The Authority has prioritized lower capital costs through streamlined station designs, infrastructure, and service levels while setting the stage for future expansion.

BILLIONS SAVED

Our optimized approach has resulted in **more than** **$105 billion** in program-wide savings.

ROUTES

A revised route from Palmdale to the LA Basin would expedite the introduction of service while also helping to lower costs.

ACTION NEEDED

Achieving projected savings is contingent on additional authority and advancing related policy and implementation measures. Absent those steps, costs could increase by approximately 10 percent.

Reaching Population Centers Drives Opportunity for Revenue Growth and System Expansion

Table 3.1: Buildout Cost, Funding, and Profit Scenarios ($ in billions)

Buildout Scenario	Total Cost*	Net Cost**	Annual Funding Commitment***				40-year Net Operating Profit^
			2042 (15 years)	2047 (20 years)	2057 (30 years)	2072 (45 years)	
San Francisco –Bakersfield	$60.34	$25.57	$1.78	$1.46	$1.20	$1.04	+42.23
San Francisco – Palmdale	$96.73	$61.97	$4.36	$3.59	$2.96	$2.56	+77.68
San Francisco – Los Angeles/ Anaheim (Phase 1)	$126.20	$91.43	$6.40	$5.25	$4.33	$3.75	+174.34

*Construction cost estimates include a P65 level of contingency.
** Funding needed during construction period. Net cost is derived by excluding the cost of $34.8 billion for Merced – Bakersfield which is alternatively funded (using Cap-and-Invest).
*** Annual Funding Commitment is assumed to commence in 2028, includes debt service, and is dependent on the source(s) of revenue pledge offered, as well as prevailing market conditions.
^ Cumulative operating profit is based on a service start year of 2040, if built using financing against long term state funding.

Expanding High-Speed Rail Through Efficient Delivery

- As introduced in the 2025 Supplemental Project Update Report, the Authority's strategy is to right-size each stage of delivery to initiate service sooner and effectively control costs, and then expand infrastructure as demand grows.
- The strategy combines shared corridor upgrades with designs that preserve opportunity for future expansion.
- Practical modifications will keep initial costs lower while maintaining the system's fundamental purpose: reliable, high-speed service linking San Francisco and Los Angeles via the Central Valley.

Building & Leveraging Partnerships

LEVERAGING ASSETS

Commercialization strategies to monetize the Authority's assets could include station real estate, retail concessions, advertising, & energy and technology projects.

Some of these initiatives can generate ancillary revenues and improve financial sustainability, even before train service begins.

PARTNERSHIPS

Focused on the delivery and operation of the rail system, a P3 partner could drive efficiency & may share risk and contribute financing for major infrastructure, maintenance facilities, & potentially train operations.

This approach accelerates delivery & could reduce public capital requirements.

FUNDING

The extension of Cap-and-Invest provides $1 billion in annual funding for high-speed rail through 2045, sufficient to fully fund and deliver the Merced-Bakersfield segment. Additional funding will be required to ensure long-term viability and complete Phase 1.

LOW-COST FINANCING

The Authority is exploring access to low-cost financing to accelerate delivery of M-B and reach dense population centers as soon as possible to achieve a profitable train service.

Commenting on the Draft Business Plan

- The Draft 2026 Business Plan is available for review at the following URL:
- https://hsr.ca.gov/communications-outreach/reports/business-plans/2026-business-plan/
- The Authority is providing the following options for submitting comments:
- By the online comment form available at the following URL:
- https://hsr.ca.gov/communications-outreach/reports/business-plans/2026-business-plan/2026-draft-business-plan-comment-form/

- By email at: BusinessPlan2026@hsr.ca.gov
- By U.S. mail to the Authority:
  - California High-Speed Rail Authority Attn: Draft 2024 Business Plan
  - 770 L Street, Suite 1180
  - Sacramento, CA 95814

California High-Speed Rail

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Visit the California High Speed Rail Authority website at *hsr.ca.gov* and Build HSR California at *BuildHSR.com*

CITY OF MERCED

MERCED

City Administration (209)-385-6834 www.cityofmerced.org

February 2, 2026

Mr. Thomas Richards
Board Chair
California High-Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

Mr. Ian Choudri
Chief Executive Officer
California High-Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

Re: City of Merced – Conceptual Consideration of Station Relocation

Dear Honorable Board Chair Richards and Mr. Choudri:

On behalf of the City of Merced, thank you for your continued engagement with our region as we work together to deliver a transformative statewide High-Speed Rail system. As a result of our mutual desired goal of ensuring the successful buildout of a High-Speed Rail system that includes in its first phase a station location in Merced, I am writing to express the City's support in a collaborative review of the concept of moving the Merced High-Speed Rail Station to southeast Merced. As you consider a potential shift to a site in southeast Merced, I look forward to continuing our dialogue and partnership that we have established over the past decade to ensure a comprehensive, thorough, transparent, and collaborative evaluation of this alternative, including its consideration for inclusion in the upcoming draft business plan.

We recognize station siting involves difficult tradeoffs among system performance, constructability, long-term operations, environmental considerations, community access, and regional economic impacts. A thorough review can help determine whether the changed location better advances your goals while delivering clear and measurable benefits to the Merced region. The southern Merced County site warrants analysis particularly given impacts including but not limited to infrastructure, utilities, and City services and potential advantages related to land availability, construction logistics, multimodal connectivity, and access for residents across the county and surrounding communities.

The City emphasizes that any station location should promote equitable access, support sustainable economic development, and integrate existing and planned transportation networks and local land-use priorities. We appreciate the Authority's ongoing communication and encourage continued coordination with Merced County, the City of Merced, and regional partners as this evaluation moves forward. The City stands ready

to work in partnership with the Authority to support a data-driven process and identify solutions that maximize regional benefits in a timely manner.

Thank you for your leadership and continued work to advance a high-speed rail system that will serve Californians for generations. We look forward to a continued relationship and dialogue to help assist you in completing this transformative high-speed rail project in a manner that maximizes the benefits and vision for the Merced region.

I am available at 209-385-6834 should you want to discuss this matter further.

Sincerely,

Scott McBride
City Manager
City of Merced

Cc: Adam Gray, U.S. Representative, CA 13th District
Anna Caballero, State Senator, District 14
Esmeralda Soria, State Assemblymember, District 27
Mark Tollefson, HSRA
Peter Whippy, HSRA
Diana Gomez, HTNB
Ben Lichty, HSRA
Craig Cornwell, City of Merced
Frank Quintero, City of Merced
Sharon Gonsalves, CPPG
File

April 20, 2026

Mr. Thomas Richards
Board Chair
California High-Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

Mr. Ian Choudri
Chief Executive Officer
California High Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

Re: City of Merced – 2026 DRAFT Business Plan

Dear Honorable Board Chair Richards and Mr. Choudri:

Thank you for the opportunity to comment on the 2026 California High-Speed Rail Draft Business Plan and the Capitol Cost Basis Estimate Report, which provides background for the information presented in the Business Plan. While the DRAFT business plan offers little detail regarding a station in Merced, there are several key areas within the technical document where we seek clarification. While we appreciate the continued effort to refine project delivery and manage costs, several recent design changes raise concerns regarding long-term system performance, capacity, and regional equity.

Consideration of Station Relocation

While communication between the Authority and the City has increased, the substance and transparency of that communication remains insufficient. The City has been engaged in discussions with the Authority since the better part of last year regarding the potential relocation of the downtown station to southeast Merced. We have, however, received very limited detail about the specific site under consideration. Yet the technical document accompanying the Authority's Draft Business Plan appears to provide confirmation of a "new station at Mission Avenue." (p. 46, Table 17.) Elsewhere the relocation of Merced's station out of our downtown is presented as a "key design and optimization update" that has already been decided. (p. 51 ("New station and location near E. Mission Ave south of downtown Merced[.]").) That position would seem to counter existing state law. It is also concerning that such critical information is conveyed through publicly released documents rather than through direct engagement with the City. This approach undermines the assertion that the City will have a meaningful seat at the table in key decision-making processes, particularly when those decisions appear to be made without prior consultation and a public comment letter becomes the first opportunity for input.

Downsized Station

We were pleased to read that the priority is to complete the Merced to Bakersfield (Central Valley) segment. However, it appears that Merced would function as a transfer hub, not a true destination. On page 31 of the technical document there is a comparison table of infrastructure elements and service characteristics by segment. , In the row "Trains Per Day" the table 8 for Merced-Bakersfield, but in the other scenarios (SF-Bakersfield, SF-Palmdale, and SF-LA/Anaheim) reference "shuttles to Merced." The potential for shuttle service to Merced is mentioned nowhere else in the technical document.

Additionally, while most of the alignment is planned to be double-tracked, the extension to Merced is proposed as a single-track segment. This design choice represents a significant operational constraint that could limit service reliability, reduce scheduling flexibility, and create long-term bottlenecks in the system. The absence of recognition of years of public dialogue between the Authority and our community about the Merced station design further underscores the need for greater transparency regarding changes that materially affect Merced's connection to the system.

Page 50 of the technical report outlines "key design and optimization updates" intended as cost-saving measures. These include substantial reductions in platform lengths, modifications to viaduct height and width, simplification of station canopies, and reductions in trackwork. While cost containment is important, these changes appear to prioritize short-term savings over long-term system performance, potentially resulting in higher lifecycle costs and reduced service quality.

Page 51 provides a somewhat expanded summary of the revised Merced station, indicating a new southeast Merced location and a significantly simplified design consisting of an at-grade station with a single side platform with a small support building. This concept represents a notable departure from prior expectations for a major system node that finds voice in state law. It also raises concerns about whether the station will be adequately designed to serve as a functional and attractive connection point within the statewide network.

Taken together, these changes suggest a shift away from a fully built, high-capacity system toward a more constrained initial operating segment. We encourage the Authority to clearly articulate how these design decisions align with long-term system goals, including scalability, operational efficiency, and regional connectivity. It is critical that cost-saving measures implemented today do not preclude future system upgrades or significantly increase their cost.

Updates to SB 198

The DRAFT Business Plan identifies the need to modify Senate Bill (SB) 198. Under SB 198, a Downtown Merced High-Speed Rail Station is guaranteed rail service from the Altamont

Corridor Express (ACE) and Amtrak/Gold Runner. Furthermore, SB 198 restricts the amount of funding that may be spent outside of Phase I/Segment 1. Relocating the station from Downtown Merced to southeast Merced requires amending SB 198. The City of Merced previously submitted a letter to the Authority noting that modifications to SB 198 should be decided by impacted stakeholders such the City of Merced, Merced County, and the Merced County Association of Governments. We expect that to happen.

Tax Increment Financing, Encroachment, and "Shared Benefit Costs"

The legislative proposals suggested by the Authority, particularly the use of Tax Increment Financing (TIF) mechanisms such as an Enhanced Infrastructure Financing District (EIFD), raise significant concerns for the City of Merced.

First, while EIFDs have traditionally been tools used by local governments to fund locally driven infrastructure and economic development projects, the proposal outlined in the Draft Business Plan would repurpose this mechanism to support state-led high-speed rail construction and related commercialization activities.

This approach would effectively divert future property tax revenue growth away from the City and other local agencies. These incremental revenues are a critical funding source upon which the City relies to support essential public services, including police and fire protection, public health programs, infrastructure maintenance, parks, housing initiatives, and local transportation improvements. Redirecting these funds to the high-speed rail project would constrain the City's long-term fiscal capacity and limit its ability to meet the needs of a growing population.

Moreover, the proposal represents a shift in local control. EIFDs are typically established with significant input and governance by local jurisdictions to ensure alignment with community priorities. In this case, the Authority's use of TIF tools could override local planning objectives and financial strategies, placing additional strain on municipal resources without guaranteeing commensurate local benefits.

Second, expanded encroachment authorities sought by the Authority may further impact the City by limiting its control over local streets, rights-of-way, and public spaces. Such authorities could reduce the City's ability to manage land use, coordinate infrastructure, and protect community interests during project development and construction.

Third, the Authority envisions that local agencies will jointly invest in certain infrastructure improvements made necessary by the high-speed rail project. (p. 8, top paragraph.) Among those "shared benefit costs" are a proposed clean energy farm and utility interconnections near the Merced station (p. 47, Table 17), as well as grade separations in the southern segment of the Merced to Madera connection. (p. 72, Table 30.) Even assuming our community will support and can sustain the deployment of a "clean energy farm," we do not view infrastructure made necessary by, and for the benefit of, the Authority to present projects requiring joint investment by the City of Merced.

Taken together, these legislative proposals pose both fiscal and governance risks to the City of Merced, potentially undermining its ability to provide essential services and exercise local control over development within its jurisdiction.

We respectfully request that the Authority provide us with additional analysis on the operational impacts of single-track segments, reduced platform capacity, and simplified station designs, as well as a clear plan for future expansion to meet projected demand. Without clarity we have significant concern that the City of Merced will be left with a partial line, modest ridership, slower than expected development, and ongoing local costs.

Thank you for the opportunity to provide these comments. We look forward to continued engagement on the development of a high-speed rail system that meets California's long-term transportation needs.

The Merced City Council's High Speed Rail Council Committee, High Speed Rail Project Manager/Deputy City Manager Frank Quintero, and I are available to discuss the content of this letter.

Respectfully submitted,

Scott McBride
City Manager
City of Merced

Cc: Anna Caballero, State Senator, District 14
Esmeralda Soria, Assemblywoman, District 27
Marla Livengood, League of California Cities
Craig Cornwell, City Attorney, City of Merced
Frank Quintero, Deputy City Manager, City of Merced
Sharon Gonsalves, California Public Policy Group

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-279 Meeting Date: 4/20/2026

Report Prepared by: Jennifer Flachman, Senior Management Analyst

SUBJECT: Approval of the City Council FY 2026/2027 Goals and Priorities, Including the Following Strategic Priority Areas: Public Safety and Quality of Life; Infrastructure and Transportation; Economic Development; Parks and Community Services; Fiscal Sustainability; and Governance and Engagement

REPORT IN BRIEF
Considers approving the City Council FY 2026/2027 Goals and Priorities, including the following Strategic Priority Areas: Public Safety and Quality of Life; Infrastructure and Transportation; Economic Development; Parks and Community Services; Fiscal Sustainability; and Governance and Engagement.

RECOMMENDATION
City Council - Adopt a motion approving the City Council FY 2026/2027 Goals and Priorities, including the following Strategic Priority Areas: Public Safety and Quality of Life; Infrastructure and Transportation; Economic Development; Parks and Community Services; Fiscal Sustainability; and Governance and Engagement.

ALTERNATIVES
1. Approve, as recommended by staff, or,
2. Approve, subject to other than recommended by staff, or
3. Deny, or
4. Refer to Staff for reconsideration of specific items, or
5. Continue to a future meeting.

AUTHORITY
Charter of the City of Merced, Section 200.

DISCUSSION
On January 8th, January 13th, and January 14, 2026, the City Council held Town Hall meetings to solicit input from the community regarding the upcoming FY 2026/2027 Budget and City workplan. Following the Town Halls, the City Council convened a Strategic Planning Session on January 31st to review and discuss various topics.

This year the City Council also received a report in January on the status of the current year Goals and Priorities. At the same meeting Departments provided their Draft Mission Goals and Objectives for the FY 2026/27 Budget to provide the council an early preview and for staff to get feedback on

potential direction. Additionally, preliminary new Capital Improvement Projects (CIP's) were also shared for feedback.

Attached for City Council consideration are the proposed Goals and Priorities that were identified from the Strategic Planning Session. Once adopted, staff will work to ensure work planning aligns with priorities and other resources are in place to support the identified projects and initiatives.

City staff envisions the Goals and Priorities as cumulative meaning prior year items are still priorities and will continue to get attention since many are already in progress and funding is allocated for those specific capital projects.

The City Manager's Recommended Budget will be presented to the City Council at its last regular meeting in May 2026. Public hearings will be held on the proposed budget during both regularly scheduled meetings in June 2026 with the budget being scheduled for consideration and potential adoption on June 15, 2026.

Summary of Proposed Goals & Priorities
The proposed FY 2026-2027 Goals & Priorities reflect the City Council's shared commitment to maintaining a safe, vibrant, and inclusive community where residents and businesses can thrive. These priorities are based on feedback received during the Town Hall meetings and further discussed during the Strategic Planning Session.
Overall, the focus is on continuing to improve public safety, maintaining and investing in infrastructure, supporting housing and economic development, managing the City's finances responsibly, and ensuring open and responsive governance.

Key priorities include:
- Improving safety in neighborhoods, parks, and public spaces
- Maintaining streets, facilities, and infrastructure to support the community
- Expanding housing opportunities and supporting local economic growth
- Maintaining strong fiscal oversight and accountability
- Promoting transparency, communication, and community engagement

These priorities provide general direction for the City Council and will guide staff and resources as they prepare the FY 2026/2027 Budget and move forward with implementing projects and services over the coming year.

IMPACT ON CITY RESOURCES
None.

ATTACHMENT
1. 2026/2027 City Council Goals and Priorities

2026/2027
MERCED CITY COUNCIL GOALS AND PRIORITIES

The City of Merced is committed to fostering a safe, vibrant, and inclusive community where residents and businesses can thrive.

The City faces increasing demands related to infrastructure maintenance, housing affordability, public safety, and fiscal sustainability. Population growth, aging assets, grant dependency, and economic transition require strategic coordination and long-term planning.

This plan responds to: Infrastructure repair backlogs - Public safety staffing pressures - Housing supply constraints - Downtown revitalization needs - Community expectations for accountability

Strategic Priority Areas

1. **Public Safety and Quality of Life**
2. **Infrastructure and Transportation**
3. **Economic Development**
4. **Parks and Community Services**
5. **Fiscal Sustainability**
6. **Governance and Engagement**

Public Safety and Quality of Life

Enhance safety in neighborhoods, parks, and public spaces.
Lead Departments: Fire, Police, Public Works, Parks & Community Services

Key Focus Areas

- Fire Station 56 - Implement Finance Plan
- SAFER Grant Expiration
- Fire Station Upgrades
- Police Station Upgrades
- CAD and Radio System Upgrades
- Reduce Overtime Costs for Community Events
- Graffitit Abatement
- Continue Public Art Program
- Code Enforcement
- Animal Control

Objectives

Improve lighting and visibility – Complete the Safe Streets Project; identify funding to expand streetlight upgrades; pilot solar lighting in underserved areas (including bike paths); provide a Council update within 3 months.

Reduce vandalism and graffiti – Maintain graffiti abatement services; expand City-sponsored art as a deterrent; identify new locations for public art installations.

Strengthen emergency response – Maintain public safety staffing; implement ALS citywide by July 1, 2026; pursue funding for facilities and equipment; expand community engagement; evaluate and enhance patrol presence in parks and key areas (e.g., Park Rangers, Downtown patrols).

Performance Measures

- **Crime Statistics**
- **Lighting Coverage**
- **Graffiti Removal Response Time**

Infrastructure and Transportation

Maintain and Modernize Streets, Sidewalks, and Utilities
Lead Departments: Engineering, Public Works, Finance

Key Focus Areas

- Long Term Funding for Maintenance
- Pavement Rehabilitation Program Implementation
- Improve Drainage
- Maintenance - Address Potholes and Other Needs
- Water and Sewwer Line Projects
- Traffic Safety - Evaluate Traffic Safety Issues - M St. Corridor

Objectives

Reduce road and sidewalk deterioration: Maintain pothole reporting via the Merced Connect App; utilize Zipper for repairs; continue Capital Improvement Program projects; launch the traffic safety community portal; complete the countywide Pavement Condition Survey to guide future investments.
Improve drainage systems: Identify funding for a Storm Drain Master Plan; prioritize Bear Creek improvements and related infrastructure investments.

Enhance pedestrian and cyclist safety: Partner with school districts on a citywide Active Transportation Plan (ATP); implement funded CMAQ projects (e.g., Melody Lane, M St. Frontage, Scholars Lane); advance remaining priority projects.

Performance Measures

- **Pavement condition index**
- **Complaint reduction**
- **Project completion rates**

Housing and Economic Development

Support housing development and sustainable economic growth.
Lead Departments: Development Services, Economic Development

Key Focus Areas

- TOD Projects
- Continued Investment in Affordable Housing
- Information on Housing Compliance & Future Planning
- Downtown Revitalization, Entryway - MLK, Rarking Enhancements, Roadway Abandonments
- Disposal of Surplus Property
- Forward Facing EV Chargers

Objectives

Encourage diverse housing development: Maintain infill incentives and pre-approved plans (ADUs, cottage homes, duplexes, triplexes); implement Housing Element zoning updates; leverage HUD and other funding programs; streamline permitting through Tyler; modernize engineering standards and city codes to accelerate project delivery.

Support workforce development and job creation: Maintain an inventory of available properties and respond to regional/state opportunities; strengthen partnerships with local businesses and workforce agencies; collaborate with UC Merced and Merced College; expand small business startup support and training.

Revitalize and strengthen Downtown: Partner with the Merced Downtown Partnership and Merced Main Street Association; implement Special Events Ordinance updates; evaluate parking and circulation improvements; maintain a safe, business-friendly environment; explore EV charging at city facilities to attract visitors.

Performance Measures

- **Housing units entitled or approved for development**
- **Development permits issued**
- **Annual GP and HE reports**
- **Events held with partners including workforce partners and educators**
- **New businesses opened or expanded**

Parks & Community Services

Strengthen community spaces and programming

Lead Departments: Parks & Community Services, Public Works, Engineering

Key Focus Areas

- Better Lighting for Public Safety
- Response to Cleaning and Maintenance
- Investment in Additional Park Amenities - restrooms, drinking fountains, courts
- Evaluate Concept of Park Rangers
- Applegate Zoo - Kiddieland Parking Area
- Bellevue Ranck Parks
- Creek Ambassadors - Cleanup

Objectives

Improve park facilities: Complete the PROS Plan (Spring 2026) to guide investments; pursue grants and funding for implementation; expand park lighting (including solar pilots); advance priority projects (Joe Herb Park, Applegate Park courts, CP42 North & South).

Increase community-led events: Promote use of City facilities; evaluate a large-scale event at Applegate Park; support Parks and Community Services staffing and programming.

Enhance maintenance accountability: Publish maintenance schedules; continue use of the Engage Merced App; implement CP42 maintenance and operations through JPA.

Performance Measures

- **Park condition ratings**
- **Event participation**
- **Maintenance response time**

Fiscal Sustainability

Ensure long-term financial stability
Lead Departments: Finance, City Administration

Key Focus Areas

- Increase Revenue - New Sources, Flexibility to Address All Needs
- Expand Grant and Unique Funding Opportunities

Objectives

Advance sustainable funding sources: Implement the SAFER grant transition plan; explore sustainable funding options, including community support and potential extension of County funding for Fire and EMS. Collaborate with educational institutions and community partners to identify and develop additional funding opportunities.

Increase diversified revenue: Advance the Station 56 finance plan (federal earmarks and HUD 108 loan); pursue annexation of county islands; explore extension of City–County property tax agreements; evaluate updates to code enforcement fines.

Performance Measures

- **Reserve levels**
- **Revenue growth**
- **Grant success rate**

Governance and Engagement

Promote ethical, transparent, and responsive government
Lead Departments: City Manager, City Clerk, City Attorney

Key Focus Areas

- Ethical Leadership
- Open - Transparent Government
- Public Engagement
- ERP Project Implementation and Modernization
- Merced Connect App - More Accountability and Responsiveness

Objectives

Improve public communication: Implement AB 707 and AB 827 requirements; provide fiscal and ethics training (AB 1234); expand community engagement and polling efforts.

Strengthen compliance systems: Improve records archiving; update the Legislative/Staff Report (LSR) process; enhance administrative report training; implement Project Champion oversight for capital projects.

Expand community participation: Expand use of social media platforms; provide training for boards and commissions; evaluate participation and effectiveness.

Performance Measures

- **Public satisfaction surveys**
- **Complaint resolution time**
- **Meeting participation**

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-309 Meeting Date: 4/20/2026

Report Prepared by: Ronda Lucas, Chief Deputy City Attorney

SUBJECT: Presentation and Discussion of Senate Bill 707 Teleconferencing Rule Changes to the Ralph M. Brown Act ("Brown Act")

REPORT IN BRIEF
Staff will provide an overview of the legal changes to the teleconferencing rules contains in the Brown Act as a result of the passage of Senate Bill 707 in 2025 and their impact on the City. This is the second presentation on this topic, with the first presentation occurring at the April 6, 2026 Merced City Council Meeting.

RECOMMENDATION
City Council - Discuss and provide direction to staff for further implementation and planning purposes.

ALTERNATIVES
1. Provide direction to staff; or
2. Request additional information; or
3. Continue the matter to a date certain; or
4. Decline to act.

AUTHORITY
Charter of the City of Merced.

CITY COUNCIL PRIORITIES
As provided for in the 2025-26 Adopted Budget.

DISCUSSION
During the 2025 legislative session, State Legislators passed and the California Governor signed Senate Bill 707 ("S.B. 707") which amends the Brown Act for local government legislative bodies changing the way public meetings are held. At the April 6, 2026 Merced City Council meeting, staff presented an overview of aspects of the S.B. 707 Brown Act changes. This presentation is the second and final presentation and focuses on the teleconferencing rule changes contained within S.B. 707 that are applicable to the City of Merced.

ATTACHMENTS
1. Presentation

S.B. 707: Teleconferencing Rule Changes to the Ralph M. Brown Act

Presented by:
Ronda Lucas,
Chief Deputy City Attorney

BROWN ACT GENERALLY:

- The key to the Brown Act is its requirement that virtually all local government meetings shall be ***noticed, open and public*** .

- In addition to requiring the People's business be conducted in open, noticed meetings, the Brown Act also extends to the public the right to ***participate.***

"LEGISLATIVE BODY" DEFINED

❖ Under the Brown Act, "legislative body" means, in relevant part:

> "(a) The governing body of a local agency or any other local body created by state or federal statute.
> (b) A commission, committee, board or other body of a local agency, whether permanent or temporary, decision making or advisory, created by charter, ordinance, resolution, or formal action of a legislative body. . . ."

Cal. Govt Code § 54952(a)-(b)

S.B. 707 CATEGORIES: THREE TRACKS

- Miscellaneous changes for all Brown Act meetings
- "Eligible Legislative Body" Changes
- Clarification and expansion of Teleconferencing Rules
  - Traditional Application (Govt Code § 54953(b))
  - Reasonable Accommodation for members of the body (Govt Code § 54953(c))
  - Emergency Situations (Govt Code § 54953.8.2)
  - Just Cause accommodations for members of the body (Govt Code § 54953.8.3)
  - City subsidiary bodies that are eligible (Govt Code § 54953.8.6)

TRADITIONAL TELECONFERENCING

(Govt Code § 54953(b))

	NEW RULE
Requirement:	Identify each teleconference location; Post agenda at teleconference location; Each location must be accessible to the public
Limit	None
Quorum	Remote member participant **does not** count toward quorum
Vote	Roll Call
Method	Call-in or internet-based service
Disclosure	None
Public Access	Two-way audiovisual platform; or two-way telephonic service and a live webcasting of the meeting

REASONABLE ACCOMODATION TELECONFERENCING

(Govt Code § 54953(c))

	NEW RULE
Requirement:	Available to members of a legislative body who have some type of Americans with Disabilities Act related disability that the City must reasonably accommodate
Limit	None
Quorum	Remote member participant **does** count toward quorum
Vote	Roll Call
Method	Two-way audio-visual platform
Disclosure	Anyone present in the same room as the member 18 years old or older and the member's general relationship with any of the individuals present.
Public Access	Not required to make remote public participation available under this provision, unless the body is the City Council.

TELECONFERENCING GENERAL PROVISION

(Govt Code § 54953.8)

- Emergency Circumstances, Just Cause and Eligible Subsidiary Bodies Teleconferencing, in addition to specific code provisions, are all required to:
  - Allow public to remotely hear and visually observe the meeting, and address the legislative body by either:
    - a two-way audiovisual platform; **or**
    - a two-way telephonic service and live webcasting of the meeting.
  - Give notice of the means by which members of the public access the meeting and offer public comment on the posted agenda, including identifying how all persons can attend via call-in option or internet-based service option.
  - If a disruption occurs during the meeting that prevents the broadcast of the meeting or prevents remote users to participate in the meeting, the legislative body cannot take any further action on the agenda items until the broadcast and/or ability to participate remotely is restored.

STATE OF EMERGENCY/LOCAL EMERGENCY TELECONFERENCING

(Govt Code § 54953.8.2)

	NEW RULE
Requirement	Finding must now include state of emergency or a local emergency
Limit	No Limit
Quorum	Remote member participant **does not** count toward quorum
Vote	Roll Call
Method	Two-way telephonic or two-way audiovisual platform
Disclosure	Anyone present in the same room as the member 18 years old or older and the member's general relationship with any of the individuals present.
Public Access	No need to provide a physical location from which the public may attend or comment; May choose to use two-way telephonic service without live webcasting of the meeting for public participation.

JUST CAUSE TELECONFERENCING

(Govt Code § 54953.8.3)

	NEW RULE
Requirement	1) Physical or family medical emergency; 2) Childcare or caregiving need; 3) contagious illness; 4) Travel while on official business of legislative body; 5) Immunocompromised family member; 6) Military service obligations that requires the member to be at least 50 miles outside the City's boundaries; 7) Physical or mental condition not subject to ADA reasonable accommodations Requesting member must disclose reason to legislative body at earliest opportunity; Reason must be recorded in the minutes.
Limit	5 meetings/year if **legislative body** meets 2 times per month
Quorum	Remote member participant **does not** count toward quorum
Vote	Roll Call
Method	Two-way telephonic or two-way audiovisual platform
Disclosure	Anyone present in the same room as the member 18 years old or older and the member's general relationship with any of the individuals present.
Public Access	Singular physical location identified on the agenda within the boundaries of the legislative body

ELIGIBLE SUBSIDIARY BODIES TELECONFERENCING

(Govt Code § 54953.8.6)

Eligible Subsidiary Body means: "A commission, committee, board or other body of a local agency, whether permanent or temporary … created by charter, ordinance, resolution or formal action of a legislative body"

Govt. Code 54952

That:

- "Serves exclusively in an advisory capacity."
- "Is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements, grants or allocations of funds."
- "Does not have primary subject matter jurisdiction, as defined by the charter, an ordinance, a resolution, or any formal action of the [City Council] that focuses on elections, budgets, police oversight, privacy, removing from or restricting access to, materials available in public libraries, or taxes or related spending proposals.."

ELIGIBLE SUBSIDIARY BODIES TELECONFERENCING

(Govt Code § 54953.8.6)

For "eligible subsidiary bodies" to meet ***entirely remotely*** via teleconference, the **City Council** must authorize the use of teleconferencing for each such body, and renew that authorization via vote every six months, by finding:

- In consideration of the circumstance of the eligible legislative body, teleconference meetings would enhance public access to the eligible subsidiary body's meetings; and
- The public has been made aware of the type of remote participation, including audio-visual or telephonic, that will be made available; and
- The public has been provided the opportunity to comment at an in-person meeting of the City Council where they authorized the eligible subsidiary body to meet **entirely** remotely.

ELIGIBLE SUBSIDIARY BODIES TELECONFERENCING

(Govt Code § 54953.8.6)

If the **City Council** authorizes an eligible subsidiary body to meet ***entirely remotely***, then:

	NEW RULE
Requirement	Finding and authorization adopted by City Council and renewed every 6 months
Limit	No Limit
Quorum	Remote member participant **does** count toward quorum
Vote	Roll Call
Method	Two-way audiovisual platform
Disclosure	Anyone present in the same room as the member 18 years old or older and the member's general relationship with any of the individuals present.
Public Access	Physical location shall be designated within the City's boundaries where subsidiary body members who are not participating remotely must be present and where members of the public may physically attend; At least one staff member shall be present at the physical location; Agenda shall be posted at the physical location but need not be posted at the remote locations.

ELIGIBLE SUBSIDIARY BODIES TELECONFERENCING

(Govt Code § 54953.8.6)

- If an elected official serves on the eligible subsidiary body that is allowed to meet via this provision, that elected official **cannot** utilize this provision and **must appear** in person at the designated physical location for each meeting.
- If the City Council allows any eligible subsidiary bodies to take advantage of this provision, the City Council must then establish and adopt procedures for acting on any recommendations coming from the eligible legislative body.

QUESTIONS/ COMMENTS

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-247 Meeting Date: 4/20/2026

SUBJECT: Request to Add Item to Future Agenda

REPORT IN BRIEF
Provides members of the City Council to request that an item be placed on a future City Council agenda for initial consideration by the City Council.

CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 26-248 Meeting Date: 4/20/2026

SUBJECT: City Council Comments

REPORT IN BRIEF
Provides an opportunity for the Mayor and/or Council Member(s) to make a brief announcement on any activity(ies) she/he has attended on behalf of the City and to make a brief announcement on future community events and/or activities. The Brown Act does not allow discussion or action by the legislative body under this section.