



EAST PALO ALTO CITY COUNCIL REGULAR SESSION **AMENDED** AGENDA

Tuesday, February 4, 2025, 6:30 PM
EPA Government Center
2415 University Avenue, First Floor
East Palo Alto, CA 94303

NOTICE

This meeting will be held virtually and in- person at the Council Chambers located on 2415 University Ave, First Floor East Palo Alto, CA 94303. The virtual portion of this City Council meeting will be conducted in accordance with City of East Palo Alto Resolution adopted pursuant to Assembly Bill 361.

The public may participate in the City Council Meeting via Zoom Meeting or by attending in-person in the Council Chambers at 2415 University Ave, First Floor East Palo Alto, CA 94303. Community members may provide comments by emailing cityclerk@cityofepa.org, submitting a speaker card at the meeting, or using the **RAISE HAND** feature when the Mayor or City Clerk call for public comment. Emailed comments should include the specific agenda item on which you are commenting.

Please click this URL to join

<https://us06web.zoom.us/j/82690653138>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or
+ 1 346 248 7799 or
+ 1 253 215 8782 or
+ 1 312 626 6799 or
+ 1 929 205 6099 or
+ 1 301 715 8592

Webinar ID: 826 9065 3138

International numbers available: <https://zoom.us/j/82690653138>

1. **CALL TO ORDER AND ROLL CALL**
2. **APPROVAL OF THE AGENDA**
3. **APPROVAL OF CONSENT CALENDAR**

3.1 Cancer Awareness Month Proclamation

Recommendation: Present the proclamation for Cancer Awareness Month.

3.2 Proposal for new Police management ranking structure and staffing changes

Recommendation:

Adopt a resolution amending:

1. The City's Classification Plan by eliminating 2.0 FTEs Commanders and 0.45 FTE Cold Case Investigator; and
2. The City's Classification Plan by adding and establishing 2.0 FTEs in the Captain job classification title and specification; and
3. The City's Compensation Schedule establishing compensation and 2.5% premium for a master's degree for the Captain classification.

3.3 Proclamation for Black History Month

Recommendation:

Present the proclamation for Black History Month.

3.4 Award the City Facilities Improvements Project to CWS Construction Group, Inc.

Recommendation: Adopt a resolution:

1. Authorizing the City Manager to award, negotiate, and execute a construction contract with CWS Construction Group, Inc., in a form approved by the City Attorney, for the City Facilities Improvements Project, in the amount of \$740,800.00, establish a 15% construction contingency of \$111,120.00, for a total construction budget of \$851,920.00 and execute future change orders in an amount not-to-exceed the appropriated construction contingency; and
2. Finding that the project is exempt from the California Environmental Quality Act (CEQA) under Sections 15301 and 15303 of the CEQA Guidelines.

3.5 Resolution Authorizing Examination of Tax Records by Designated City

Representatives

Recommendation:

Adopt a resolution:

1. Authorizing the examination of Transactions (Sales) and Use Tax records designating City representatives and designees authorized to examine confidential transactions and use tax records for the creation of the City's Economic Development Strategic Plan; and
2. Find that the action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a "project" pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

4. CLOSED SESSION

5. PUBLIC COMMENT

6. INFORMATIONAL REPORTS

6.1 Fiscal Year 2024-25 City Council Strategic Priorities Second Status Update

Recommendation: Receive an update on the FY 2023/24 through FY2024/25 Strategic Priorities Plan.

7. SPECIAL PRESENTATIONS

7.1 Social Determinants of Health: Sharing Understanding Across Public Health and Cities

Recommendation: Receive presentation from San Mateo County office of Public Health Policy and Planning

7.2 HIP Housing Presentation

Recommendation: Receive presentation from HIP Housing.

8. ADJOURN CITY COUNCIL REGULAR MEETING TO THE EAST PALO ALTO SANITARY DISTRICT BOARD MEETING

9. APPROVAL OF EPASD BOARD MEETING CONSENT CALENDAR

9.1 Disclosure of Separation from Employment (Former General Manager)

Recommendation:

Receive a report out of decision made in closed session

9.2 Adopting a Resolution Declaring the Continuation of an Emergency

Recommendation:

Adopt a resolution:

1. Continuing the action regarding the emergency of the failing sewer line along southbound 101 within the Caltrans right-of-way between Willow Road and University Avenue, making findings therefor, and ordering that the facility be immediately replaced; and
2. Finding that the adopted resolution is exempt under California Code of Regulations Title 14, Chapter 3, Article 18, Section 15269 (b) and (c) of the California Environmental Quality Act (CEQA), and in Title 14, Division 6, Chapter 3, Articles 1-20, Section 15359 — Emergency.

**10. ADJOURN EAST PALO ALTO SANITARY DISTRICT BOARD MEETING
AND RECONVENE CITY COUNCIL REGULAR MEETING**

11. PUBLIC HEARINGS

12. POLICY AND ACTION

12.1 Purchasing Ordinance

Recommendation: Take the following four steps:

1. Adopt a resolution electing to be subject to the Uniform Public Construction Cost Accounting Act procedures in State law; and
2. Adopt an ordinance revising the purchasing procedures in the East Palo Alto Municipal Code; and
3. Adopt a resolution setting purchasing ordinance limits; and
4. Find the proposed actions do not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) in that they are related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

12.2 Budget Ordinance Amendments

Recommendation:

Adopt a resolution:

1. Adopting an ordinance revising the budget planning and fiscal procedures as well as financial control chapters of the East Palo Alto Municipal Code;

and

2. Finding the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) in that it is related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

12.3 Cummings Loft Project Preferred Layout

Recommendation:

Receive a presentation on the Cummings Loft Project space programming drawings and provide feedback on a preferred layout.

13. COUNCIL REPORTS

13.1. Council Member Ruben Abrica's Response to Allegations Re December 17 Meeting

Recommendation: Accept Council Member Ruben Abrica's statement.

13.2 Council Member Lincon's Response to Letter Regarding December 17 Meeting

Recommendation: Accept Council Member Webster Lincoln's statement.

14. ADJOURNMENT

Upcoming meetings:

February 18, 2025	6:30 pm	Regular Meeting
March 4, 2025	6:30 pm	Regular Meeting
March 8, 2025	9:00 am	Strategic Planning Retreat

This AGENDA is posted in accordance with Government Code Section 54954.2(a)

This Notice of Availability of Public Records: All public records relating to an open session item which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to the majority of the City Council will be available for public inspection at the City Clerk's Office, 2415 University Avenue, East Palo Alto, CA at the same time that the public records are distributed or made available to the City Council. Such documents may also be available on the East Palo Alto website www.cityofepa.org subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (650) 853-3100.

The City Council meeting packet may be reviewed by the public in the Library or the City Clerk's Office. Any writings or documents pertaining to an open session item provided to a majority of the City Council less than 72 hours prior to the meeting, shall be made available for public inspection at the front counter at the City Clerk's Office, 2ND Floor, City Hall, 2415 University Avenue, East Palo Alto, California 94303 during normal business hours. Information distributed to the Council at the Council meeting becomes part of the public record. A copy of written material, pictures, etc. should be provided for this purpose.

East Palo Alto City Council Chambers is ADA compliant. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office at (650) 853-3127 no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

DECLARATION OF POSTING

This Notice is posted in accordance with Government Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the City website. Under penalty of perjury, this Agenda was posted to the public at least 72 hours prior to the meeting.

POSTED: January 24, 2025

AMENDED: January 31, 2025

ATTEST:

James Colin

City Clerk



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: February 4, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: James Colin, City Clerk

SUBJECT: Cancer Awareness Month Proclamation

Recommendation

Present the proclamation for Cancer Awareness Month.

Attachments

1. Proclamation

THE CITY OF EAST PALO ALTO PROCLAIMS FEBRUARY AS CANCER AWARENESS MONTH

WHEREAS, childhood cancer is the leading cause of death by disease in children, and;

WHEREAS, 1 in 285 children in the United States will be diagnosed by their 20th birthday, and;

WHEREAS, 46 children per day or 16,790 children per year are diagnosed with cancer in the U.S., and;

WHEREAS, the average age of diagnosis is 6 years old, and;

WHEREAS, 80% of childhood cancer patients are diagnosed late and with metastatic disease, and;

WHEREAS, on average there's been a 0.6 percent increase in incidence per year since the mid 1970's resulting in an overall incidence increase of 24 percent over the last 40 years, and;

WHEREAS, two-thirds of childhood cancer patients will have chronic health conditions as a result of their treatment toxicity, with one quarter being classified as severe to life-threatening, and;

WHEREAS, approximately one half of childhood cancer families rate the associated financial toxicity due to out-of-pocket expenses as considerable to severe, and;

WHEREAS, in the last 30 years only six new drugs have been approved by the FDA to specifically treat childhood cancer, and;

WHEREAS, the National Cancer Institute recognizes the unique research needs of childhood cancer and the associated need for increased funding to carry this out;

WHEREAS, hundreds of non-profit organizations at the local and national level are helping children with cancer and their families cope through educational, emotional and financial support, and;

WHEREAS, researchers and healthcare professionals work diligently dedicating their expertise to treat and cure children with cancer, and;

WHEREAS, too many children are affected by this deadly disease and more must be done to raise awareness and find a cure.

NOW, THEREFORE, BE IT RESOLVED the East Palo Alto City Council, does hereby proclaim September as Cancer Awareness Month and support this cause that so deeply impacts families in every community across our country.

Dated: February 4, 2025



Martha Barragan, Mayor



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: February 4, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Shiri Klima, Assistant City Manager
Ana Maria Torres-Mondragon, Human Resources Manager

SUBJECT: Proposal for New Police Management Ranking Structure and Staffing Changes

Recommendation

Adopt a resolution amending:

- 1) The City's Classification Plan by eliminating 2.0 FTEs Commanders and 0.45 FTE Cold Case Investigator; and
- 2) The City's Classification Plan by adding and establishing 2.0 FTEs in the Captain job classification title and specification; and
- 3) The City's Compensation Schedule establishing compensation and 2.5% premium for a master's degree for the Captain classification.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

In 2005, the Police Department had three Lieutenants on the management team, who were directed by the Chief of Police. This structure was changed in 2007, with the creation of two Captains' positions and deletion of the Commander positions.

Under the current structure, the Chief and Commanders are involved in more day-to-day operations of the Department, which detracts from their ability to look at the bigger picture or

plan for the future of the organization by focusing on the development of department leaders. Under the current structure the promotion from Sergeant to Commander is very difficult for our internal staff. They lack the managerial skills and experience necessary to compete for the position with external candidates who have gained managerial skills through serving as lieutenants or commanders in other organizations.

Staff recruited to fill the vacant Commander position using a contracted recruiting firm. The recruitment did not successfully attract any suitable external candidates, partially due to the salary structure for the East Palo Alto Police Commander position being lower than similar positions in other agencies. No internal applicants applied for the Commander position; possibly due to the severe compaction of compensation between the top step Sergeant position (with incentives) and top step Commander position.

Analysis

Staff is recommending that the City Council approve the new Police management rank structure consisting of one Chief, two Captains, and five Sergeants. This recommendation will essentially replace the 2.0 FTEs Commanders and 0.45 FTE Cold Case Investigator with 2.0 FTEs with the Captain classification.

Staff believe this would be beneficial for the following reasons:

- Reclassifying the position from Police Commander to Police Captain will make the role more recognizable and attractive to a wider range of qualified applicants for this hard-to-fill position. The City has tried multiple efforts to recruit for the second Commander position but has not been successful. The Captain positions will have expanded responsibility compared to those of a Commander as well as higher compensation. This responsibility and compensation upgrade will make the Captain positions more attractive. The 2.5% premium pay incentive if the incumbents possess a master's degree could also result in more qualified applicants.
- The Police Captain role would better reflect the increased complexity, the broader administrative, operational, and policy-making responsibilities now required of the position.

Reclassifying the Police Commander position to Police Captain is a necessary step to align the role with the evolving demands of law enforcement leadership, attract a broader applicant pool, and ensure the City of East Palo Alto's Police Department remains competitive and effective in serving the community.

Below please find the proposed salary range for the at-will Captain:

CONSENT ITEM 3.2

Police Captain (Non Bargaining - MEA)						
		Step A	Step B	Step C	Step D	Step E
Hourly		87.5677	91.9461	96.5434	101.3706	106.4391
Bi-Weekly		7,005.42	7,355.69	7,723.47	8,109.64	8,515.12
Monthly		15,178.40	15,937.32	16,734.19	17,570.89	18,449.44
Annual		182,140.81	191,247.84	200,810.22	210,850.72	221,393.25

The proposed FTE structure replaces the 2.0 FTEs Commanders and 0.45 FTE Cold Case Investigator with 2.0 FTEs Captains as shown below:

Classification	FTE	Total Compensation
Captain	2.00	642,041
Commander	(2.00)	(559,188)
Cold Case Investigator	(0.45)	(55,312)
		27,540

Fiscal Impact

Staff is not asking for additional appropriation at this time. We will only use funds approved in regular budget process and salary savings. Thus, there is no fiscal impact.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution
2. Exhibit A: Captain Job Classification Specification

3. Exhibit B: Compensation Schedule

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**AMENDING THE CITY'S CLASSIFICATION PLAN ELIMINATING 2.0 FTEs COMMANDERS,
ELIMINATING 0.45 FTE COLD CASE INVESTIGATOR, AND ADDING 2.0 FTES CAPTAINS JOB
CLASSIFICATION TITLE AND SPECIFICATION; AND APPROVING AN AMENDMENT TO THE
CITY'S COMPENSATION SCHEDULE TO ESTABLISH THE COMPENSATION FOR THE
CAPTAIN CLASSIFICATION**

WHEREAS, the reclassification of the Police Commander position to Police Captain will provide an opportunity to realign the organizational structure, allow for better delegation of responsibilities, and create a clearer pathway for internal leadership development. This change also reflects the evolving complexity of the role and the need for stronger, strategic leadership in the department; and

WHEREAS, reclassifying the position from Police Commander to Police Captain will make the role more recognizable and attractive to a wider range of qualified applicants for this hard-to-fill position. The City has tried multiple efforts to recruit for the second Commander position but has not been successful. By upgrading the classification and maintaining the same Commander medical employer contribution structure (similar to our officers), that this will be an attractive wage and benefit package as well, which is a great recruitment tool.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals true and correct and incorporated by reference into this action; and
2. Approves an amendment to the City's Classification Plan eliminating 2.0 FTEs Commanders and 0.45 Cold Case Investigator; and
3. Approves an amendment to the City's Classification Plan adding the Police Captain Title, Classification Specification and Compensation, and 2.5% premium pay for a masters degree as set forth in Exhibit A and B, attached hereto and incorporated by this reference; and
4. Finds that action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

PASSED AND ADOPTED this 4th day of February 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



POLICE CAPTAIN

DEFINITION

Under the direction of the Chief of Police, serves as second in command of the Police Department. The Police Captain plans, organizes, and directs the operations and activities of an assigned division within the Police department to safeguard the lives, property, and constitutional rights of local citizens; coordinates and manages the programs of the assigned division to ensure timely response to crime and accident scenes, emergency situations, and other requests for assistance and proper enforcement of local and State laws and ordinances; supervises and evaluates the performance of assigned personnel; provides highly responsible and complex staff assistance to the Police Chief; acts as Police Chief in the incumbent's absence; and performs related duties, as assigned.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from the Police Chief. Exercises general direction and supervision over supervisory, sworn, and non-sworn staff through subordinate levels of supervision.

DISTINGUISHING CHARACTERISTICS

This is a management classification responsible for planning, organizing, reviewing, and evaluating patrol, investigative, public service, and police support services. Responsibilities include developing and implementing policies and procedures for assigned programs, budget administration and reporting, and program evaluation. Incumbents serve as a professional-level resource for organizational, managerial, and operational analyses and studies. Performance of the work requires the use of considerable independence, initiative, and discretion within established guidelines.

EXAMPLES OF TYPICAL JOB FUNCTIONS (Illustrative Only)

Management reserves the right to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Plans, manages, and oversees the daily functions, operations, and activities of the assigned division within the department; assume command of departmental activities in the absence of the Police Chief as assigned.
- Participates in the development and implementation of goals, objectives, policies, and priorities for the department; recommends within departmental policy, appropriate service and staffing levels; recommends and administers policies and procedures.
- Develops and standardizes procedures and methods to improve the efficiency and effectiveness of police services and programs; continuously monitors and evaluates the efficiency and effectiveness of training, service delivery methods, and procedures; assesses and monitors workload, administrative and support systems, and internal reporting relationships; identifies opportunities for improvement and recommends to the Police Chief.
- Selects, trains, motivates and directs department personnel; evaluates and reviews work for acceptability and conformance with department standards, including program and project priorities and performance evaluations; provides or coordinates staff training; works with employees to correct deficiencies; implements discipline and termination procedures; responds to staff questions and

concerns.

- Oversees the enforcement of federal, state, and local laws, regulatory codes, and ordinances; manages investigations and allocates and assigns needed resources.
- Provides technical expertise, information, and assistance to the Police Chief regarding assigned Police services and activities.
- Develops and works with the Police Chief to prepare the annual preliminary budget for the assigned division; controls and authorizes expenditures in accordance with established limitations; writes grants applicable to law enforcement and monitors related funds; estimates supply, equipment, and personnel needs; coordinates purchasing; initiates requisitions and prepares budget requests as appropriate.
- Communicates with administrators, personnel, and outside organizations as appropriate regarding community policing, crime prevention, and law enforcement administration; resolves sensitive issues and public concerns.
- Attends and participates in a variety of meetings, boards, and committees; attends civic events and represents the department as directed; provides information to civic groups, news media, and others regarding departmental functions and activities.
- Plans, organizes, controls, and direct operations and activities related to the emergency and non-emergency dispatch of police; directs activities to ensure proper and timely response to routine and emergency requests from City personnel and the public.
- Responds to emergency or unusual situations; performs the full range of patrol, investigative, and related duties of an officer and assumes a command role as appropriate; may oversee and coordinate the work of multi-agency task forces or committees or exchange information regarding crimes of mutual interest.
- Oversees the preparation of formal descriptive reports of suspected harmful or illegal conditions or activities and of actions taken in response to such conditions or activities, for use by the department and other public agencies; review reports for accuracy and completeness.
- Researches, compiles, assembles, and analyzes information related to crime, Police Officer and department statistics; prepares reports concerning employee and program efficiency; oversees the maintenance of required documents and records and the preparation of federal, State, and local mandated reports.
- Utilizes and ensures proper maintenance of a variety of specialized equipment such as firearms, police vehicles, radios, batons, handcuffs, flares, pepper sprays, electrical weapons, breath testing equipment, and others according to established procedures; maintains proficiency in driving and the use of firearms; utilizes a computer to research information and prepare investigative reports.
- Provides first aid and rescue services at crime scenes, accidents, and other emergency situations.
- Monitors legal, regulatory, technological, and societal changes and court decisions that may affect the work of the department; recommends equipment acquisition, training programs and procedural changes to ensure retention of qualified staff and the provision of services to the community in an effective, efficient and economical manner.
- Conducts investigations into internal affairs cases; summarizes information and makes recommendations to the Police Chief; implements disciplinary actions as required.
- Performs other related duties as assigned.

JOB-RELATED QUALIFICATIONS

Knowledge of:

- Principles and practices of employee supervision, including work planning, assignment review and evaluation, discipline, and the training of staff in work procedures.
- Principles and practices of leadership.
- Organization and management practices as applied to the development, analysis, and evaluation of programs, policies, and operational needs of the assigned area of responsibility.
- Administrative principles and practices, including goal setting, program development, implementation,

- and evaluation, and project management.
- Principles and practices of budget development and administration.
- Applicable federal, State, and local laws, regulatory codes, ordinances, and procedures relevant to assigned area of responsibility.
- Law enforcement principles, practices, and techniques related to patrol, traffic enforcement, crime scene control and investigation, protection of life and property, and pursuit, apprehension, and transport of suspects.
- Practices and techniques for operating a motor vehicle in a safe manner under patrol, pursuit, and emergency conditions.
- Practices and procedures of crime scene investigation, evidence collection and preservation.
- Modern investigative methods including interviewing and interrogation techniques.
- Rules of evidence regarding search and seizure and the preservation of evidence, including technical aspects of field of specialty.
- Techniques of first aid.
- Principles and practices of public speaking.
- Record-keeping and report preparation techniques.
- Principles and practices of community-oriented policing and problem-solving.
- City protocol for disaster preparedness and emergency operations.
- Techniques for providing a high level of customer service by effectively dealing with the public, vendors, contractors, and City staff.
- The structure and content of the English language, including the meaning and spelling of words, rules of composition, and grammar.
- Modern equipment and communication tools used for business functions and program, project, and task coordination.
- Computers and software programs (e.g., Microsoft software packages) to conduct, compile, and/or generate documentation.

Ability to:

- Select and supervise staff, provide training and development opportunities, ensure work is performed effectively, and evaluate performance in an objective and positive manner.
- Provide administrative and professional leadership and direction for the department and the City.
- Operate specialized law enforcement equipment and vehicles in a safe and responsible manner.
- Prepare and maintain comprehensive, detailed, and descriptive reports.
- Demonstrate keen observation and memory.
- Administer first aid as necessary.
- Understand, interpret, and apply all pertinent laws, codes, regulations, policies and procedures, and standards relevant to work performed.
- Effectively represent the department and the City in meetings with governmental agencies; community groups; various business, professional, and regulatory organizations; and in meetings with individuals.
- Learn and understand the organization and operation of the City and of outside agencies as necessary to assume assigned responsibilities.
- Independently organize work, set priorities, meet critical deadlines, and follow-up on assignments.
- Effectively use computer systems, software applications, and modern business equipment to perform a variety of work tasks.
- Communicate clearly and concisely, both orally and in writing, using appropriate English grammar and syntax.
- Use tact, initiative, prudence, and independent judgment within general policy, procedural, and legal guidelines.
- Establish, maintain, and foster positive and effective working relationships with those contacted in the course of work.

Education and Experience:

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

Education: Equivalent to a bachelor's degree from an accredited college or university. A master's degree in a related field is desired.

Experience: Seven (7) years of progressively responsible experience in municipal law enforcement including Two (2) years of management experience at the rank of a Police Sergeant or higher rank.

Licenses and Certifications:

- Successful completion of all phases of the P.O.S.T Basic police academy.
- Possession of or ability to obtain, a valid California Driver's License by time of appointment and a satisfactory driving record.
- Equivalent to a P.O.S.T Advanced Certification.
- Possession of a Management Certificate issued by the California State Commission on Peace Officer Standards and Training (P.O.S.T) is preferred.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer; maintain P.O.S.T. physical standards, including mobility, physical strength, and stamina to respond to emergency situations and apprehend suspects and to operate a motor vehicle and visit various city locations; vision to maintain firearms qualification and to read printed materials and a computer screen; and hearing and speech to communicate in person, before groups, and over the telephone or radio. The job involves knowledge and use of firearms and other weapons, chemical agents, and restraint devices. Fieldwork requiring frequent walking on uneven terrain and climbing and descending structures to access crime scene and to identify problems or hazards. Finger dexterity is needed to access, enter, and retrieve data using a computer keyboard or calculator and to operate police services equipment. Positions in this classification frequently bend, stoop, kneel, reach, and climb to perform work and inspect work sites. Employees must possess the ability to lift, carry, push, and pull materials and objects necessary to perform job functions.

ENVIRONMENTAL CONDITIONS

Employees work indoors and outdoors, and are exposed to loud noise levels, cold and hot temperatures, inclement weather conditions, vibrations, confining workspace, chemicals, mechanical and/or electrical hazards, hazardous materials, and to potentially infectious materials such as bodily fluids including blood, transmissible diseases and needles. Employees may interact with upset staff and/or public and private representatives in interpreting and enforcing departmental policies and procedures. The principal duties of this class are performed in a police station environment with exposure to criminal offenders, mentally ill individuals, and persons potentially infected with communicable diseases.

Police Captain (Non Bargaining - MEA)						
		Step A	Step B	Step C	Step D	Step E
Hourly		87.5677	91.9461	96.5434	101.3706	106.4391
Bi-Weekly		7,005.42	7,355.69	7,723.47	8,109.64	8,515.12
Monthly		15,178.40	15,937.32	16,734.19	17,570.89	18,449.44
Annual		182,140.81	191,247.84	200,810.22	210,850.72	221,393.25



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: February 4, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: James Colin, City Clerk

SUBJECT: Black History Month Proclamation

Recommendation

Present the proclamation for Black History Month.

Attachments

1. Proclamation

PROCLAMATION OF THE CITY OF EAST PALO ALTO COMMEMORATING FEBRUARY 2025 AS BLACK HISTORY MONTH

WHEREAS, the celebration of Black History Month and, more importantly, the study of Black History is owed to Dr. Carter G. Woodson, son of former slaves, who spent his childhood working in coal mines in Kentucky and did not enroll in high school until he was twenty years old; and

WHEREAS Mr. Woodson went on to earn a PhD from Harvard and while attending college was greatly perturbed by history books ignoring persons of African American descent; and, that whenever they were featured, it was generally reflecting the inferior social position they were assigned at the time; and

WHEREAS, in 1915, Dr. Woodson, founded the Association for the Study of Negro Life and History (now called the Association for the Study of African-American Life and History), and in 1926 launched Negro History Week as an initiative to bring national attention to the history of African Americans; and

WHEREAS, Dr. Woodson chose the second week of February for Negro History week because it marked the birthdays of two men who greatly influenced the history of African American, Frederick Douglas and Abraham Lincoln; and

WHEREAS, February also has some other important dates in Black History:

- *February 3, 1870 - The 15th Amendment was passed, granting African Americans the right to vote.*
- *February 12, 1909 - The National Association for the Advancement of Colored People (NAACP) was founded by a group of concerned citizens in New York City.*
- *February 1, 1960 - In what was to become a civil-rights movement milestone, a group of African American Greensboro, N.C. college students began a sit-in at Woolworth's segregated lunch counter.*
- *February 24, 2009 – The first African American United States President, Barack Obama, addressed a joint session of the Congressional Congress.*

NOW THEREFORE, BE IT RESOLVED that the City Council, hereby proclaim the month of February 2025 as Black History Month in the City of East Palo Alto, and call upon all residents to support the efforts and rededicate themselves to creating a world where the rights and the contributions of African Americans, people of color, indigenous peoples, and other groups would be remembered, respected, and acknowledged.

February 4, 2025



Martha Barragan
Mayor



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: February 4, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Michael A. Cortez, Assistant Engineer
Humza Javed, Public Works Director

SUBJECT: Award the City Facilities Improvements Project to CWS Construction Group, Inc.

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to award, negotiate, and execute a construction contract with CWS Construction Group, Inc., in a form approved by the City Attorney, for the City Facilities Improvements Project, in the amount of \$740,800.00, establish a 15% construction contingency in the amount of \$111,120.00, for a total construction budget of \$851,920.00 and execute future change orders in an amount not-to-exceed the appropriated construction contingency; and
2. Finding that the project is exempt from the California Environmental Quality Act (CEQA) under Sections 15301 and 15303 of the CEQA Guidelines.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Develop and Implement a Comprehensive Facilities Master Plan

Background

The City of East Palo Alto runs its operations at various facilities that are either owned or leased by the City. Most City operations are run through leased facilities, such as City Hall, the Police Station, and the Corporation Yard. City staff maintains these facilities to ensure safe working conditions for staff. The proposed City Facilities Improvements project spans across two distinct sites and aims to improve the existing conditions for each building.

Site #1: Community & Economic Development and Public Works Building at 1960 Tate Street (CEDD/PW)

The City-owned facility located at 1960 Tate Street, East Palo Alto, CA 94303, which houses the Community and Economic Development Department (CEDD) and some staff members from the Public Works Department, needs a range of upgrades. The scope of work for the improvements at this site includes the removal and replacement of the existing roof shingles, rain gutters and downspouts, installation of new four-foot-wide awnings, and the removal and replacement of the current heating, ventilation, and air conditioning (HVAC) system.

Site #2: Police Department Facility at 141 Demeter Street

The City-leased facility located at 141 Demeter Street, East Palo Alto, CA 94303, which houses the Police Department, needs necessary basic facility upgrades.

The scope of work for the improvements at this site includes the installation of new roofing at the facility's buildings A, B, and C; repair of damaged dry rot on the existing facades for each building; installation of new exterior siding; rehabilitation of bathrooms; replacing awning; and installation of new heat pumps.

The City of East Palo Alto City Council approved the Plans, Specifications, and Estimates (PS&E) package for the City Facilities Improvements Project on June 4, 2024. There were three facilities included in the original approval package (CEDD/PW at 1960 Tate St.; Police Department at 141 Demeter St.; and City Hall at 2415 University Ave). The City Hall facility has been removed from the current project scope due to budgetary reasons.

Analysis

The project was published for advertisement on Monday, September 9, 2024, for the solicitation of construction bids. On Thursday, September 26, 2024, a bid opening was held, however, no bids were received. Staff re-reviewed the noticing and bid packet to ensure compliance with applicable and after speaking with potential bidders (those who had attended the job walk), the project was re-published for advertisement and on Thursday, November 14, 2024. Eventually, one sealed bid was received, publicly opened, and read aloud by the City Clerk. The bid received for the project came from CWS Construction Group, Inc. (Contractor) for a total amount of \$2,707,800.00.

Because initially no bids were received, Section 20166 of the Public Contracting Code allows the City Council to proceed without further complying with its provisions. . Based on various discussions with the contractor, improvements at 2415 University Avenue were entirely removed, a number of bid items for the other facilities were removed, and unit prices were negotiated for others. See Attachment 2 for the negotiated bid schedule and Attachment 3 for the project proposal from the contractor.

City staff have verified the contractor's qualifications and licenses and contacted the listed references in the bid package. Contingent upon completing all insurance and bonding requirements of the contract specifications, staff recommends that the City Council authorize the City Manager to execute a construction contract with CWS Construction Group, Inc., the responsive, responsible single bidder, establishing a construction contract in an amount of \$740,800.00, and appropriating an additional 15% construction contingency in the amount of \$111,120.00, for a total not-to-exceed contract amount of \$851,920.00.

Upon execution of the contract documents, this project will begin construction in Spring 2025, and the work will be completed within three months.

Fiscal Impact

The City Facility projects are budgeted in the City's Capital Improvement Plan for FY 24/25 in the amount of \$870,000.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on City's official bulletin board located at City Hall: 2415 University Avenue, East Palo Alto, CA 94303. This solicitation for bids was also published to the San Mateo County Times (c/o Bay Area News Group) on Thursday, October 31, 2024.

Environmental

The City Facilities Improvements Project itself would be exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15301 (Existing Facilities) and as 15303 (New Construction or Conversion of Small Structures). All of the work on the two facilities consists of repair, maintenance, and minor alteration of existing structures.

The scope of work for the improvements at 1960 Tate includes the removal and replacement of the existing roof, rain gutters and downspouts, installation of new four-foot-wide awnings, and the removal and replacement of the current HVAC system. The scope of work for the improvements at 141 Demeter Street include the installation of new roofing at Buildings A, B, and C, repair of damaged dry rot on the existing facades for each building, installing new exterior siding, bathroom remodel, and replacing awning.

Government Code § 84308

Applicability of Levine Act: No.

Applicability of Levine Act: Not applicable.

Attachments

 CONSENT ITEM 3.4

1. Resolution
2. Negotiated bid schedule
3. CWS Construction Group, Inc. updated Proposal

RESOLUTION NO. XX– 2025

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE CITY MANAGER TO AWARD, NEGOTIATE, AND EXECUTE A CONSTRUCTION CONTRACT WITH CWS CONSTRUCTION GROUP, INC., IN A FORM APPROVED BY THE CITY ATTORNEY, IN THE AMOUNT OF \$740,800.00; ESTABLISH A CONSTRUCTION CONTINGENCY IN THE AMOUNT OF \$111,120.00 FOR A TOTAL CONSTRUCTION BUDGET OF \$851,920.00; AND EXECUTE FUTURE CHANGE ORDERS IN AN AMOUNT NOT-TO-EXCEED THE APPROPRIATED CONSTRUCTION CONTINGENCY.

WHEREAS, the City of East Palo Alto (“City”) runs its operations through various City-owned and leased facilities; and

WHEREAS, the Community and Economic Development/Public Works Building at 1960 Tate Street and the Police Department Facility at 141 Demeter Street are each in dire need of basic facility upgrades; and

WHEREAS, the proposed scope of work for the improvements includes the removal and replacement of the existing roof, rain gutters and downspouts, installation of new four-foot-wide awnings, the removal and replacement of the current HVAC system, the installation of new roofing, repair of damaged dry rot on the existing facades for each building, installing new exterior siding, bathroom remodel, and replacing awning; and

WHEREAS, the City Council approved the Plans, Specifications, and Estimates package for the proposed tenant improvements at the aforementioned City facilities on June 4, 2024; and

WHEREAS, the project was initially advertised on September 9, 2024, but received no bids; and

WHEREAS, staff re-reviewed the noticing and bid packet to ensure compliance with applicable and after speaking with potential bidders (those who had attended the job walk), the project was re-published for advertisement on October 21, 2024; and

WHEREAS, on November 14, 2024, one sealed bid was received, publicly opened, and read aloud by the City Clerk; and

WHEREAS, CWS Construction Group, Inc. initially submitted a bid with a total base bid amount of \$2,707,800.00; and

WHEREAS, the City negotiated unit prices and scope of work with CWS Construction Group, Inc. to meet the allocated City budget; and

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;

2. Authorizes the City Manager to award, negotiate, and execute a construction contract with CWS Construction Group, Inc. in a form approved by the City Attorney, in the amount of \$740,800.00; establish a fifteen percent (15%) construction contingency in the amount of \$111,120.00, for a total construction budget of \$851,920.00, and execute future change orders in an amount not-to-exceed the appropriated construction contingency; and
3. Finding that the project is exempt from the California Environmental Quality Act (CEQA) Under Sections 15301 and 15303 of the CEQA Guidelines, as all of the work on the two facilities consists of repair, maintenance, and minor alteration of existing structures.

PASSED AND ADOPTED this 4th day of February 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

ATTACHMENT 2

Bid Schedule

This Bid Schedule must be completed in ink and included with the sealed Bid Proposal. Pricing must be provided for each Bid Item as indicated. Items marked "(SW)" are Specialty Work that must be performed by a qualified Subcontractor. The lump sum or unit cost for each item must be inclusive of all costs, whether direct or indirect, including profit and overhead. The sum of all amounts entered in the "Extended Total Amount" column must be identical to the Base Bid price entered in Section 1 of the Bid Proposal form.

AL = Allowance
LF = Linear Foot

CF = Cubic Feet
LS = Lump Sum

CY = Cubic Yard
SF = Square Feet

EA = Each
TON = Ton (2000 lbs)

1 – Former Police Evidence Room at City Hall (HR/IT)

BASE BID SITE 1

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	UNIT COST	EXTENDED TOTAL AMOUNT
1	Demolition	1	LS	\$ 140,000	\$ 140,000
2	Concrete Work	2,587	SF	\$ 20	\$ 51,740
3	Metals	1	LS	\$ 248,200	\$ 248,200
4	Wood & Plastics	1	LS	\$ 250,000	\$ 250,000
5	Thermal & Moisture Protection	1	LS	\$ 20,000	\$ 20,000
6	Openings	1	LS	\$ 390,000	\$ 390,000
7	Plumbing	1	LS	\$ 185,000	\$ 185,000
8	Heating, Ventilation, and Air Conditioning	1	LS	\$ 100,000	\$ 100,000
9	Electrical	1	LS	\$ 300,000	\$ 300,000
TOTAL BID SITE 1 AMOUNT				\$ 1,685,000	
Total Base Bid Site 1 Amount in Words: one million six hundred eighty five thousand					

* Final Pay Quantity

* Refer to Attachment A for detailed and itemized quantities

*ALTERNATE BID SITE 1

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	UNIT COST	EXTENDED TOTAL AMOUNT
1	Finishes	1	LS	\$ 75,000	\$ 75,000
2	Specialties	1	LS	\$ 20,000	\$ 20,000
3	Fire Suppression	1	LS	\$ 150,000	\$ 150,000
4	Furnishings	1	LS	\$ 120,000	\$ 120,000

* The City may select essential items and sub-items necessary for the completion of the project and exclude non-essential items if the budget does not permit.

* Refer to Attachment A for detailed and itemized quantities

SITE 1 REMOVED FROM SCOPE OF WORK

Site 2 - Public Works Building at 1960 Tate St.

BASE BID SITE 2

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	UNIT COST	EXTENDED TOTAL AMOUNT
1	Base Presidential Shingle Roof & Drain Gutters	6000	SF	~~\$10,000~~ ^{\$10.00} ~~40.00~~	~~\$240,000~~ ^{\$60,000.00}
2	3-Furnaces, 3-Condensing Units & Exhaust Fan	3	EA	\$16,000	\$48,000
3	Long Awning (4' wide)	110	LF	~~\$200,000~~ 260.00	~~\$22,000~~ \$28,600
TOTAL BID SITE 2 AMOUNT				~~\$216,000~~	\$136,600.00
Total Base Bid Site 2 Amount in Words: ~~Three hundred sixteen thousand six hundred~~					

One Hundred Thirty Thousand, Six Hundred Dollars and 0/100

*ALTERNATE BID SITE 2

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	UNIT COST	EXTENDED TOTAL AMOUNT
1	Exterior Doors	8	EA	\$17,500	\$140,000
2	Laminate Flooring	5000	SF	\$20	\$100,000
3	4' Tall Metal Fence Extension & Paint	250	LF	\$360	\$90,000
4	Interior Painting	1	LS	\$15,000	\$15,000

* The City may select essential items and sub-items necessary for the completion of the project and exclude non-essential items if the budget does not permit.

ALTERNATE BID SITE 2 REMOVED FROM SCOPE OF WORK

Site 3 - Police Department Facility at 141 Demeter St ((3 Structures A, B & C)

BASE BID SITE 3

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	UNIT COST	EXTENDED TOTAL AMOUNT
1	Base Presidential Shingle Roof & Drain Gutters (3 Structures)	7500	SF	\$ ~~40~~ \$16.00	\$ ~~300,000~~ \$60,000.00
2	3-Ton Heat Pumps	10	EA	\$15,000	\$150,000
3	Long Awning (4' wide)	288	LS	\$275	\$79,200
4	Remodel Women's & Men's Bathrooms - ADA Compliant (Building A&B)	~~2~~ 1	LS	\$75,000.00	\$ ~~150,000~~ \$75,000.00
5	~~Interior Painting~~ Remove & Replace Exterior Siding (Building A, Building B, Building C)	~~4~~ 300	~~LS~~ LF	\$ ~~50,000~~ \$600.00	\$ ~~200,000~~ \$180,000.00
6	~~Exterior Iron Railing Painting~~	1	LS	\$15,000	\$15,000
TOTAL BASE BID SITE 3 AMOUNT				\$ ~~706,200~~	\$604,200.00
Total Bid Site 3 Amount in Words: ~~seven hundred and six thousand two hundred~~					

Six Hundred Four Thousand, Two Hundred Dollars and 0/100

*ALTERNATE BID SITE 3

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	UNIT COST	EXTENDED TOTAL AMOUNT
1	Exterior Lighting & Emergency Lighting	1	LS	\$100,000	\$100,000
2	Upgrade Interview Room to ADA Compliant	1	LS	\$100,000	\$100,000
3	New Exterior & Interior Doors	x	EA	\$8,000	\$8,000
4	New Ceiling and New Laminate Flooring	x	SF	\$100	\$100
5	Replace Exterior Windows and Blinds	X	EA	\$15,000	\$15,000
6	Concrete Patio Pad	225	SF	\$40	\$9,000

* The City may select essential items and sub-items necessary for the completion of the project and exclude non-essential items if the budget does not permit.

ALTERNATE BID SITE 3 REMOVED FROM SCOPE OF WORK

TOTAL BASE BID (BASE BID SITE 1 + BASE BID SITE 2 + BASE BID SITE 3)

Base bid site 1 Items 1 through ~~1,168,000~~ **\$0.00**
 Base bid site 2 Items 1 through ~~316,600~~ **\$136,600.00**
 Base bid site 3 Items 1 through ~~706,200~~ **\$604,200.00**

Inclusive: \$ ~~2,190,800~~ **\$740,800.00**

*Note: The amount entered as the "Total Base Bid" should be identical to **the Base Bid amount** entered in Section 1 of the Bid Proposal form.*

BIDDER NAME: CWS Construction Group Inc

END OF BID SCHEDULE

ATTACHMENT 3

Site 2 - Public Works Building at 1960 Tate St.

BASE BID SITE 2

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	UNIT COST	EXTENDED TOTAL AMOUNT
1	Base Presidential Shingle Roof & Drain Gutters	6000	SF	\$10.00	\$60,000.00
2	3-Furnaces, 3-Condensing Units & Exhaust Fan	3	EA	\$16,000.00	\$48,000.00
3	Long Awning (4' wide)	110	LF	\$260.00	\$28,600.00
TOTAL BID SITE 2 AMOUNT					\$136,600.00
Total Base Bid Site 2 Amount in Words: <u>One Hundred Thirty Thousand, Six Hundred Dollars and 0/00</u>					

Site 3 - Police Department Facility at 141 Demeter St ((3 Structures A, B & C)

BASE BID SITE 3

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	UNIT COST	EXTENDED TOTAL AMOUNT
1	Base Presidential Shingle Roof & Drain Gutters (3 Structures)	7500	SF	\$16.00	\$60,000.00
2	3-Ton Heat Pumps	10	EA	\$15,000.00	\$150,000.00
3	Long Awning (4' wide)	288	LS	\$275.00	\$79,200.00
4***	Remove & Replace Exterior Siding (Building A, Building B, Building C)	300	LF	\$600.00	\$180,000.00
5	Remodel Women's & Men's Bathroom	1	LS	\$75,000.00	\$75,000.00
TOTAL BASE BID SITE 3 AMOUNT					\$604,200.00
Total Bid Site 3 Amount in Words: <u>Six Hundred Four Thousand, Two Hundred Dollars and 0/00</u>					

Note: ***Regardless of changes in quantity, the baseline quantity for this line item is, at minimum, 200 linear feet.

TOTAL BASE BID (BASE BID SITE 1 + BASE BID SITE 2 + BASE BID SITE 3)

Base bid site 1 Items 1 through \$0.00

Base bid site 2 Items 1 through \$136,600.00

Base bid site 3 Items 1 through \$604,200.00

Inclusive: \$740,800.00

*Note: The amount entered as the "Total Base Bid" should be identical to **the Base Bid amount** entered in Section 1 of the Bid Proposal form.*

BIDDER NAME: CWS CONSTRUCTION GROUP, INC.

END OF BID SCHEDULE



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: February 4, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Denise J. Garcia, Assistant to the City Manager

SUBJECT: Resolution Authorizing Examination of Tax Records by Designated City Representatives

Recommendation

Adopt a resolution:

1. Authorizing the examination of Transactions (Sales) and Use Tax records designating City representatives and designees authorized to examine confidential transactions and use tax records for the creation of the City's Economic Development Strategic Plan; and
2. Find that the action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a "project" pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Housing, Economic and Workforce Development

Priority: Ensure Our Financial and Organizational Health

Background

The City of East Palo Alto entered into an agreement with the State Board of Equalization (SBOE), now the California Department of Tax and Fee Administration (CDTFA), to administer and operate the City's Transactions and Use Tax Ordinance, pursuant to Ordinance No. 405 of the City of East Palo Alto and Section 7270 of the California Revenue and Taxation Code.

The CDTFA collects and remits sales and use taxes to the City. Access to detailed tax records is critical for effective fiscal management, budget planning, economic development, and the

CONSENT ITEM 3.5

detection of tax misallocations. Historically, the City has authority to access these records through prior resolutions to its City Manager, its Finance Director, and its sales tax consultant.

Adoption of this resolution is consistent with past practices and will ensure that current City employees and relevant consultants have appropriate access to sales and use tax records for purposes related to the City's administration, planning, and economic development.

Analysis

Section 7056 of the California Revenue and Taxation Code allows local jurisdictions to examine confidential sales and use tax records, provided that authorized individuals are identified in a resolution and meet specific conditions.

On February 1, 1987, the City Council adopted Resolution No. 00453, authorizing the City Manager, or other officer or employee of the City designated in writing by the City Manager to the CDTFA (formerly known as the SBOE), to examine the sales and use tax records.

On January 18, 2000, City Council adopted Resolution No. 1720a to designate a City consultant, MBIA MuniServices, as an authorized City representative to examine sales and use tax records.

Then, on January 17, 2017, City Council adopted Resolution No. 4811 designating the Finance Director and a consultant, MuniServices, LLC (formerly known as MBIA MuniServices) to examine the transactions and use tax records collected for the City.

Most recently, City Council adopted Resolution No. 4903 designating MuniServices, LLC to examine all sales, transactions, and use tax records of the City, including the new District Tax, on October 17, 2017.

The resolution attached to the agenda report updates the list of authorized City employees and incorporates project managers from HR&A Advisors, Inc. and Regional Governmental Services Authority (RGS), who are consultants hired to draft an Economic Development Strategic Plan for the City. Access to these records will support the consultants' work and provide critical data for planning and forecasting efforts.

City Representatives

In addition to the Finance Director, the City Manager is requesting the following staff be designated and authorized to represent the City with authority to examine sales or transactions and use tax records collected by the CDTFA pertaining to all sales or transactions and use taxes collected for the City:

- Assistant City Manager
- Assistant to the City Manager
- Director of Community and Economic Development
- City Staff Person managing the Economic Development function

HR&A Advisors, Inc.

CONSENT ITEM 3.5

Following a competitive request for proposals (RFP) process, staff selected HR&A Advisors, Inc. to lead the development and execution of the City's Economic Development Strategic Plan. HR&A brings a strong track record of engaging diverse communities and addressing economic development challenges. Additionally, they have successfully worked with nearby cities, including San Jose, South San Francisco, and Richmond, giving them a nuanced understanding of the region. HR&A Advisors, Inc. is a national urban development consulting firm with over forty years of experience and is renowned for creating equitable, resilient, and dynamic communities through strategic planning and implementation.

Staff is recommending City Council give authorization to HR&A Advisors, Inc. to examine tax records for the purposes of drafting the City's Economic Development Strategic Plan. Their proposed project spans approximately nine months, after which the City might choose to retain them for further work in implementing that plan. HR&A Advisors is currently contractually required to the following:

- Use tax record information only for City purposes.
- Maintain confidentiality.
- Prohibit consulting for retailers.
- Destroy data upon contract expiration/termination.

RGS

City staff engaged RGS for assistance with the development of the Economic Development Strategic Plan. Brian Moura, a lead consultant from RGS with extensive experience in economic development, collaborated with City staff to draft the RFP, conduct outreach for high-quality proposals, evaluate and score submissions, and provide economic development expertise on an on-call basis. Mr. Moura will stay involved in the progression of the City's Economic Development plan, and therefore, the City Council needs to grant authorization for Mr. Moura to have access to review the data and economic development studies throughout the lifetime of the project.

City staff recommends City Council adopts this resolution to designate City employees and consultants, HR&A Advisors, Inc. and RGS, authorization to examine confidential transactions and use tax records for the creation of the City's Economic Development Strategic Plan.

Fiscal Impact

There is no fiscal impact for this item. However, the ability to access and analyze tax records will support effective fiscal management and economic development planning.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

CONSENT ITEM 3.5

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a “project” pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
EAST PALO ALTO AUTHORIZING THE EXAMINATION OF
TRANSACTIONS (SALES) AND USE TAX RECORDS**

WHEREAS, pursuant to Ordinance No. 405 of the City of East Palo Alto (“City”) and Section 7270 of the California Revenue and Taxation Code, the City entered into a contract with the State Board of Equalization to perform all functions incident to the administration and operation of the Transactions and Use Tax Ordinance and the local sales and use taxes; and

WHEREAS, the City deems it desirable and necessary for authorized representatives of the City to examine confidential sales or transactions and use tax records of the State Board of Equalization and of its successor agency, the California Department of Tax and Fee Administration (collectively, or in the alternative, the “Board”) pertaining to sales or transactions and use taxes collected for the City by the Board; and

WHEREAS, Section 7056 of the Revenue and Taxation Code allows local jurisdictions to examine confidential sales and use tax records, provided that authorized individuals are identified in a resolution and meet specific conditions, including that the City shall have an existing contract to examine the City’s sales or transactions and use tax records; and

WHEREAS, on February 1, 1987, the City Council adopted Resolution No. 00453, authorizing the City Manager, or other officer or employee of the City designated in writing by the City Manager to the Board, to examine sales and use tax records; and

WHEREAS, on January 18, 2000, January 17, 2017, and October 17, 2017, the City Council adopted Resolution Nos. 1720a, 4811, and 4903, respectively, designating a consultant (MBIA MuniServices Company, later known as MuniService, LLC) as an authorized City representative to examine sales and use tax records; and

WHEREAS, Resolution No. 4811 on January 17, 2017, also designated the Finance Director as an authorized City representative to examine sales and use tax records; and

WHEREAS, adopting this resolution does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(4) in that it is related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

NOW, THEREFORE, the City Council of the City of East Palo Alto hereby resolves:

Section 1. The City Council finds that the facts set forth in this Resolution are true and correct.

Section 2. That, in addition to the Finance Director, the City Manager designates to the Board that the following officers and employees are hereby appointed, designated and authorized to represent the City with authority to examine sales or transactions and use tax records of the Board pertaining to all sales or transactions and use taxes collected for the City by the Board pursuant to contract:

- a) Assistant City Manager
- b) Assistant to the City Manager
- c) Director of Community and Economic Development
- d) City employee managing the Economic Development function

The information obtained by examination of Board records shall be used only for purposes related to the collection of the City's sales or transactions and use taxes by the Board pursuant to the contract.

The City Manager may designate in writing to the Board other officers or employees of the City appointed to represent the City with authority to examine all of the sales or transactions and use tax records of the City collected by the Board pursuant to the contract between the City and the Board.

Section 3. That the City Manager and other officers and employees of the City listed above shall examine those sales or transactions and use tax records of the Board for purposes related to the following governmental functions of the City:

- a) City administration
- b) Budget planning and forecasting
- c) Community and economic development
- d) Transportation and utility service planning
- e) Detection of misallocation and deficiencies
- f) Preparation of planning and economic studies

The information obtained by examination of Board records shall be used only for those governmental functions of the City listed above.

Section 4. That, consistent with applicable law, including Section 7056 of the California Revenue and Taxation Code, HR&A Advisors, Inc. (HR&A) and Regional Governmental Services Authority (RGS) are hereby designated and authorized to examine all the sales or transactions and use tax records of the Board pertaining to all sales and use taxes collected for the City (including, without limitation, those collected under the Transaction and Use Tax Ordinance and any current and future transactions and use tax ordinances that may be enacted in the City).

Section 5. That HR&A and RGS meet all the following conditions:

- a) There is an existing contract between HR&A and the City for HR&A to draft an economic development strategic plan for the City, and there is an existing contract between RGS and the City for RGS to assist in designing this strategic plan for the City, and such plan requires HR&A and RGS to examine sales or transactions and use tax records;
- b) HR&A and RGS are required by those contracts to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee authorized under Section 2 of this resolution to examine the information;
- c) HR&A and RGS are prohibited by those contracts from performing consulting services for a retailer during the term of those contracts; and
- d) HR&A and RGS are prohibited by those contracts from retaining the information contained in, or derived from, those sales or transactions and use tax records after those contracts have expired.

BE IT FURTHER RESOLVED that the information obtained by examination of the Board records shall be used only for purposes related to the collection of the City's sales or transactions and use taxes by the Board pursuant to the contract between the City and Board, or for the purposes related to other governmental functions of the City as set forth in this resolution.

PASSED AND ADOPTED at a regular City Council meeting held on February 4, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Signed:

Martha Barragan, Mayor

ATTEST:

Approved as to form:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: February 4, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Shiri Klima, Assistant City Manager
Orly Amey, Assistant to the City Manager

SUBJECT: Fiscal Year 2024-25 City Council Strategic Priorities Second Status Update

Recommendation

Receive an update on the FY 2023/24 through FY2024/25 Strategic Priorities Plan.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Housing, Economic and Workforce Development
Priority: Implement the Comprehensive Transportation and Mobility Plan
Priority: Promote Health & Public Safety
Priority: Ensure Our Financial and Organizational Health
Priority: Improve the City's Water Infrastructure
Priority: Develop and Implement a Comprehensive Facilities Master Plan
Priority: Enhance Community Services and Parks for Residents

Background

The City Council conducts an annual Priority Setting process to guide its strategic planning efforts. The purpose of this process is to enhance decision-making by focusing limited staff and financial resources on the initiatives that the City Council identifies as its highest priorities. A key element of this process is the identification and selection of these priorities, which serve as overarching focus areas that shape the direction of the City's projects and programs. Council Priorities are informed by community input and reflect the most critical and impactful issues that the community seeks to address or achieve. By defining these priorities, the City Council ensures



INFORMATIONAL REPORT ITEM 6.1

that staff remain focused on the community's highest needs and provides clear direction to the City Manager.

The Council held a Priority Setting session during its Saturday, February 3, 2024, City Council Retreat to review and revise the Council Strategic Priorities for Fiscal Years 2023-24 and 2024-25. At that meeting Council reaffirmed the existing priorities, outlined in Figure 1 below, electing to maintain them without modification.

Figure 1. FY 2023-24 & 2024-25 East Palo Alto Strategic Priorities



Following the establishment of Council Priorities, the Priority Setting process proceeds to craft the Council Work Plan. The Work Plan provides direction to staff on prioritizing major projects and initiatives while ensuring essential functions, operational needs, and statutory requirements are met. Projects within the Work Plan align with the seven key priorities and are selected based on their significance to Council, alignment with strategic goals, and resource requirements. While the Work Plan focuses on advancing major projects, some may extend beyond the two-year period given the complexity, funding needs, and public process required for each item.

The City Council approved the FY 2024-25 Work Plan on April 16, 2024. This report and Attachment 1 provide an update on the City's progress implementing the workplan from October 1 through December 31, 2024.

Analysis

The FY 2024-25 Work Plan includes 94 total projects. As shown in Table 1, at the end of December 2024, 57 projects are in progress, 8 are deemed operational, 8 are on-hold, and 21 have been completed.



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Table 1. Status Summary

Project/Goal Status	Count
On-hold	8
In-progress	57
Complete	21
Operational	8
Total	94

Across departments, the City Manager's Office is the lead for 37 projects, the Public Works Department is the lead for 33 projects, the Community and Economic Development Department leads 16 projects, the Police Department leads 6 projects, and the Finance Department leads 2 projects. Regardless of lead department, most projects require support and collaboration from other departments. Table 2 below shows the number of projects that each department/division leads.

Table 2. Goals/Projects by Lead Department – Division

Department	Number of Goals/ Projects
Community and Economic Development (CEDD) Admin	2
CEDD – Building	1
CDD – Housing	6
CDD – Planning	6
CDD – Rent Stabilization Program (RSP)	1
City Manager's Office (CMO) - Admin	19
CMO – Community Services (CS)	11
CMO – Human Resources (HR)	5
CMO – Information Technology (IT)	2
Finance	2
Police (PD)	6
Public Works Department (PWD)	33
Total	94

A comprehensive list of each goal and project with status updates is included in Attachment 1.

Next Steps

Staff will provide a progress update on the third quarter implementation of the FY 2024-25 Work Plan in April. Also, following a recent RFP process and in alignment with Council direction, staff



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have engaged a consultant, Raimi and Associates, to curate and facilitate a new strategic priorities setting process. This process, which will continue through the spring, will support the Council in establishing its priorities and developing the subsequent 2-year Work Plan.

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: No, as this item does not entail an entitlement.

Analysis of Levine Act Compliance: Not applicable

Attachment

1. Council Strategic Priorities Work Plan Update July 1, 2024, through June 30, 2025

Promote Housing, Economic & Workforce Development				
Goal		Lead/Co-Lead	Status	Status Notes
1	Implement Measure HH Employment Program	CDD - Housing	In-Progress	On June 14, 2024, the City received three proposals to evaluate the 18-month Measure HH pilot program. On July 16, staff updated the City Council, which approved a contract with Informing Change for up to \$120,000. The Program Evaluation Plan was accepted by the City Council on January 7, 2025, and the consultant is scheduling interviews with program participants and employers. The Program Evaluation will be available for Council review in May/June 2025. The City further anticipates receiving input from Informing Change on criteria or a tool for evaluating wage outcomes in Summer 2025. On January 7, 2025, City staff presented to the City Council the final performance report from StreetCode Academy on Phase I of its Pilot Program. The final performance reports from Live In Peace and JobTrain will be presented in March/April 2025, since their Phase I completion period was extended by the Council to February 28, 2025, for these two organizations. The Council also allocated additional funds to extend the Pilot Program (Phase II) for all three organizations to May 31, 2025.
2	Continue to implement the City's Affordable Housing Strategy	CDD - Housing	Operational	This project is considered an operational activity.
2.1	Present TOPA/COPA recommendations and other opportunities to promote homeownership	CDD - Housing	Complete	On December 6, 2023, the proposed TOPA/COPA ordinance was not adopted by Council. Project effort consisted of two+ years of community outreach meetings, Council presentations, research, ordinance drafting, responding to public queries, etc. Effort supported by the Partnership for the Bay's Future Policy Fellow, CMO and CAO. The Fellow looked for funding opportunities and other ways to promote homeownership and housing preservation through the end of the fellowship in May 2024.
2.2	Complete the updated Housing Element	CDD/CMO	Complete	Housing Element adopted by Council on March 19, 2024. 2023-2031 Housing Element available online: https://www.cityofepa.org/housing/page/housing-element-update-1 . HCD Certified the Housing Element on 4/29/2024.
2.3	Implement the updated Housing Element	CDD - Housing	Operational	This project is considered an operational activity.
2.4	Update Affordable Housing Strategy	CDD - Housing	Complete	The Affordable Housing Strategy was updated and adopted by City Council on February 6, 2024. 2024-2028 Strategy is available online: https://www.cityofepa.org/housing/page/affordable-housing-strategy
2.5	Establish Rent Registry for both stabilized and market-rate rental units	CDD - RSP/CDD - Housing	In-Progress	Staff issued a request for proposals (RFP) for a firm to help develop the registry and the City Council approved the selection of Tolemi. Development of the rent registry, testing, and implementation started in November 2024 and is expected to take 6 months to a year, with a phased launch in 2025. Outreach and coordination are going to be extremely important to the successful launch of the citywide rent registry.
3	Create an economic development strategy focusing on small and micro businesses for City Council consideration	CMO/CDD	In-Progress	After delay due to workload constraints, staff contracted with Regional Government Services to prepare a request for proposals (RFP) for an Economic Development Strategy. The Council formed an ad-hoc subcommittee to work with staff and the selected consultant on the plan. Staff released the RFP in September 2024. Staff received 8 proposals. After interviewing the top 4 proposals, staff selected HR&A Advisors and received approval by City Council on December 3, 2024 to move forward with an agreement. A virtual kick-off is scheduled for late January/early February. The plan is estimated to take nine months to complete. A draft plan should be presented to the City Council for adoption by October 2025.

4	Convert the City's Cummings Loft property into office space that could be used as a small business incubator	PWD	In-Progress	The City was awarded a \$555,000 grant from the Small Business Administration to improve the former Redevelopment Agency's space at Cummings Loft for use as a local incubator space. City staff issued a request for design proposals in 2023. Staff received one proposal and City Council awarded a design contract on 04/16/24. The project is currently in the design development stage and is anticipated to be completed by June 2025. Project will be bid in July 2025 and the construction phase will take approximately five months.
5	Implement program to distribute Community Resource Funds Grant	CMO/CS/CDD	In-Progress	This is a City-sponsored grant program. In May 2023, staff presented a framework for the program and Council directed that the funds be allocated to four different service areas. Staff presented an updated framework to the City Council on 3/5/2024 and the Council directed staff to 1) release an RFP for Senior Home Repair Assistance with \$125K, 2) Release a RFP for Small Business Assistance with \$125K, 3) move \$50,000 to the Community Services Division budget for Senior programs aimed at increased technical competence and prevention of scams, and 4) move \$50,000 to the Community Services Division budget for youth civic activities. Staff anticipates releasing RFPs in early 2025 and proposing awards to the City Council mid-2025.
6	Revisit the West Side Area Plan development approval process	CDD - Planning	In-Progress	Staff are focused on updating the Development Code and will bring forward a separate item to specifically address the West Side Area Plan in Spring 2025. The item will discuss potential policy amendments to strengthen alignment of the West Side Area Plan with the City's practices around relocation and anti-displacement. The first of a series of updates on the Development Code started on October 28, 2024 and was complete with the Planning Commission making a formal recommendation for Council adoption on January 13, 2025. Staff are preparing to bring the Development Code update to City Council on February 18, 2025, and then prepare a separate item to specifically address the West Side Area Plan.
7	Evaluate the Measure HH Pilot Workforce Development Program	CDD - Housing/ CMO	In-Progress	On June 14, 2024, the City received three proposals to evaluate the 18-month Measure HH pilot program. On July 16, staff updated the City Council, which approved a contract with Informing Change for up to \$120,000. The Program Evaluation Plan was accepted by the City Council on January 7, 2025, and the consultant is scheduling interviews with program participants and employers. The Program Evaluation should be done by Spring or early Summer 2025. The City further anticipates receiving input from Informing Change on criteria or a tool for evaluating wage outcomes in Summer 2025. On January 7, 2025, City staff presented to the City Council the final performance report from StreetCode Academy on Phase I of its Pilot Program. The final performance reports from Live In Peace and JobTrain will be presented in March/April 2025, since their Phase I completion period was extended by the Council to February 28, 2025. The Council also allocated additional funds to extend the Pilot Program (Phase II) for all three organizations to May 31, 2025.
8	Complete the Ravenswood Business District/Four Corners Specific Plan update	CDD - Planning	Complete	City Council approved the update to the RBD Specific Plan on December 17, 2024. EIR Notice of Determination posted at San Mateo County in compliance with CEQA. Implementation of the updated plan and the allocation process shall begin in 2025. Details of the Specific Plan update process are documented online: https://www.cityofepa.org/planning/page/rbd-specific-plan-update
9	Implement the First Source Hiring Program	CDD	Operational	This project is considered an operational activity. City staff are developing program guidelines to be applied to City projects, projects on City property, or projects subsidized with City funds.

10	Streamline the ADU permitting process	CDD - Planning	Complete	Municipal Code Update adopted on February 6, 2024. New forms and streamlined process implemented in compliance with updated code. The City hosted a community event on March 27, 2024 to share with East Palo Alto residents, homeowners, developers, and other stakeholders about the ADU development code updates and new informational materials available.
11	Work with partners to complete construction of 965 Weeks/Colibri Commons	CDD - Building	In-Progress	Colibri Commons will include 136 low-income units, with affordability between 30% and 60% of Area Median Income and a unit mix of studios up to 4 bedrooms. The development is led by MidPen Housing and EPACANDO and has completed initial grading, deep foundation work, and the shell of the building is scheduled to be complete in February 2025. There is a scheduled activity to import soil for final grading in March 2025. Currently the progress of construction is considered 41% complete as of August. Construction is anticipated to conclude by the end of 2025.
12	Update the Zoning Code to address permanent supportive housing, housekeeping units, residential care facilities, etc. as well objective design standards	CDD - Planning	In-Progress	Staff plans to present an additional Municipal Code update to Council in early 2025, including Housing Element related clean up items. The first of a series of updates on the Development Code started on October 28, 2024 and was complete with the Planning Commission on January 13, 2025. Staff are preparing to bring the Development Code update to City Council on February 18, 2025. Another municipal code update, including objective design standards, is planned for late 2025.
13	Develop a pop-up and unlicensed businesses policy and program	CMO/CDD	In-Progress	Staff are assessing the nature of unlicensed businesses and existing county, state, and local regulations. Staff is exploring other programs and benchmark with other cities. Staff will prepare a report to City Council during a study session on March 25, 2025 to discuss potential policy directions. With Council's input, the City could develop a policy and program to regulate pop-up/unlicensed businesses.

Implement Comprehensive Transportation and Mobility Plan				
Goal		Lead/Co-Lead	Status	Status Notes
1	Implement the Comprehensive Transportation and Mobility Plan			
1.1	Implement short-term improvements as identified in the Final Mobility Report	PWD	Complete	Practical short-term measures implemented and completed in 2023.
1.2	Implement mid-term improvements as identified in the Final Mobility Report	PWD	In-Progress	Mid-term improvements are being implemented over five years. A \$1 million Measure W grant was awarded for conceptual planning of the University Avenue Grand Corridor, which will study mid-term strategies through 2025. Key strategies from the Mobility Study include closing the median on University Avenue to prevent left turns, collaborating with local companies and jurisdictions to reduce cut-through traffic in East Palo Alto, evaluating road pricing feasibility on University Avenue, and enhancing transit services. These strategies will be explored in the Grand Corridor study once the contract is awarded, expected in February 2025. Project design is anticipated to be complete by December 2025.
1.3	Initiate a Parking Permit Pilot Program	PWD	In-Progress	Staff is developing a pilot program for City Council consideration. Staff presented a draft program to City Council on June 18, 2024 and held a study session item on November 12, 2024. Staff anticipates the ordinance first reading in March 2025.
2	Construct University Avenue bicycle/pedestrian overcrossing	PWD	In-Progress	Construction is underway. Anticipated completion in Summer 2025.
3	Explore a potential public infrastructure revenue measure for the November 2024 Election	CMO	Complete	The City entered an agreement with the Lew Edwards Group (LEG) who oversaw a community poll and focus group sessions to gauge community priorities and support for revenue measures in 2023. Additional polls were conducted in April 2024. LEG shared polling results on 7/16/2024 and the City Council decided not to place a ballot measure in the November 2024 election.
3.1	East Bayshore Road sidewalk improvement project design	PWD	In-Progress	The City was awarded a \$400,000 grant for design phase. The City awarded a design contract to CSG consultants in April 2024. The design is in the final phase and will be completed by the end of January 2025. The Plans, Specification, and Estimate (PS&E) will be brought to City Council for approval at the February 18th, 2025, City Council meeting.
3.2	Seek funding and construct East Bayshore Road sidewalk improvements	PWD/CMO	In-Progress	Construction is estimated to cost \$3.9M, of which the City has secured \$1.475M (\$625k of Lifeline Transportation Program Cycle 7 funds, plus \$850k of congressional directed spending DOT funds). The City is actively seeking other grants to fill the construction gap. The City recently submitted a grant application for Cycle 7 Bike/Ped Program Funding and Regional Measure 3 for the remaining \$2,504,922 in estimated construction costs.
3.3	Design University Avenue safety improvements	PWD	Complete	The City was awarded a \$1.2M grant for design. The design work was completed in early 2024.
A	Construct University Avenue safety improvements	PWD	In-Progress	Construction is estimated to occur May 2025 through December 2025. This project will primarily include upgrading University/Runnymede intersection and construct a new traffic signal.
3.4	Continue work with consultant to identify and apply for grants	PWD/CMO	Operational	This project is considered an operational activity.
3.5	Implement updated water capital surcharges	PWD/CMO	In-Progress	RFP to be released for a water rate study in Spring 2025.

4	Replace the temporary traffic circles on Pulgas Avenue with mini roundabouts	PWD	In-Progress	Staff received grant funds to complete the preliminary design for mini roundabouts on Pulgas Avenue. On March 19, 2024, the City Council approved a contract amendment with ALTA Planning + Design to finalize the plans, specifications, and estimates (PS&E) for the two mini roundabouts. The project design was completed and the request for bid was posted in January 2025. The project construction contract is anticipated to be awarded at the February 18th, 2025, City Council meeting.
5	Construct bus stop shelter Improvements using AHSC grant funds	PWD	Complete	This project was completed in October 2024. Locations are as follows: 2111 University Avenue NW of Bay Road at Clarke Avenue SW of Bay Road at Clarke Avenue Clarke Avenue at O'Connor Street University Avenue at Sacramento Street Bay Road and Oakwood Drive University Avenue and Woodland Avenue Bay Road and Newbridge
6	Finalize the Addison Avenue Safe Routes to School and Green Infrastructure project	PWD	Complete	Project was completed in September 2024.
7	Construct the University Avenue at Runnymede traffic signal improvements	PWD	In-Progress	This project is related to project 3.3. Design was completed April 2024. Construction to occur in Summer 2025.
8	<i>Design the East Bayshore sidewalk improvements with grant funds Secure funding to design the University Avenue Grand Corridor</i>	<i>PWD</i>	<i>Duplicate</i>	<i>This project is included in Project 3.1.</i>
9	Complete the Street Lighting Upgrade Project (70 streetlights and Clarke Avenue overcrossing)	PWD	In-Progress	This project is underway and will continue through FY 24/25. The streetlight installations on PG&E poles were completed. The new street lights on PG&E poles are subject to PG&E approval and power connection which is anticipated to be completed by the end of January 2025.
10	<i>Construct University Avenue safety improvements</i>	<i>PWD</i>	<i>Duplicate</i>	<i>Duplicate of Project 3.3.A</i>
11	Design and Construct road improvements on Woodland Avenue from University Avenue to Newell Road	PWD	In-Progress	This project is estimated to cost \$3 million and is currently unfunded. The City was successful in receiving \$2 million through the HUD appropriations bill. Once the funding is made available, agreements will be executed and staff will begin design.
12	Develop strategies to improve parking and traffic enforcement and identify next steps	PD/PWD	In-Progress	Staff are preparing a City Council study session to be held in the third quarter of FY24/25 to present and discuss parking and traffic enforcement challenges and potential solutions.

Promote Health & Public Safety				
Goal		Lead/Co-Lead	Status	Status Notes
1	Enhance flood protection for residents, businesses, and property owners			
1.1	Enhance community flood protection through collaboration with SFCJPA on San Francisquito Creek Reach 2 improvements	PWD/CMO	In-Progress	The Reach 2 Project is led and coordinated by the San Francisquito Creek Joint Powers Authority (SFCJPA). The total project cost estimate is \$60M, and is approximately 70% funded. The project consists of four main construction elements planned to occur between Summer 2024 and 2026. City staff are in contact with SFCJPA and agency partners on a regular basis.
1.2	Enhance Community Flood Protection through collaboration with SFCJPA to implement the Safer Bay Project	PWD/CMO	In-Progress	The Safer Bay Project is a multijurisdictional collaboration led by the San Francisco Creek Joint Powers Authority (SFCJPA). The project will protect critical infrastructure, protect and restore critical habitat, provide community resilience to current tidal flooding and projected sea level rise, and improve recreational access, using both engineered structures and nature-based flood protection. The SFCJPA is conducting technical and scientific studies to prepare for releasing a draft Environmental Impact Report (EIR) in 2025. The project is divided into two sections in East Palo Alto: south of Bay Road and north of Bay Road. The City has received a \$17.5 million FEMA grant and committed \$4.5 million in local funds, covering \$22 million of the local construction costs for the south of Bay Road area. However, the latest cost estimates are \$92 million for the south of Bay Road section and \$99 million for the north. The 30% design plans for the south of Bay Road area have been completed. The City plans to release an RFP to hire a design consultant to guide the project from 30% to 100% design completion. Additionally, a Notice of Intent (NOI) for a FEMA BRIC grant was submitted in October 2024 to help close the significant construction funding gap.
1.3	Coordinate with City of Palo Alto on the Newell Street Bridge Replacement project	PWD	In-Progress	City of Palo Alto is the lead agency for this project which is a \$16M sub-project of the SFCJPA Reach 2 Project 1.1 above. Project plans and specifications are complete, and partners are currently seeking additional grant funding. Coordination with utility owners is underway and the temporary construction easements have been secured. Caltrans approved the Right of Way certification in October 2024. The project will be bid for the construction phase once Caltrans approves the project through the E76 process and is able to program construction funds for 2025.
2	Resolve Sanitary District incorporation matter			
2.1	Transition EPASD from an independent organization to a City subsidiary	CMO/CAO/ PWD/FIN	In-Progress	Following a two+ year process, the East Palo Alto Sanitary District became a City subsidiary on October 1, 2024. Staff is working with West Bay Sanitary District and engineering consultants to operate EPASD, including EPASD finances, billing and customer service, new service connections, day to day operations and manage sanitary capital projects. Consultants are conducting an operational audit, and a fiscal audit will occur with the City's annual audit.
3	Develop a community emergency preparedness and education initiative			

3.1	Build EPA CERT team membership	PD/CMO	Complete	Menlo Park Fire Protection District administers the CERT program in East Palo Alto, which we are able to access when the need arises. Currently the membership hovers around 40-50 members and have all been sworn in as Disaster Service Workers. Additionally, the Menlo Park Fire District works with community groups interested in helping during times of need, but do not necessarily desire to be CERT certified. MPFD also administers and Emergency Radio Communications group (eg. HAM Radio operators) who are available as the need arises. Working with EPA CERT to recruiting and training additional residents.
3.2	Establish emergency communication protocols with community partners	PD/CMO	Complete	The City has communication protocols with County of San Mateo Department of Emergency Management (DEM) and Menlo Park Fire Protection District.
3.3	Update disaster preparedness plan	PD/CMO	In-Progress	Currently researching plan format and regulatory requirements with goal of simplifying current plan for ease of reference and use. Working with the DEM to formulate and update the current EPA plan. Status updates on outstanding emergency management items will be discussed with City Council on April 15, 2025.
4	Develop the Police Department's data analytics capacity	PD	In-Progress	If awarded a pending grant, work with the County C3AI data project and California State University East Bay to study East Palo Alto crime trends, responses, and statistics.
5	Rehabilitate the O'Connor pump station	PWD	In-Progress	The City is using an \$800K USEPA grant to replace diesel engines and perform electrical upgrades at the O'Connor Pump Station. The project is currently in the process of finalizing scope and CEQA. Design to begin in Q2 24/25 with construction beginning in Q2 25/26.
6	Construct improvements to the San Francisquito Creek bank	PWD	Complete	Enforce the slope at San Francisquito creek to prevent further erosion. This project was completed Summer 2024.
7	Upgrade the Stormwater System to meet State trash capture requirements	PWD	In-Progress	Full Trash Capture is mandated by the State Water Resources Control Board by 2025. This will be accomplished with two separate projects. On July 16th, 2024 City Council authorized a contract with United Storm Water for the installation of trash capture device inserts. At the October 1st, 2024 City Council meeting, City Council authorized the execution of a contract with Schaff & Wheeler for professional engineering services to complete the design of the East Palo Alto Trash Capture Device Installation Project (SD-09). The 90% trash capture project is expected to be completed by April 2025.
8	Complete the update of the Environmental Justice (Health & Equity) Element of the General Plan	CDD - Planning	In-Progress	The work on the Environmental Justice (Health and Equity) Element update began in June 2023 and the community outreach phase was initiated in April 2024. In person workshops were held in May and September 2024, along with other pop up events throughout the year. An extensive survey was also conducted to obtain feedback.
9	Complete the update of the Safety Element of the General Plan	CDD - Planning	In-Progress	The work on the Safety Element Update began in June 2023 and the community outreach phase for this project began in February 2024. Two virtual workshops were held on March 13 and April 3, as well as multiple pop up events. In person workshops were then held at the YMCA in Fall 2024 in English and Spanish to obtain community priorities. The public engagement will include subsequent outreach opportunities to allow feedback on the draft element prior to public hearings.
10	Evaluate emergency shelter sites	CMO	In-Progress	The City has partnered with Red Cross and identified 3 strategic emergency evacuation locations that will provide emergency shelter, food, and medical service. The formal agreement is still being finalized.

11	Develop and Implement a strategy to address illegal dumping	PWD/CDD/PD	In-Progress	The City will continue to enhance and implement its Clean City Program. Staff will work internally with other departments to evaluate and enhance the program over the next fiscal year.
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Ensure Fiscal & Organizational Health				
Goal		Lead/Co-Lead	Status	Status Notes
1	Address structural deficit through fiscal resiliency measures			
1.1	Assess and prepare for utility operational and finance needs	PWD/FIN	In-Progress	The City hired a Utility Manager who will oversee water, solid waste, and the sanitary district. The City is continuing to improve EPASD governance while also planning for water operations beyond 2026. The City Council adjusted solid waste rates in June 2024.
1.2	Analyze needs, strategies and community support for funding public infrastructure	CMO	Complete	With Lew Edwards Group (LEG), the City conducted community outreach meetings/communication to assess community interest related to both services and infrastructure. Results were presented to the City Council in July 2024.
1.3	Perform Impact Fee Nexus Study	CMO/PWD	In-Progress	Draft Nexus Study was presented to the City Council in June 2024. The final Nexus Study will be adopted following completion of the RBD Specific Plan, anticipated in Spring 2025.
2	Develop 10 Year financial projections	FIN	In-Progress	A 10-year financial projection model for a municipality serves as a strategic planning tool, aligning fiscal policies with community goals, aiding in risk management, and communicating financial plans to residents. This comprehensive tool assists in capital budgeting, enabling efficient resource allocation and providing insights into long-term financial sustainability for the municipality. The first phase of the model has been issued and was presented to Council in the April 2024 Budget Message. Staff is currently working to update the model using the most recent data available including FY2024-25 Adopted Budget and FY2023-24 ACFR (to be issued in December 2024).
3	Plan and implement an enterprise resource planning (ERP) system	FIN/CMO	In-Progress	As of December 2023, all financial activities, including payroll, accounts payable, and budgeting, have successfully migrated to the new system. Staff members are already noticing significant improvements in efficiency and data accessibility. This transition reflects a massive undertaking citywide, and we are nearing the final stages of implementation. Despite encountering some obstacles, this project is an unmitigated success, especially when considering the scale of change. There are a few functions in the system that are pending for implementation including the budget module and the approval function which are expected to be finalized by February 2025.
4	Focus on staff morale, retention, recruitment & succession planning			
4.1	Update the City's personnel policies and procedures	CMO - HR	In-Progress	A draft document has been prepared, with a citywide management and employee review process, including meet-and-confer components, expected to start in January 2025 and be completed by Fall 2027. This effort is supported by consultants and outside legal advisors. With labor contracts now finalized, labor has asked the City to prioritize Benefit Committee Meetings to consider structural benefit changes for the 2025 calendar year. Although committee meetings have started, no changes will be implemented in 2025. Discussions are ongoing for a possible 2026 implementation, potentially beginning in the next fiscal year.

4.2	Launch Health & Wellness Initiative	CMO - HR	Complete	Launched outreach for virtual employee seminars; on-site health and wellness events in October 2023. Annual employee hybrid seminars are confirmed through December 2024. Staff are in the process of collecting employee data to improve morale. These programs will allow the team to collaborate and focus on team building which is what we need to become a successful team! The City is fully committed and invested in our staff's mental health. The program includes topics such as Self-Development: The Road to Balance Your Work & Family Life, Communication, Creating Healthy Teams, Health & Wellness. Digital Distractions: Use Technology, Don't Let it Use You, etc. This project launch is complete and the work is now operational.
4.3	Update the City's recruitment process	CMO - HR	Complete	Standardized operating procedures for the hiring process. Completed April 2023.
4.4	Develop and launch an employee training and development program	CMO - HR	Complete	Primarily consists of revamping employee orientation process, standardizing and auditing regulatory training requirements. New orientation standards implementation November 2023. Standardizing training implemented over six months phases beginning November 2023. The Mandatory and employee training and development programs continue to roll out and improve such as Building & Cultivating Trust as a Leader, Diversity, Equity, and Inclusion (DEI) training series to help foster a culture of respect, understanding, and inclusivity within our organization, FMLA/CFRA/Reasonable Accommodations Overview for Supervisors, Memorandum of Understandings (MOU) Overview, Active shooter, CPR, Earthquake & Fire Drill, and so much more! We are actively seeking feedback from staff to help CMO in developing and incorporating more trainings. This project kick off is complete and is now operational.
4.5	Compensation study/ market movement study	CMO - HR	Complete	Completed a compensation market movement study analysis which help set the stage for bargaining. Considering a full scope classification and compensation study after 3 year contract.
5	Develop an Information Systems Master Plan			
5.1	Coordinate continuation or completion of contract services provided by Redwood City	CMO - IT	Complete	The City opened a recruitment for an IT Manager and filled the position. Staff sent a termination notice late October to City of Redwood City to inform them that we no longer needed their services. The termination was effective November 29, 2024.
5.2	Develop a citywide Information Systems Master Plan	CMO - IT	On-hold	The City will release an RFP for an IT Master Plan in Q1 2025.
6	Conduct a process to develop a five-to-ten-year strategic plan	CMO	In-Progress	On October 1, 2024, with City Council authorization, staff issued a Request for Proposals (RFP) to identify a firm to assist the City in developing a strategic plan for FY 2025-26. This plan will establish four-year strategic priorities, as directed by the Council, while incorporating short-term strategies and projects to be updated biannually. The Strategic Plan will serve as the foundation for the City Council's priorities and the two-year work plan to be adopted for FY 2025-26 through FY 2026-27. Following the RFP process and in alignment with Council direction, staff have engaged a consultant to guide and facilitate a new strategic priority-setting process. This process, which will extend through the spring, aims to support the Council in establishing its priorities and creating the subsequent two-year work plan.

Improve the City's Water Infrastructure				
Goal		Lead/Co-Lead	Status	Status Notes
1	Focus on customer service and education			
1.1	Plan for water system operations in 2026	CMO/PWD/CAO/FIN	In-Progress	The current water system operator lease to Veolia expires in April 2026. Staff are reviewing the existing lease terms to determine whether a similar lease is possible or the City should instead modify the water operation structure to contract with a vendor for operations. The City is also exploring the feasibility of bringing water operations as a City function. Staff plan to identify a plan and provide recommendations to the City Council by July 2025. The City would work to implement the council approved plan by April 2026.
2	Advance key water infrastructure projects			
2.1	Complete construction of 12" water transmission line on University Avenue	PWD	In-Progress	Project construction is underway. Target Completion: March 2025.
2.2	Complete construction of water intertie at University/Woodland with Palo Alto	PWD	In-Progress	Project construction is underway. Target Completion: February 2025.
2.3	Identify potential locations for additional water storage	PWD	In-Progress	Staff prepared a request for proposal (RFP) to conduct a water tank siting study and provide analysis of options for water storage capacity of 3+ million gallons. Target Council Presentation: July 2025.
2.4	Investigate State and federal water funding opportunities, including WIFIA and DWSRF	CMO/PWD/FIN	Operational	This project is considered an operational activity.
2.5	Proactively design additional water improvement projects	PWD	On-hold	This project involves working with the City's on-call consultant to design priority 1A water infrastructure projects identified in the Water Master Plan. This activity will begin upon completion of construction of the 12" watermain on University Avenue. (See 2.1 above).
3	Develop a water infrastructure financing plan	CMO/PWD/FIN	In-Progress	The City received \$800,000 from the US Environmental Protection Agency in FY 2023 Congressionally Directed Spending (FY 2023 Omnibus Appropriations Bill). The City will use these funds to hire a consultant to develop a water infrastructure financing plan that will outline an effective strategy for the City to leverage existing resources such as water capital improvement fees paid by ratepayers and grant funds to pay for needed water system improvements.
4	Develop a water asset management database	PWD	In-Progress	Update all water related assets into a GIS and asset management software system. The first phase of the project is complete, and the existing assets have been added to the database. The project will continue through FY 24/25 to establish additional layers and clean up information on the shapefiles.

Develop and Implement a Comprehensive Facilities Plan				
Goal		Lead/Co-Lead	Status	Status Notes
1	Coordinate with the Library District to advance a new library for East Palo Alto			
1.2	Complete library design	PWD	In-Progress	The City was awarded, a \$1.5M grant for design of the Library. The City Council appropriated an additional \$1.7M for design and awarded a design contract to Noll and Tam Architects. Design is underway. It is anticipated that in February 2025, staff will be discussing the project concepts with the City Council.
1.1	Work with the SMC libraries to identify and implement a comprehensive funding strategy for library construction	CMO	In-Progress	The estimated construction cost for the library is approximately \$43 million, though funding has not yet been secured. The City applied for a \$10 million state grant but was not awarded the funds. Currently, the City is partnering with the San Mateo County Library (SMCL) and the SMCL Foundation to raise funds for the project. The SMCL Foundation hired Lotus Consulting to conduct a fundraising feasibility study and develop a plan, completed in May 2024. The City, SMCL, and the SMCL Foundation are now collaborating on fundraising efforts.
2	Investigate options for developing County vacant property located on Beech Street			
2.1	Endeavor to finalize acquisition of County-owned Beech Street property	CMO/CDD	On-hold	While in the final phase of property exchange and acquisition details, SMC informed the City they are no longer interested in swapping Beech Street for 2277 University because they don't believe 2277 University is feasible for housing. The City Manager and County Executive will have further discussions to determine next steps.
2.2	Advance Parks Master Plan vision for MLK Jr. Park and Beech Street property	CMO - CS/PWD	On-hold	The property exchange and extended timeline for completion CEQA is holding up this project. Conversations with the Tamien Nation and surveys for native plants need to be performed at specific seasons.
3	Develop a detailed strategy for the location of the future Police Department			
3.1	Conclude consideration of potential interim or long-term Police Department sites	CMO/PD	In-Progress	The City renewed the lease for 141 Demeter Street through October 2029 with two one-year extension options that could take the lease through 2031. The City will continue to explore alternative police department location for beyond 2029.
3.2	Provide the Council recommendations for Police Department sites after October 2025	CMO/PD	Complete	Police operations will remain at 141 Demeter through October 2029.
3.3	Implement necessary actions to enable police department operations after October 2025	CMO/PD	In-Progress	The City renewed the lease for 141 Demeter Street through October 2029 with two one-year extension options that could take the lease through 2031. Public Works is working to secure a contractor to provide building improvements to 141 Demeter Street to ensure the facility is useful.
4	Complete the City Hall improvements planning process			
4.1	Resolve County consideration of 2415 University for City's exclusive or shared use	CMO	On-hold	The County has been doing building "improvements" and there is uncertainty around the County's intentions related to occupancy of spaces currently occupied by non-City tenants.
4.2	Investigate potential partnership opportunities with future development projects	CMO/CDD	In-Progress	With the RBD Specific Plan recently being adopted, the City is exploring opportunities to partner with development projects for City space (City Hall and Police Department) and other development projects. There are a few opportunities the City is evaluating and will bring an update to the City Council in Q1 of calendar year 2025.

4.4	Bid and construct the City Hall TI at the former police evidence room	PWD	In-Progress	Project was bid out in September 2024 but no bids were received. The project was rebid and one bid was received. Staff has negotiated the contract and will be recommending a construction contract award to City Council in February 2025.
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Enhance Community Services and Parks for Residents				
Goal		Lead/Co-Lead	Status	Status Notes
1	Foster community cultural events & activities			
1.1	Facilitate City-sponsored events on operational basis	CMO - CS	Operational	This project is considered an operational activity. Total of eight events occurred in 2023; including City Anniversary celebration.
1.2	Consider organizational structure and external partnerships to best provide cultural events	CMO - CS	Operational	This project is considered an operational activity.
2	Completion and Implementation of the Parks Master Plan			
2.3	Advance Design of Martin Luther King, Jr. (MLK) Park expansion project	CMO - CS	On-hold	Refer to projects 2.1 and 2.2 above under "Develop and Implement a Comprehensive Facilities Plan". While in the final phase of property exchange and acquisition details, SMC informed the City they are no longer interested in swapping Beech Street for 2277 University because they don't believe 2277 University is feasible for housing. The City Manager and County Executive will have further discussions to determine next steps.
2.4	Advance design of Bell Street Park project in partnership with Magical Bridge Foundation	CMO - CS	On-hold	Plan Phase I complete and project re-scaled and considered with community outreach. Phase II - on hold to consider best program outcomes.
2.5	Consider a pilot dog park program at an existing park or under utility power lines	CMO - CS	On-hold	Due to existing restrictions at Martin Luther King Junior Park, the placement of a pilot Dog Park is unable to move forward unless public agencies agree to amendment. Staff is exploring alternative locations and will report to Council in Spring 2025.
3	Focus on youth engagement			
3.1	Consider establishing a Youth Commission and/or youth appointees to City Boards/Commissions	CMO - CS	In-Progress	The request for proposal (RFP) process has been completed and staff is in the process of interviewing vendors. Following this, staff will onboard selected vendor(s) to develop structure and elicit community feedback for the formation of a Youth governing body. To execute a robust engagement plan, it will take approximately six months. We expect to be formalizing the Youth Commission or present alternatives to Council by September 2025.
3.2	Strengthen partnerships with outside organizations for comprehensive focus on youth issues	CMO - CS	In-Progress	TOT funding has allowed staff to strengthen partnerships with organizations like Foundation for a College Education, EPACENTER, and Anamatangi Polynesian Voices. These partnerships along with other organizations like the YMCA allow us to focus comprehensively on youth issues. Staff will be seeking to engage more organizations in the coming year. Additionally, the City has launched programs like Job Shadow Day in partnerships with FCE and YCS.
4	Engage with community & partner agencies to improve educational resources/outcomes			
4.1	Explore partnerships with School District & other entities regarding potential joint use	CMO - CS	In-Progress	Staff is actively in discussion with RCSD to explore shared interests and potential financial options. Seeking shared facilities agreements with RCSD. The City received congressional funding for Ronald McNair Field which will help advance discussions. Conversations with RCSD are continuing and hope to include the soon to be completed CCRMS field. New Target Report Date: Summer 2025.
4.2	Build relationships with foundations/philanthropic organizations to identify partnerships	CMO - CS	Operational	This project is considered an operational activity.
5	Construct the Joel Davis Park restroom	PWD	Complete	Restroom construction was completed.

6	Secure Bay Trail access at Rutgers Street	CMO - CS/PWD	In-Progress	In January 2024, Public Works and Community Services staff began working with SFPUC to develop a pedestrian pathway at the Rutgers Street Bay Trail entry. The project is currently in the gate design phase, awaiting final SFPUC approval. Construction plans and specifications are expected to be completed by November 2024. MidPen is leading the project in partnership with the City of East Palo Alto. Updated plans indicate that the project is scheduled for completion in Summer 2025.
7	Implement a program that activates parks, promotes public health and public safety, similar to the FIT Zone program	PD/CMO - CS	In-Progress	The Police Department and Community Services Division staff are brainstorming ways to create opportunities that activate parks, promote public health and public safety. This likely could be greater partnership of PD personnel in summer parks activation efforts in 2025.

SOCIAL DETERMINANTS OF HEALTH (SDOH)

Sharing Understanding across Public Health & Cities

Rafael Avendano, Community Health Improvement Plan SDOH Co-lead and East Palo Alto Resident

Dr. Sharon DiPierro, Ravenswood Family Health Network

On behalf of: San Mateo County Community Health Improvement Plan Social Determinants of Health Work Group

Community Health Improvement Plan (CHIP)

OVERVIEW

- Describes advancing a shared vision to improve health and advance equity countywide
- More than 90 partners were included in the community engagement process to identify priorities and forums across 7 geographic areas in the county informed selection of 3 priorities

**SOCIAL DETERMINANTS
OF HEALTH**

**ACCESS TO
HEALTH CARE**

**MENTAL
HEALTH**

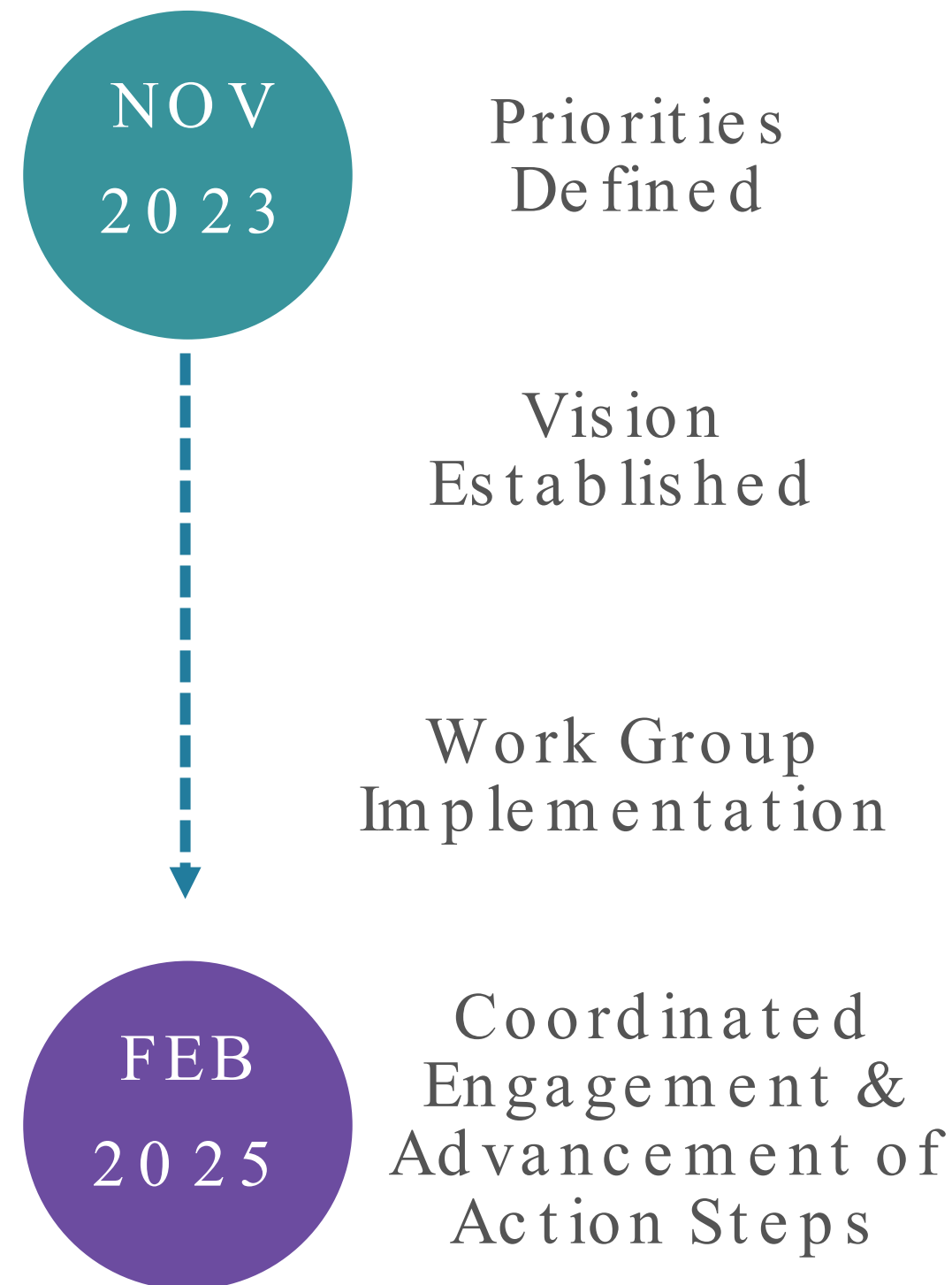
Why We're Here Today:

- To share the work of the CHIP SDOH Work Group and Countywide SDOH priorities
- To provide information and education to local cities on advancing SDOH for their residents
- To discuss the influence of SDOH policies on health outcomes for residents

Reference Pages

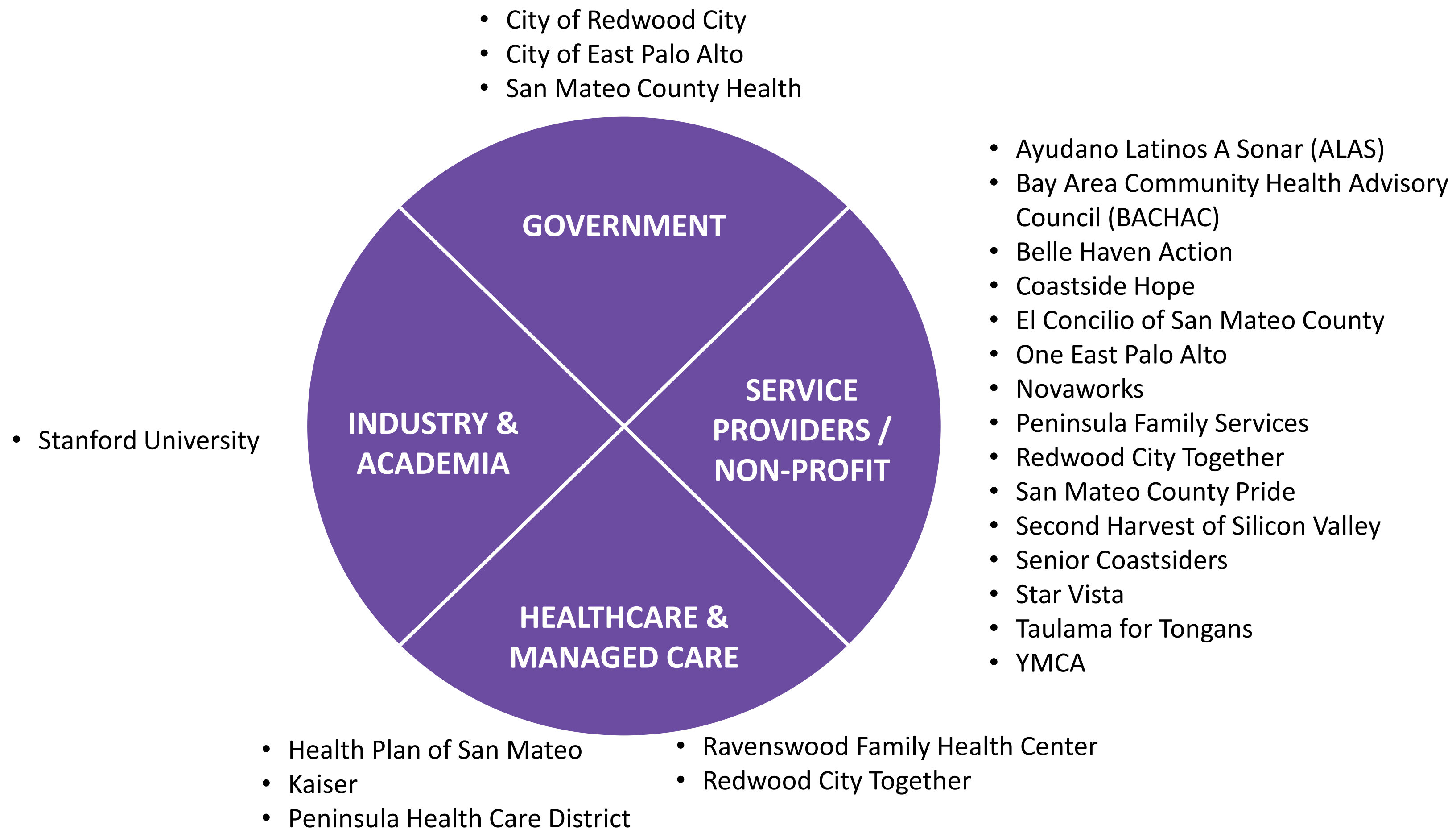
- [Public Health Policy & Planning Strategic Direction](#)
- [The CHIP Report](#)

CHIP Time line & SDOH Strategies



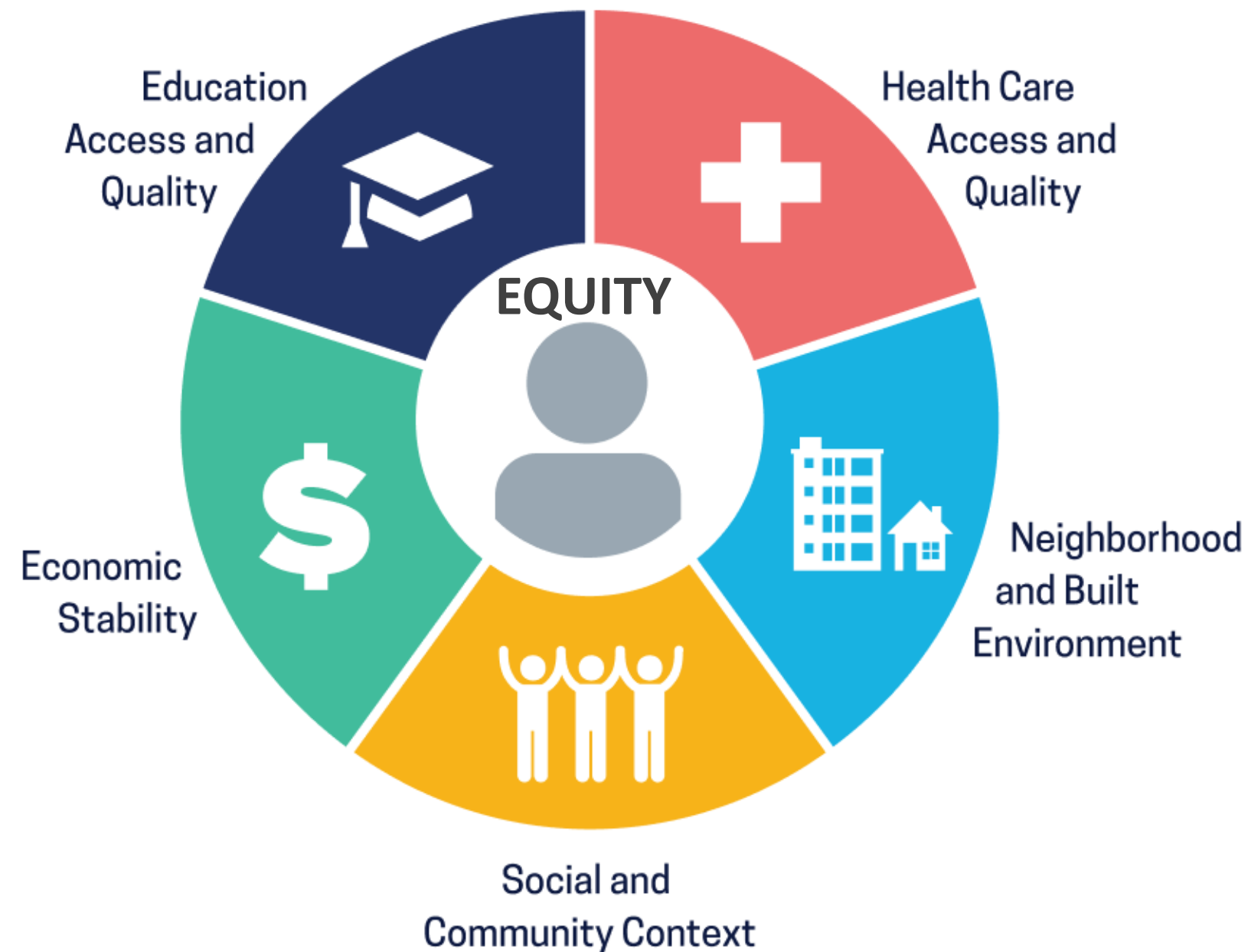
- Strategy 1: **Advocate for policies** across sectors that improve the social determinants of health
- Strategy 2: **Enhance coordination of delivery of essential services** across County and community programs

CHIP SDOH Current Participating Organizations



Social, physical and economic environments affect health

Social Determinants of Health



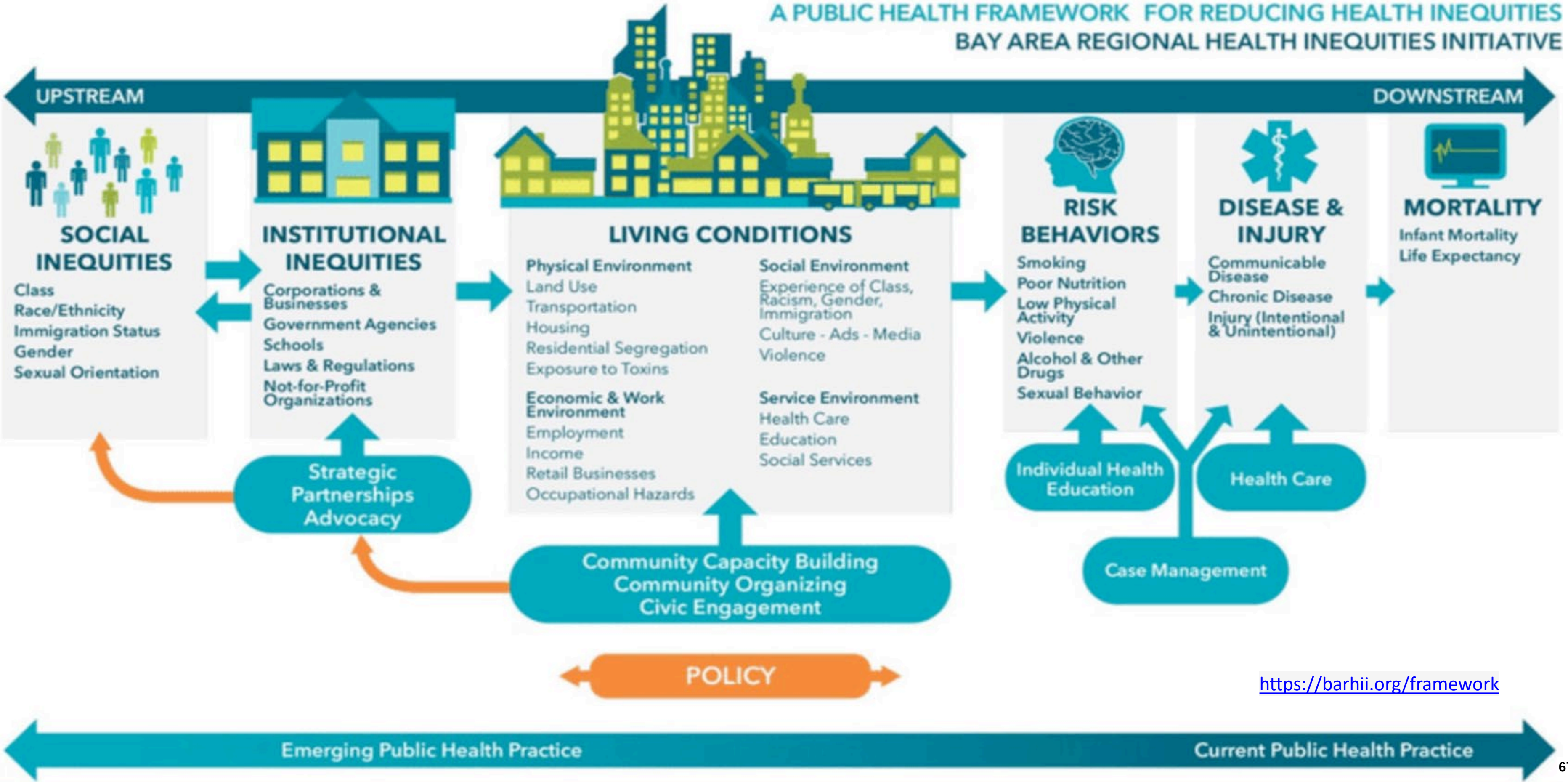
"Long-standing health inequities and poor health outcomes remain a pressing policy challenge in the U.S. Studies estimate that clinical care impacts only 20 percent of county-level variation in health outcomes, while **social determinants of health (SDOH)** affect as much as 50 percent. Within SDOH, socioeconomic factors such as poverty, employment, and education have the largest impact on health outcomes."

- US Dept of Health & Human Services ([Office of Health Policy Report, 2022](#))

Healthy People 2030 Goal:

“Create **social, physical, and economic environments** that promote attaining the full potential for health and well-being for all.”

Partnerships Inform Local Policy to Improve SDOH



<https://barhii.org/framework>

Which Policies Promote Health?



Affordable Housing Trusts



Complete Streets



Earned Sick Leave



Legal Support for Renters



Eco-Friendly Purchasing



Flavored Tobacco
Restrictions



Greenspace



Safer Alcohol Sales



Healthy Food Purchasing



Healthy Rental Housing

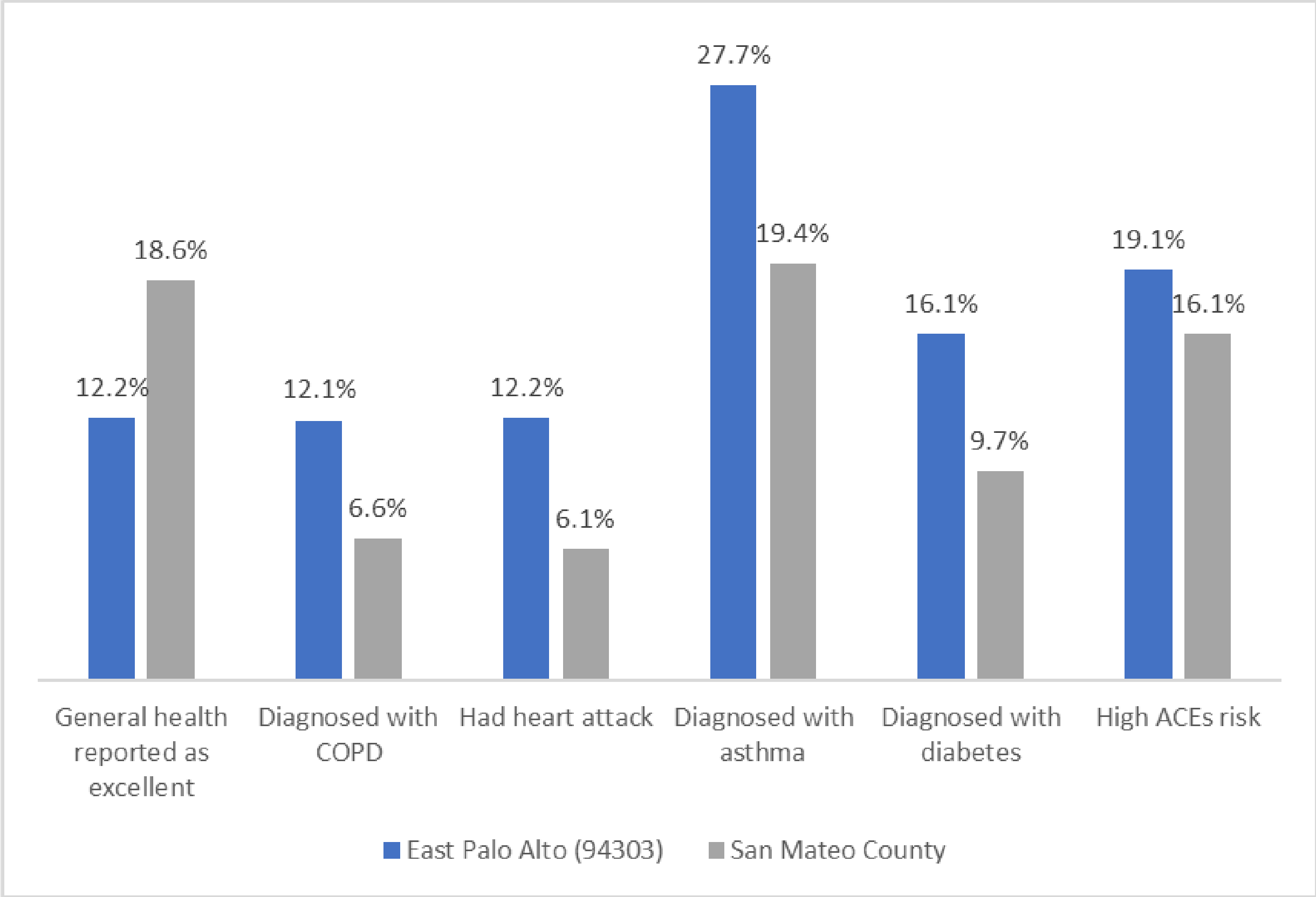


High-Quality, Accessible
Pre-K



Smoke Free Indoor Air

Health Equity By The Numbers



Health equity means that everyone has a fair and just opportunity to be as healthy as possible. This requires removing obstacles to health such as poverty, discrimination, and their consequences, including powerlessness and lack of access to good jobs with fair pay, quality education and housing, safe environments, and health care. (RWJF)

Cities provide infrastructure, services, policies and placemaking. All are critical in supporting positive health outcomes.

Organizational Partners in SMC are Advancing:

Guaranteed Income	Anchor Institution	Mariposa Program	SMC Access to Care for Everyone	Equity Ordinance
• \$300 per month for the first three years for families. • Care coordination for families will be designed using family engagement to determine services.	• SMC BOS adopted Anchor Resolution. • Anchor institutions is an economic development tool to leverage hiring opportunities and purchasing power of large employers rooted in local communities, such as local governments.	• Provides Medi-Cal, CalFresh, CalWorks, and SMC ACE recipients with free Parks Pass. • Increase utilization of SMC Parks by reducing financial barriers to accessing parks.	• San Mateo County Access and Care for Everyone is a locally funded health care program for low-income adults who do not qualify for other health insurance.	• County of San Mateo will intentionally address issues of inequity within our institution, proactively advance equity, inclusion, and promote a culture of belonging.

Education Access & Quality --- Economic Stability --- Neighborhood & Built Environment --- Healthcare Access & Quality --- Equity
SOCIAL DETERMINANTS

Cities provide infrastructure, services, policies and placemaking. All are critical in supporting positive health outcomes.

How can we collaborate to improve
SDOH for EPA residents?

Open discussion and opportunity for
council questions

Resources to Learn More

- [Public Health Policy & Planning Strategic Direction](#)
- [The CHIP Report](#)
- [San Mateo County - 2023 Community Health Needs Assessment](#)
- [Centers for Disease Control and Prevention - Healthy People 2030](#)
- [Bay Area Regional Health Inequities Framework for SDOH](#)



THANK YOU



EAST PALO ALTO SANITARY DISTRICT STAFF REPORT

DATE: February 4, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: John D. Lê, City Attorney

SUBJECT: Disclosure of Separation from Employment (Former General Manager)

Recommendation

Receive a report out of decision made in closed session

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

On December 17, 2024, the City Council in its capacity as governing board of the East Palo Alto Sanitary District, met in closed session to decide whether to separate from the former General Manager of the District, Akin Okupe.

This agenda report is made to comply with applicable law, including the Brown Act.

Analysis

Pursuant to Government Code Section 54957.1(a)(5), the City Council in its capacity as governing board of the East Palo Alto Sanitary District decided in closed session unanimously to separate from the General Manager per the terms of his employment agreement (Agreement).

Per the terms of the Agreement, the District issues the following joint statement:

JOINT PUBLIC STATEMENT

“After seven years of employment with the District and following reorganization establishing the District as a subsidiary of the City of East Palo Alto, the City Council, in its capacity as the Governing Board of the East Palo Alto Sanitary District, has decided to terminate its employment agreement with Mr. Akin Okupe. His last day of employment was January 20, 2025.”

Fiscal Impact

There is no fiscal impact for a report out from closed session. The decision to separate included a payment of severance owed and vacation accrual cashout.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a “project” pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Government Code § 84308

Applicability of Levine Act: No, as this item relates to an employment agreement of a public employee.

Analysis of Levine Act Compliance: Not applicable.



EAST PALO ALTO SANITARY DISTRICT BOARD STAFF REPORT

DATE: February 4, 2025

TO: Honorable Members of the City of East Palo Alto City Council,
Governing Board to the East Palo Sanitary District, a Subsidiary of the City of
East Palo Alto

VIA: Melvin E. Gaines, General Manager

BY: Shiri Klima, Assistant General Manager
Humza Javed, Public Works Director

SUBJECT: Adopting a Resolution Declaring the Continuation of an Emergency

Recommendation

Adopt a resolution:

1. Continuing the action regarding the emergency of the failing sewer line along southbound 101 within the Caltrans right-of-way between Willow Road and University Avenue, making findings therefor, and ordering that the facility be immediately replaced; and
2. Finding that the adopted resolution is exempt under California Code of Regulations Title 14, Chapter 3, Article 18, Section 15269 (b) and (c) of the California Environmental Quality Act (CEQA), and in Title 14, Division 6, Chapter 3, Articles 1-20, Section 15359 — Emergency.

Background

On November 15, 2023, the San Mateo Local Area Formation Commission ("LAFCo") unanimously approved the City of East Palo Alto's application requesting that the East Palo Alto Sanitary District ("EPASD") be made a subsidiary of the City of East Palo Alto ("City"). On October 1, 2024, the reorganization of the EPASD as a subsidiary of the City,

SANITARY DISTRICT CONSENT ITEM 9.2

and the City Council its governing board, became effective.

Analysis

California Public Contract Code section 20806, which applies to contracts by sanitary districts such as the EPASD, states if there is an emergency, the Board may declare that the public interest and necessity demand the immediate expenditure of EPASD funds to safeguard life, health, or property. Section 20806 further states that such expenditure may be done without public bidding by complying with Section 22050.

Section 22050—which applies both to the City and to EPASD—sets forth the procedure for an entity facing an emergency to repair or replace a public facility, take any directly related and immediate action required, and procure the necessary equipment, services, and supplies for those purposes, without bidding. The Council/ Board, or if it has delegated this authority to the City Manager or other employee, must make a finding based on substantial evidence that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency. If a person with such delegated authority orders any such action, he or she must report to the Council/Board, within seven days of the action or at the Council's next regularly scheduled meeting, the reasons justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency. Thereafter, the Council/ Board must review and continue the emergency action at every regularly scheduled meeting until the action is terminated. The Council/ Board must terminate the action at the earliest possible date that conditions warrant so the remainder of the emergency action may be completed by bidding.

Pursuant to East Palo Alto Municipal Code section 2.84.060, the City Council delegated to the City Manager (and in his absence, to any department head) the authority to order any such emergent action. Pursuant to East Palo Alto Municipal Code section 2.12.150, the City Manager has been delegated the authority to act as the General Manager of the EPASD. Taken together, the City Council, acting in its capacity as the Board of Directors of the EPASD, has delegated to the City Manager, acting in his capacity as the General Manager of the EPASD, the authority to order any such emergent action.

Upon investigation of an existing 6-inch clay sewer line, it was determined that it is failing. On January 30, 2025, the City Manager declared that this situation is an emergency because there is an urgent need to protect the environment as well as public health and safety from the consequences of the sewer line failure. The City Manager adopted a resolution to this effect, which is attached.

Thus, within seven days of the action or at the City Council's next regularly scheduled meeting, which this February 4, 2025, meeting is, the City Manager must report to the Council/ Board the reasons justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency. The City Council, acting as the EPASD Board, must then determine—and every two weeks thereafter—

SANITARY DISTRICT CONSENT ITEM 9.2

whether to continue that emergency. Pursuant to Public Contract Code section 22050, the Council must terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by bidding the work.

Fiscal Impact

There is no fiscal impact associated with the City Council adopting this resolution continuing the emergency.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The proposed action is exempt under California Code of Regulations Title 14, Chapter 3, Article 18, Section 15269 (b) and (c) of the California Environmental Quality Act (CEQA), and in Title 14, Division 6, Chapter 3, Articles 1-20, Section 15359 — Emergency because it entails repairs—replacement of a 6-inch clay sewer line along the southbound 101 between Willow Road and University Avenue—to publicly or privately owned service facilities necessary to maintain service essential to public health, safety or welfare.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatory(ies) for the agreement will likely be _____, TITLE from COMPANY. Staff is unaware of any other parties or participants relevant to the Council's consideration of this item.

Attachments

1. City Manager Resolution Declaring an Emergency
2. Proposed City Council Resolution, Continuing the Emergency

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**ACTING IN ITS CAPACITY AS THE BOARD OF DIRECTORS FOR THE EAST PALO ALTO
SANITARY DISTRICT (EPASD), CONTINUING THE ACTION REGARDING THE EMERGENCY OF
THE FAILING SEWER LINE ALONG SOUTHBOUND 101 WITHIN THE CALTRANS RIGHT-OF-
WAY BETWEEN WILLOW ROAD AND UNIVERSITY AVENUE, MAKING FINDINGS THEREFOR,
AND ORDERING THAT THE FACILITY BE IMMEDIATELY REPLACED**

WHEREAS, on January 30, 2025, pursuant to California Public Contract Code section 22050 (which applies to EPASD pursuant to Public Contract Code section 20806) and East Palo Alto Municipal Code section 2.84.060, the City Manager, acting as the General Manager of the EPASD, adopted a resolution declaring an emergency due to a failing sewer line along southbound 101 within the Caltrans right-of-way between Willow Road and University Avenue in East Palo Alto, California ("Facility"), making findings therefor, and ordering that the Facility be immediately replaced; and

WHEREAS, pursuant to Public Contract Code section 22050, if the City Manager orders this emergency action, he must report to the City Council, acting as the Board of Directors for the EPASD, within seven days or at its next regularly scheduled meeting, which this February 4, 2025, meeting is.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY
FINDS:**

1. That the recitals set forth above are true and correct and incorporated in this Resolution as if set forth in full.
2. That upon investigation of an existing 6-inch clay sewer line, it was determined that it is failing, which is an emergency within the meaning of Public Contract Code section 22050, Public Contract Code section 20806, and East Palo Alto Municipal Code section 2.84.060 because there is an urgent need to protect the environment as well as public health and safety from the consequences of the sewer line failure.
3. That the City Manager determined that the following action is necessary to respond to the emergency:
 - City staff commence immediate negotiations with a vendor to replace the sewer line.
 - Coordinate repair of the sewer line via a contractor with Caltrans' as the location is within their right of way.
4. That the reason justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency is because the existing sewer line is damaged and leaking, thereby demanding prompt replacement. Thus, the public interest and necessity demand the immediate expenditure of EPASD funds to safeguard life, health, and property.
5. That the emergency conditions have not ceased.

THUS, the City Council of the City of East Palo Alto hereby resolves, determines and orders:

- That there is a need to continue the emergency action.
- That the City Council, acting in its capacity as the Board of Directors for the EPASD, understands that in reviewing the emergency action, the Council must terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.

PASSED AND ADOPTED this 4th day of February 2025, by the following vote (which requires a 4/5 vote to pass):

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney/District Counsel

RESOLUTION NO. CMR-01-2025

**A RESOLUTION OF THE CITY MANAGER
OF THE CITY OF EAST PALO ALTO**

**ACTING AS THE CITY MANAGER AND GENERAL MANAGER OF THE EAST PALO ALTO
SANITARY DISTRICT (EPASD), DECLARING AN EMERGENCY DUE TO REPLACE A FAILING
SEWER LINE ALONG SOUTHBOUND 101 WITHIN CALTRANS RIGHT-OF-WAY BETWEEN
WILLOW ROAD AND UNIVERSITY AVENUE, MAKING FINDINGS THEREFOR, AND ORDERING
THAT THE FACILITY BE IMMEDIATELY REPLACED**

WHEREAS, pursuant to California Public Contract Code section 22050 (which applies to EPASD pursuant to Public Contract Code section 20806), in the case of an emergency, a public agency's governing board may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services and supplies for those purposes without giving notice for bids; and

WHEREAS, before a governing body takes any such action, it must make a finding, based on substantial evidence, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency; and

WHEREAS, the governing body may delegate to the to the appropriate county administrative officer, city manager, chief engineer, or other nonelected agency officer the authority to order any such action; and

WHEREAS, East Palo Alto Municipal Code section 2.84.060 states that, when an emergency exists, in the judgment of the department head or designee, which requires immediate action in the interest of public health, safety and welfare, and the City Manager or an appointed designee are not available, the department head, or designee may authorize the necessary supplies, services and equipment; and

WHEREAS, in East Palo Alto Municipal Code section 2.84.060, the City Council delegated to the City Manager (and in his absence, to any department head) the authority to order any such emergent action; and

WHEREAS, pursuant to East Palo Alto Municipal Code section 2.12.150, the City Manager has been delegated the authority to act as the General Manager of the EPASD.

NOW, THEREFORE, based on substantial evidence, the City Manager/General Manager of the City of East Palo Alto/EPASD hereby finds:

1. That the recitals set forth above are true and correct and incorporated in this Resolution as if set forth in full.
2. That upon investigation of an existing 6-inch clay sewer line, it was determined that it is failing, and that this situation is an emergency within the meaning of Public Contract Code section 22050, Public Contract Code section 20806, and East Palo Alto Municipal Code section 2.84.060 because there is an urgent need to protect the environment as well as public health and safety from the consequences of the sewer line failure.
3. That this emergency will not permit a delay resulting from a competitive solicitation for

bids because the existing sewer line is damaged and leaking, thereby demanding prompt replacement. Thus, the public interest and necessity demand the immediate expenditure of EPASD funds to safeguard life, health, and property.

4. That the following action is necessary to respond to the emergency:

- City staff commence immediate negotiations with a vendor to replace the sewer line.
- Coordinate repair of the sewer line via a contractor with Caltrans' as the location is within their right of way.

THUS, the City Manager of the City of East Palo Alto hereby resolves, determines and orders:

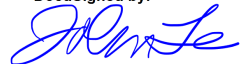
1. That the facility be immediately repaired by taking any directly related and immediate action and procuring the necessary equipment, services and supplies for those purposes, without giving notice for bids to let contracts.
2. That I shall report to the City Council at its meeting on February 4, 2025, the reasons justifying why the emergency did not permit a delay resulting from a competitive solicitation for bids and why the action was necessary to respond to the emergency.
3. That I shall inform the City Council that pursuant to both Public Contract Code section 22050 and East Palo Alto Municipal Code section 2.84.060:
 - a. The City Council must initially review the emergency action not later than seven (7) days after the action;
 - b. The City Council must continue to review the emergency action every fourteen (14) days thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action (unless I have terminated that action before the City Council reviews the emergency action and makes such a determination); and
 - c. The City Council must terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.

PASSED AND ADOPTED this 30th day of January 2025.

DocuSigned by:

4A861DD7402240E
Melvin E. Gaines,
City Manager/EPASD General Manager

APPROVED AS TO FORM:

DocuSigned by:

2E2F180D4492472...
John D. Le,
City Attorney/District Counsel



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: February 4, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Shiri Klima, Assistant City Manager

SUBJECT: Purchasing Ordinance

Recommendation

By motion:

1. Adopt a resolution electing to be subject to the Uniform Public Construction Cost Accounting Act procedures in State law; and
2. Waive the first reading and introduce an ordinance revising the purchasing procedures in the East Palo Alto Municipal Code; and
3. Adopt a resolution setting purchasing ordinance limits; and
4. Find the proposed actions do not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) in that they are related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Executive Summary

The City’s current purchasing ordinance causes delays and extra costs in procurement. To streamline the process for public projects (meaning construction and repair work), staff proposes adopting the California Uniform Public Construction Cost Accounting Act (UPCCAA) for public projects, adopting a new procurement ordinance that sets tiered bidding procedures,



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allows cooperative purchasing, delegating to the City Engineer the authority to adopt plans, specifications and working details for projects over \$220,000, and delegating to the City Manager the authority to award all public project contracts up to \$220,000.

To streamline the process for procuring supplies and equipment as well as services, the new procurement ordinance that likewise sets tiered bidding procedures, allows piggybacking and cooperative purchasing, authorizes awarding a contract to the lowest responsible bidder with the responsive bid or to the “best value” contract (as defined in the bid packet), and delegates to the City Manager the authority to award all supply, equipment and service contracts up to \$75,000.

The new procurement ordinance would delegate to the City Manager the authority to award all real property contracts up to \$1,000,000 if they are for periods of time not exceeding 5 years. The ordinance lists twenty exemptions to public bidding and three exemptions to approving a contract over the City Manager’s authority at a public meeting. Finally, the ordinance provides for exemptions to bidding or contracting due to emergencies, urgencies, and immediate needs, as those terms are defined within the ordinance. Along with the first reading of the proposed ordinance, the City Council would have to adopt a resolution electing to be subject to the UPCCAA procedures, which resolution must be sent to the State Controller, as well as a purchasing limits resolution, which actually sets the amounts in the ordinance.

Background

When constructing public projects (meaning construction and repair work, but not maintenance), the City must follow State law, which is found in the California Public Contract Code. Section 20163 of that Code requires that any public project in excess of \$5,000 must be publicly bid and awarded to the lowest responsible bidder. The cost of the engineering and administrative staff time required to develop the biddable plans, specifications and estimates (PS&E) documents and to perform the advertising and award of a publicly bid project can often exceed \$10,000. Additionally, the delay in performing sometimes low-cost projects due to bidding inhibits staff’s ability to move projects expeditiously.

The California Uniform Public Construction Cost Accounting Act (UPCCAA or the Act) was created in 1983 as an alternative bidding procedure designed to reduce costs, expedite the awards process, reduce inefficiencies, and simplify administration of smaller public projects. The UPCCAA is contained at Public Contract Code Section 22000 through 22045. The UPCCAA provides for the following alternative bidding procedures when an agency performs public project work by contract:

1. Public projects of \$75,000 or less may be performed by negotiated contract;
2. Public projects of \$220,000 or less may be let to contract by the informal bidding procedures set forth in the Act; and
3. Public projects of more than \$220,000 must be let to contract by traditional formal bidding procedures.



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These bidding limits in the UPCCAA are modified from time to time by the California Uniform Construction Cost Accounting Commission; the latest increases just became effective on January 1, 2025.

The UPCCAA also allows a public agency to perform project work with its own workforce in an amount up to \$75,000 if the public agency follows the accounting procedures set forth in the Act. These accounting procedures basically require an agency to track labor, equipment, material and overhead costs to a specific project.

Additionally, the City's current purchasing system is described in the East Palo Alto Municipal Code in Chapter 2.84, which is attached to this report. This chapter was adopted in 2011, with an amendment for recycling, compost and mulch requirements in 2021. In the past 14 years, costs for public projects, supplies and equipment, and services have increased substantially, and the ordinance is out of date. Further, it hinders staff from purchasing the materials and services we need to properly complete our work.

Analysis

Purchasing ordinances are about striking a balance between operations and controls. On one hand, it is important to be efficient, allowing staff to timely complete what you have assigned them to do. On the other hand, it is important to ensure money is being properly spent, items are being bid to ensure the lowest price, and the City is generally getting what it's paying for without fraud or malfeasance. Each city strikes that balance differently.

The UPCCAA and Procuring Public Projects

Approximately half of incorporated cities and most counties in the State have adopted the UPCCAA. The UPCCAA creates simplified bidding for smaller projects and a reduced number of formal bids that are costly to prepare. When paired with the City Engineer having authority to adopt plans and specifications, the process is further streamlined. When paired with a higher limit for City Manager contract award, this has sped up the award process.

In the attached ordinance, staff proposes a three-tiered bidding process for public projects:

- TIER 1: projects over \$5,000* and up to \$75,000: staff must obtain 3 written (including by email) bids, unless the City Manager or Finance Director waive this requirement
- TIER 2: projects over \$75,000 and up to \$220,000: notice inviting informal bids, which does not require sealed bids or other formalities, must be emailed to specific construction trade journals at least 10 days before bids are due
- TIER 3: projects over \$220,000: notice inviting formal bids, which does require sealed bids and other formalities, must be emailed to specific construction trade journals and must be published in a formal newspaper at least 15 days before bids are due

* Please note the proposed ordinance actually states: "A public project costing within a range determined by Council resolution that is not performed by force account shall require at least three written bids." The purchasing limits resolution actually defines that range as over \$5,000



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and up to \$75,000. This is done intentionally, and it is done with all the other dollar figures in the ordinance, such that amounts can be updated easily in the future.

For Tier 3 projects, where the Council has in the past had to adopt plans, specifications and working details, the City Engineer will have such authority delegated to him or her. Also, the City must award public project contracts per the UPCCAA to the lowest responsible bidder with the responsive bid, meaning staff cannot arbitrarily select a more expensive bidder.

With respect to contract award, staff surveyed eight cities (Lathrop, Banning, Suisun City, Atascadero, Monterey, Santa Paula, San Carlos, and Saratoga) closest in population to the City of East Palo Alto; Monterey sets the limit at \$150,000, while the other seven cities set the limit at \$200,000 if they haven't yet included the January 1st amendment (but we anticipate they will soon update this limit) or \$220,000 if they have. Staff also recommends in this ordinance that the City Manager have authority to award all public project contracts in Tiers 1 and 2 – so up to \$220,000 – while Tier 3 projects would still require Council approval.

The City Manager would have authority to approve and execute any task order (defined as a written order by the City to the contractor directing work within the scope of the agreement, issued after the effective date of the agreement) provided the total value of the task order, when combined with all other task orders on the project, does not exceed the total contract value. He or she would also have the authority to award and execute any change order (defined as a written order by the City to the contractor directing an addition, deletion, or revision in the work, an adjustment to the contract price, or an adjustment to the contract time, any of which are issued after the effective date of the agreement to address an unforeseen circumstance) to a public project contract, provided the cumulative total of all change orders does not exceed the contract plus contingency amount.

Purchasing Supplies and Equipment as well as Services

Supplies and equipment include anything that does not require special installation, anything someone without training or expertise could plug in or attach, such as office supplies, body worn cameras, software, food and beverages, chemicals for utilities, and printers and scanners. Services include professional services, such as accounting, auditing, consulting, engineering, architecture, planning, and attorneys, as well as trade services, such as janitorial/custodial services, security, and landscape maintenance.

Tracking state law for public projects, the proposed ordinance prohibits requests for bids to specify supplies and equipment by particular brand or trade names, but rather must allow for generic or alternative options, in order to keep the prices low. There are four exemptions: to conduct a field test or experiment to assess the suitability of supplies or equipment for future use; to match supplies or equipment already in use on a project, either completed or in progress, or for a service already provided or being provided; to acquire supplies or equipment that are only available from only one source; or to respond to an emergency declared by the City, the State, a State agency, a political subdivision, or the federal government.



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The proposed ordinance preserves from the prior ordinance the reference to state law requiring the purchase of recycled products instead of non-recycled products whenever available at the same or lesser cost, if fitness and quality are equal. Also preserved from the prior ordinance is the requirement that providers of compost or mulch meet other City Code requirements.

In the attached ordinance, staff proposes a three-tiered bidding process for supplies, equipment and services that is similar, but not identical to, the three-tiered bidding process for public projects:

- TIER 1: items or services over \$5,000 and up to \$75,000: staff must obtain 3 written (could be emailed) bids, unless the City Manager or Finance Director waive this requirement
- TIER 2: items or services over \$75,000 and up to \$220,000: notice inviting informal bids, which does not require sealed bids or other formalities, must be emailed to any relevant trade journals at least 10 days before bids are due
- TIER 3: items or services over \$220,000: notice inviting formal bids, which does require sealed bids and other formalities, must be emailed to any relevant trade journals at least 15 days before bids are due

For supplies, equipment and services (but not for public projects), the proposed ordinance allows piggybacking; this means utilizing another agency's competitive bid process if the vendor agrees to extend the same price and terms to the City. For any of these or for public projects, cooperative purchasing is allowed, whereby multiple government agencies, cooperative entities, or jurisdictions enter into a contract to procure from each other or to collectively procure a contractor.

For supplies, equipment, and services, the City could award a contract the lowest responsible bidder with the responsive bid, or to the "best value," which would be defined in the bid packet. This latter option enables staff to recommend award of a pricier product or service when there is justification for doing so. In the case of certain professional services, such as architectural, engineering, and land surveying, Government Code section 4526 does not allow the City to select only based on price; the City may consider price, but it must award a contract on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required.

With respect to contract award, the eight cities closest in population to the City of East Palo Alto allow their City Managers to authorize contracts ranging from \$25,000 to \$100,000. Staff recommends in this ordinance that the City Manager have authority to award all supply, equipment and service contracts in Tier 1 – so up to \$75,000 – while Tier 2 and 3 projects would still need Council approval.

Just as in public projects, the City Manager would have authority to approve and execute any task order provided the total value of the task order, when combined with all other task orders on the project, does not exceed the total contract value. He or she would also have the



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authority to award and execute any change order to a public project contract, provided the cumulative total of all change orders does not exceed the contract plus contingency amount.

Real Property

The proposed ordinance allows the City Manager to award and execute contracts for the rental, lease, or license of real property up to an annual authorization limit of \$1,000,000, provided such contracts are for periods of time not exceeding five years, unless otherwise authorized by law or City policy. The City's lease with the County for City Hall at 2415 University Avenue currently costs \$16,596.42 per month, which amounts to just under \$1,000,000, for a five-year term.

Standard Exemptions to Bidding and to Contracting

The new ordinance proposes exemptions to public bidding, meaning types of contracts or purchase orders that do not require any competitive bids or proposals. This list includes contracts unrelated to the procurement of public projects, supplies, equipment or services; costs related to advertising; bank service fees; government printed publications; common carrier transportation; travel payments; insurance; memberships in professional organizations; credit card payments; contracts with other governmental entities; permit fees; postage and United States postal service fees; real property transactions; subscriptions to publications; utility payments; voting materials and election expenses; exemptions established by law; legal brief printing and transcription services; legal services; and confidential police matters.

The new ordinance also proposes three exemptions to the contract award limits listed above. First, the City Attorney may award and execute purchase orders, contracts, or task orders for legal services, including services related to legal matters, provided by outside counsel, investigators, consultants, or other experts needed for litigation or administrative proceedings, up to an annual authorization amount of \$100,000; beyond that amount, the contract may be awarded and executed jointly by the City Attorney and the most senior available member of the City Council. Second, the City Manager may award and execute purchase orders, contracts, or task orders related to confidential, ongoing police investigations or other confidential police matters, up to \$75,000; beyond that amount, the award and execution may be jointly made by the City Manager and the most senior available member of the City Council. Third, the City Manager, with the concurrence of the City Attorney, may award and execute a severance or settlement agreement up to \$50,000.

Exemptions to Bidding or Contracting Due to Emergencies, Urgencies and Immediate Needs

State law is strict about when bidding may be dispensed with for a public project. According to Public Contract Code section 22050 and Government Code section 8558, an emergency is defined as a fire, flood, storm, epidemic, riot, drought, cyberterrorism, sudden and severe energy shortage, plant or animal infestation or disease, earthquake, or other such dire circumstance where repair or replacements are necessary. In such a situation, the Council must make findings based on substantial evidence that the emergency will not permit a delay



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resulting from a competitive solicitation for bids and that the action is necessary to respond to the emergency.

The Council may delegate this authority to declare an emergency for bidding purposes to the City Manager, which the recommended ordinance does, but in any case the Council must review the emergency action regularly thereafter and terminate the action at the earliest possible date that conditions warrant such that the remainder of the work may be completed by giving notice for bids to let contracts.

State law is silent on when bidding may be dispensed with for supplies, equipment and services. The proposed ordinance provides that the City Manager, at his or her discretion, may waive the requirement for bidding for supplies, equipment and services when obtaining bids is not feasible due to the urgent nature of the situation and when public interest and necessity require immediate expenditure of public funds to protect life, health, or property, or to mitigate substantial economic losses.

Additionally, for supplies, equipment and services, there may be cases where the City Council is not in session (e.g., on a weekend, or in August) where the City Manager determines there is an immediate need to award a purchase order, contract, change order or task order that otherwise require City Council approval. In such a circumstance, the City Manager and the most senior available City Council member can execute the document collectively. However, staff must place the jointly approved document on the agenda for ratification at one of the next three regular City Council meetings. If ratification is denied, the authority to perform work under that document will automatically terminate.

Fiscal Impact

This ordinance amendment requires no new budgetary appropriation.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The proposed action does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.



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Attachments:

1. Resolution electing to be subject to the UPCCAA procedures
2. Proposed Ordinance
3. Resolution setting purchasing limits
4. State Law – the UPCCAA
5. Existing Purchasing Ordinance

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
SETTING PURCHASING ORDINANCE LIMITS**

WHEREAS, on February 4, 2025, the City of East Palo Alto introduced a new purchasing ordinance; and

WHEREAS, within that purchasing ordinance are references to a resolution or resolutions adopted by the City Council that will set certain limits, such as the Tier 1, 2 and 3 project amounts that distinguish bidding requirements; and

WHEREAS, this purchasing ordinance also requires that the City Council delegate by resolution or resolutions various authorization limits, such as the City Manager's authorization to award and execute public project (meaning construction or repair) procurement contracts or purchase orders up to a certain amount; and

WHEREAS, this resolution sets such limits.

NOW, THEREFORE, the City Council of the City of East Palo Alto hereby resolves:

Section 1. The City Council finds that the facts set forth in this resolution are true and correct.

Section 2. Pursuant to Section 2.84.060(C) of the East Palo Alto Municipal Code (Municipal Code), the City Attorney may award and execute purchase orders, contracts, or task orders for legal services, including services related to legal matters, provided by outside counsel, investigators, consultants, or other experts needed for litigation or administrative proceedings, up to an authorization up to \$100,000. If the total contract amount exceeds this authorization, the contract may be awarded and executed jointly by the City Attorney and the most senior available member of the City Council.

Section 3. Pursuant to Section 2.84.060(D) of the Municipal Code, the City Manager may award and execute purchase orders, contracts, or task orders related to confidential, ongoing police investigations or other confidential police matters, up to \$75,000. For contracts exceeding this amount, the award and execution may be jointly made by the City Manager and the most senior available member of the City Council.

Section 4. Pursuant to Section 2.84.060(E) of the Municipal Code, the City Manager, with the concurrence of the City Attorney, may award and execute a severance or settlement agreement up to \$50,000.

Section 5. Pursuant to Section 2.84.120 of the Municipal Code, a public project costing more than \$5,000, and up to \$75,000, that is not performed by force account shall require at least three written bids.

Section 6. Pursuant to Section 2.84.130(A) of the Municipal Code, a public project costing more than \$75,000, and up to \$220,000 shall be subject to the informal bidding procedures set forth in California Public Contract Code Section 22034. Notice shall be provided in accordance with Section 22034(a)(2) of the California Public Contract Code, which says the City must mail, fax, or email a notice inviting informal bids to all construction trade journals required by the State.

Section 7. Pursuant to Section 2.84.130(B) of the Municipal Code, if all bids received exceed \$220,000, the City Council may, by adoption of a resolution by a four-fifths vote, award the contract up to \$235,000, provided the Council determines the City's cost estimate was reasonable and that the lowest responsible bidder is awarded the contract.

Section 8. Pursuant to Section 2.84.140(A) of the Municipal Code, a public project exceeding \$220,000 shall be bid out using the formal bidding procedures set forth in California Public Contract Code Section 22037.

Section 9. Pursuant to Section 2.84.170 of the Municipal Code, except for a contract related to an exemption listed in Section 2.84.060, the City Manager may award and execute procurement contracts or purchase orders for public projects up to \$220,000.

Section 10. Pursuant to Section 2.84.320 of the Municipal Code, supplies or equipment costing more than \$5,000 and up to \$75,000 shall require at least three written bids.

Section 11. Pursuant to Section 2.84.330(A) of the Municipal Code, supplies or equipment costing more than \$75,000 and up to \$220,000 shall be subject to informal bidding procedures, which must be posted or published by the City, and sent to any relevant trade journals, not less than 10 calendar days before bids are due.

Section 12. Pursuant to Section 2.84.330(B) of the Municipal Code, if all bids received exceed \$220,000, the City Council may, by adoption of a resolution by a four-fifths vote, award the contract up to \$235,000, provided the Council determines the City's cost estimate was reasonable and that the lowest responsible bidder or best value bidder is awarded the contract.

Section 13. Pursuant to Section 2.84.340 of the Municipal Code, supplies or equipment exceeding \$220,000 shall be subject to formal bidding procedures, which

must be posted or published by the City, and sent to any relevant trade journals, not less than 15 calendar days before bids are due.

Section 14. Pursuant to Section 2.84.380 of the Municipal Code, except for a contract related to an exemption listed in Section 2.84.060, the City Manager may award and execute procurement contracts or purchase orders for supplies or equipment up to \$75,000.

Section 15. Pursuant to Section 2.84.530 of the Municipal Code, services costing more than \$5,000 and up to \$75,000 shall require at least three written bids.

Section 16. Pursuant to Section 2.84.540(A) of the Municipal Code, services costing more than \$75,000 and up to \$220,000 shall be subject to informal bidding procedures, which must be posted or published by the City, and sent to any relevant trade journals, not less than 10 calendar days before bids are due.

Section 17. Pursuant to Section 2.84.540(B) of the Municipal Code, if all bids received exceed \$220,000, the City Council may, by adoption of a resolution by a four-fifths vote, award the contract up to \$235,000, provided the Council determines the City's cost estimate was reasonable and that the lowest responsible bidder or best value bidder is awarded the contract.

Section 18. Pursuant to Section 2.84.550 of the Municipal Code, services exceeding \$220,000 shall be subject to formal bidding procedures, which must be posted or published by the City, and sent to any relevant trade journals, not less than 15 calendar days before bids are due.

Section 19. Pursuant to Section 2.84.580 of the Municipal Code, except for a contract related to an exemption listed in Section 2.84.060, the City Manager may award and execute procurement contracts or purchase orders for services up to \$75,000.

Section 20. Pursuant to Section 2.84.790 of the Municipal Code, the City Manager may award and execute contracts for the rental, lease, or license of real property up to an authorization limit of \$1,000,000. Such contracts may be for periods of time not exceeding five years, unless otherwise authorized by law or City policy.

Section 21. The City Council finds that the proposed action does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

(vote tally and signatures on next page)

PASSED AND ADOPTED at a regular City Council meeting held on February 4, 2025,
by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Signed:

Martha Barragan, Mayor

ATTEST:

Approved as to form:

James Colin, City Clerk

John D. Lê, City Attorney

Code: Section: [Up^](#) [Add To My Favorites](#)**PUBLIC CONTRACT CODE - PCC****DIVISION 2. GENERAL PROVISIONS [1100 - 22355]** (*Division 2 enacted by Stats. 1981, Ch. 306.)***PART 3. CONTRACTING BY LOCAL AGENCIES [20100 - 22199]** (*Part 3 added by Stats. 1982, Ch. 465, Sec. 11.)***CHAPTER 2. Bidding on Public Contracts [22000 - 22045]** (*Chapter 2 added by Stats. 1983, Ch. 1054, Sec. 1.)***ARTICLE 1. Legislative Intent and Definitions [22000 - 22003]** (*Article 1 added by Stats. 1983, Ch. 1054, Sec. 1.)*

22000. This chapter shall be known and may be cited as the "Uniform Public Construction Cost Accounting Act."
(*Added by renumbering Section 21000 (as added by Stats. 1983, Ch. 1054) by Stats. 1986, Ch. 1019, Sec. 37.*)

22001. The Legislature finds and declares that there is a statewide need to promote uniformity of the cost accounting standards and bidding procedures on construction work performed or contracted by public entities in the state. This chapter provides for the development of cost accounting standards and an alternative method for the bidding of public works projects by public entities.

(*Added by renumbering Section 21001 (as added by Stats. 1983, Ch. 1054) by Stats. 1986, Ch. 1019, Sec. 38.*)

22001.5. On or before January 1, 2009, the Controller shall send a notice to all public agencies describing the provisions of this chapter and the benefits of using its provisions. This notice shall also be included in any notification issued by the Controller pursuant to Section 22020.

(*Added by Stats. 2007, Ch. 144, Sec. 1. Effective January 1, 2008.*)

22002. (a) "Public agency," for purposes of this chapter, means a city, county, city and county, including chartered cities and chartered counties, any special district, and any other agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Public agency" also includes a nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.

(b) "Representatives of the construction industry" for purposes of this chapter, means a general contractor, subcontractor, or labor representative with experience in the field of public works construction.

(c) "Public project" means any of the following:

(1) Construction, reconstruction, erection, alteration, renovation, improvement, demolition, installation, and repair work involving any publicly owned, leased, or operated facility.

(2) Painting or repainting of any publicly owned, leased, or operated facility.

(3) In the case of a publicly owned electric utility system, "public project" shall include only the construction, erection, improvement, or repair of dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

(d) "Public project" does not include maintenance work. For purposes of this section, "maintenance work" includes all of the following:

(1) Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.

(2) Minor repainting.

(3) Resurfacing of streets and highways at less than one inch.

(4) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.

(5) Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

(e) For purposes of this chapter, "facility" means any plant, building, structure, ground facility, utility system, subject to the limitation found in paragraph (3) of subdivision (c), real property, streets and highways, or other public work improvement.

(Amended by Stats. 2024, Ch. 953, Sec. 1. (AB 2192) Effective January 1, 2025.)

22003. A public agency which has, by resolution, elected to become subject to the uniform construction cost accounting procedures set forth in Article 2 (commencing with Section 22010), may utilize the bidding procedures set forth in Article 3 (commencing with Section 22030) when contracting for "maintenance work," as defined in Section 22002, or when contracting for any other work which does not fall within the definition of "public project," as defined in Section 22002.

(Added by Stats. 1989, Ch. 241, Sec. 1.)

Code: Section: [Up^](#) [Add To My Favorites](#)**PUBLIC CONTRACT CODE - PCC****DIVISION 2. GENERAL PROVISIONS [1100 - 22355]** (*Division 2 enacted by Stats. 1981, Ch. 306.)***PART 3. CONTRACTING BY LOCAL AGENCIES [20100 - 22199]** (*Part 3 added by Stats. 1982, Ch. 465, Sec. 11.)***CHAPTER 2. Bidding on Public Contracts [22000 - 22045]** (*Chapter 2 added by Stats. 1983, Ch. 1054, Sec. 1.)***ARTICLE 2. California Uniform Construction Cost Accounting Commission [22010 - 22020]** (*Article 2 added by Stats. 1983, Ch. 1054, Sec. 1.)*

22010. There is hereby created the California Uniform Construction Cost Accounting Commission. The commission is comprised of 14 members.

(a) Thirteen of the members shall be appointed by the Controller as follows:

(1) Two members who shall each have at least 10 years of experience with, or providing professional services to, a general contracting firm engaged, during that period, in public works construction in California.

(2) Two members who shall each have at least 10 years of experience with, or providing professional services to, a firm or firms engaged, during that period, in subcontracting for public works construction in California.

(3) Two members who shall each be a member in good standing of, or have provided professional services to, an organized labor union with at least 10 years of experience in public works construction in California.

(4) Seven members who shall each be experienced in, and knowledgeable of, public works construction under contracts let by public agencies; two each representing cities, counties, respectively, and two members representing school districts, and one member representing a special district. At least one of the two county representatives shall be a county auditor or his or her designee.

(b) The member of the Contractors' State License Board who is a general engineering contractor as that term is defined in Section 7056 of the Business and Professions Code shall serve as an ex officio voting member.

(Amended by Stats. 2015, Ch. 269, Sec. 24. (SB 184) Effective January 1, 2016.)

22011. The Controller, in an effort to select highly qualified commission members, shall solicit from organized representatives of the construction industry and public agencies recommendations for appointments to the commission.

(Added by renumbering Section 21101 (as added by Stats. 1983, Ch. 1054) by Stats. 1986, Ch. 1019, Sec. 41.)

22012. At least one commission member of the seven representing the construction industry and at least one of the seven representing public agencies shall have previous accounting experience.

(Amended by Stats. 2003, Ch. 296, Sec. 27. Effective January 1, 2004.)

22013. The commission members shall select a chairperson from among its membership. The chairperson shall serve as chair for a term of two years from the date of selection. In no event shall two consecutive chairpersons be appointees representing either the construction industry or public agencies.

(Amended by Stats. 2011, Ch. 110, Sec. 1. (AB 943) Effective January 1, 2012.)

22014. (a) The members of the commission shall hold office for terms of three years, and until their successors are appointed.

- (b) Members may be reappointed, by the Controller, for subsequent terms of three years.
 - (c) The Controller may appoint a successor for any commissioner after his or her three-year term expires.
 - (d) The Controller shall, within 120 days, appoint a replacement to fill any vacancy on the commission.
- (Amended by Stats. 2015, Ch. 269, Sec. 25. (SB 184) Effective January 1, 2016.)*

22015. (a) The Controller shall make available for the conduct of the commission's business, such staff and other support as does not conflict with the accomplishment of the other business of the office of the Controller.

(b) Each member of the commission shall serve without compensation, but shall be reimbursed for travel and other expenses necessarily incurred in the performance of the member's duties. Reimbursement rates shall conform to the Controller's travel guideline rates.

(c) The commission may accept grants from federal, state, or local public agencies, or from private foundations or individuals, in order to assist it in carrying out its duties, functions, and powers under this chapter.

(Amended by Stats. 2015, Ch. 269, Sec. 26. (SB 184) Effective January 1, 2016.)

22016. The commission shall meet not less than once each year, at a time and place chosen by its membership.

(Added by renumbering Section 21106 by Stats. 1986, Ch. 1019, Sec. 46.)

22017. The commission shall do all of the following:

(a) After due deliberation and study, recommend for adoption by the Controller, uniform construction cost accounting procedures for implementation by public agencies in the performance of, or in contracting for, construction on public projects. The procedures shall, to the extent deemed feasible and practicable by the commission, incorporate, or be consistent with construction cost accounting procedures and reporting requirements utilized by state and federal agencies on public projects, and be uniformly applicable to all public agencies which elect to utilize the uniform procedures. As part of its deliberations and review, the commission shall take into consideration relevant provisions of the Office of Management and Budget Circular A-76, as periodically revised.

(b) After due deliberation and study, recommend for adoption by the Controller cost accounting procedures designed especially for implementation by California cities with a population of less than 75,000. The procedures shall incorporate cost accounting and reporting requirements deemed practicable and applicable to all cities under 75,000 population which elect to utilize the uniform procedures. For purposes of these cost accounting procedures, the following shall apply:

(1) Cities with a population of less than 75,000 shall assume an overhead rate equal to 20 percent of the total costs of a public project, including the costs of material, equipment, and labor.

(2) Cities with a population of more than 75,000 may either calculate an actual overhead rate or assume an overhead rate equal to 30 percent of the total costs of a public project, including the costs of material, equipment, and labor.

(c) Recommend for adoption by the Controller, procedures and standards for the periodic evaluation and adjustment, as necessary, of the monetary limits specified in Section 22032.

(d) The commission shall make an annual report to the Legislature with respect to its activities and operations, together with those recommendations as it deems necessary.

(Amended by Stats. 2015, Ch. 269, Sec. 27. (SB 184) Effective January 1, 2016.)

22018. The Controller shall, upon receipt of the commission's recommendations, review and evaluate the recommended procedures and either formally adopt or reject the recommended procedures within 90 days of submission by the commission.

(Added by renumbering Section 21108 by Stats. 1986, Ch. 1019, Sec. 48.)

22019. Upon determining that the recommended uniform construction cost accounting procedures will serve the best interests of the state and public agencies, and upon formal adoption by the Controller, the Controller shall promulgate the uniform procedure for all public agencies electing to participate, together with instructions for their adoption and implementation by any public agency.

(Added by renumbering Section 21109 by Stats. 1986, Ch. 1019, Sec. 49.)

22020. In accordance with procedures and standards adopted pursuant to Section 22017, every five years the commission shall consider whether there have been material changes in public construction costs and make recommendations to the Controller regarding adjustments in the monetary limits prescribed by Section 22032, but in no case shall the amount, as adjusted, be less than fifteen thousand dollars (\$15,000). The Controller shall notify all participating public agencies of the adjustment prior to the effective date. That notification shall also describe the provisions of this chapter and the benefits of using its provisions.

(Amended by Stats. 2018, Ch. 169, Sec. 1. (AB 2249) Effective January 1, 2019.)

Code: Section: [Up^](#) [Add To My Favorites](#)**PUBLIC CONTRACT CODE - PCC****DIVISION 2. GENERAL PROVISIONS [1100 - 22355]** (Division 2 enacted by Stats. 1981, Ch. 306.)**PART 3. CONTRACTING BY LOCAL AGENCIES [20100 - 22199]** (Part 3 added by Stats. 1982, Ch. 465, Sec. 11.)**CHAPTER 2. Bidding on Public Contracts [22000 - 22045]** (Chapter 2 added by Stats. 1983, Ch. 1054, Sec. 1.)**ARTICLE 3. Public Projects: Alternative Procedure [22030 - 22045]** (Article 3 added by Stats. 1983, Ch. 1054, Sec. 1.)

22030. (a) This article applies only to a public agency whose governing board has by resolution elected to become subject to the uniform construction cost accounting procedures set forth in Article 2 (commencing with Section 22010) and which has notified the Controller of that election. In the event of a conflict with any other provision of law relative to bidding procedures, this article shall apply to any public agency which has adopted a resolution and so notified the Controller.

(b) A county, whether general law or charter, containing a population of less than 500,000 may award individual annual contracts as provided in Section 20128.5.

(Amended by Stats. 2015, Ch. 269, Sec. 28. (SB 184) Effective January 1, 2016.)

22031. (a) Prior to January 1, 2013, this article shall not prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1.

(b) On or after January 1, 2013, this article shall not prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1 for both of the following:

(1) Maintenance and emergency work.

(2) New road construction and road reconstruction as long as the total value of the new road construction and the road reconstruction performed under the procedures set forth in subdivision (c) of Section 20395 during a fiscal year does not exceed 30 percent of the total value of all work performed by force account other than maintenance as reported in the Controller's Streets and Roads Annual Report as of March 1 of each year prior to the fiscal year.

(c) The value of force account work necessary to facilitate capital projects for the purpose of contracting to the private sector, including design, engineering, inspection, testing, and other force account work necessary to administer private contracts, shall be excluded from the 30-percent limit in subdivision (b).

(d) The value of force account work necessary to facilitate projects performed by county employees, including design, engineering, inspection, testing, and other force account work necessary to administer work performed under subdivision (b), shall apply to the 30-percent limit in subdivision (b).

(e) On or after January 1, 2013, for a county with a population of less than 50,000, this article shall not prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1.

(f) The requirements set forth in Section 22038 shall apply to any county subject to this section.

(g) Any county board of supervisors or county road commissioner acting pursuant to the authority granted in paragraph (2) of subdivision (b) shall publicly declare its intention to use this authority prior to commencing work. The public declaration may be on a project-by-project basis, via a list of anticipated projects for the fiscal year, or via a list that may be included in the county's annual budget.

(Amended by Stats. 2014, Ch. 345, Sec. 3. (AB 2752) Effective January 1, 2015.)

22032. (a) Public projects of seventy-five thousand dollars (\$75,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.

(b) Public projects of two hundred twenty thousand dollars (\$220,000) or less may be let to contract by informal procedures as set forth in this article.

(c) Public projects of more than two hundred twenty thousand dollars (\$220,000) shall, except as otherwise provided in this article, be let to contract by formal bidding procedure.

(Amended by Stats. 2024, Ch. 953, Sec. 2. (AB 2192) Effective January 1, 2025.)

22033. It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of this article requiring work to be done by contract after competitive bidding.

(Added by renumbering Section 21203 (as added by Stats. 1983, Ch. 1054) by Stats. 1986, Ch. 1019, Sec. 54.)

22034. Each public agency that elects to become subject to the uniform construction accounting procedures set forth in Article 2 (commencing with Section 22010) shall enact an informal bidding ordinance to govern the selection of contractors to perform public projects pursuant to subdivision (b) of Section 22032. The ordinance shall include all of the following:

(a) Notice to contractors shall be provided in accordance with either paragraph (1) or (2), or both.

(1) The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission. All contractors on the list for the category of work being bid shall be mailed, faxed, or emailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors pursuant to this subdivision shall be completed not less than 10 calendar days before bids are due.

(2) The public agency may elect to mail, fax, or email a notice inviting informal bids to all construction trade journals specified in Section 22036.

(b) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.

(c) The governing body of the public agency may delegate the authority to award informal contracts to the public works director, general manager, purchasing agent, or other appropriate person.

(d) If all bids received are in excess of two hundred twenty thousand dollars (\$220,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred thirty-five thousand dollars (\$235,000) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

(Amended by Stats. 2024, Ch. 953, Sec. 3. (AB 2192) Effective January 1, 2025.)

22035. (a) In cases of emergency when repair or replacements are necessary, the governing body may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the governing body, by contractor, or by a combination of the two.

(b) In case of an emergency, if notice for bids to let contracts will not be given, the public agency shall comply with Chapter 2.5 (commencing with Section 22050).

(Repealed and added by Stats. 1994, Ch. 803, Sec. 87. Effective January 1, 1995.)

22035.5. In counties that are under court order to relieve justice facility overcrowding, the procedures and restrictions specified in Section 20134 shall apply to all contracts issued under this chapter.

(Added by Stats. 1991, Ch. 993, Sec. 1.)

22036. The commission shall determine, on a county-by-county basis, the appropriate construction trade journals which shall receive mailed, faxed, or emailed notice of all informal and formal construction contracts being bid for work within the specified county.

(Amended by Stats. 2015, Ch. 269, Sec. 30. (SB 184) Effective January 1, 2016.)

22037. Notice inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The notice shall be published at least 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the public agency; or, if there is no newspaper printed and published within the jurisdiction of the public agency, in a newspaper of general circulation which is circulated within the jurisdiction of the public agency, or, if there is no newspaper which is circulated within the jurisdiction of the public agency, publication shall be by posting the notice in at least three places within the jurisdiction of the public agency as have been designated by ordinance or regulation of the public agency as places for the posting of its notices. The notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail and mailed to all construction trade journals specified in Section 22036. The notice shall be sent at least 15 calendar days before the date of opening the bids. In addition to notice required by this section, the public agency may give such other notice as it deems proper.

(Amended by Stats. 2010, Ch. 62, Sec. 1. (AB 2184) Effective January 1, 2011.)

22038. (a) In its discretion, the public agency may reject any bids presented, if the agency, prior to rejecting all bids and declaring that the project can be more economically performed by employees of the agency, furnishes a written notice to an apparent low bidder. The notice shall inform the bidder of the agency's intention to reject the bid and shall be mailed at least two business days prior to the hearing at which the agency intends to reject the bid. If after the first invitation of bids all bids are rejected, after reevaluating its cost estimates of the project, the public agency shall have the option of either of the following:

(1) Abandoning the project or readvertising for bids in the manner described by this article.

(2) By passage of a resolution by a four-fifths vote of its governing body declaring that the project can be performed more economically by the employees of the public agency, may have the project done by force account without further complying with this article.

(b) If a contract is awarded, it shall be awarded to the lowest responsible bidder. If two or more bids are the same and the lowest, the public agency may accept the one it chooses.

(c) If no bids are received through the formal or informal procedure, the project may be performed by the employees of the public agency by force account, or negotiated contract without further complying with this article.

(Amended by Stats. 2003, Ch. 296, Sec. 29. Effective January 1, 2004.)

22039. The governing body of the participating public agency or its designated representative shall adopt plans, specifications, and working details for all public projects exceeding the amount specified in subdivision (c) of Section 22032.

(Amended by Stats. 2024, Ch. 953, Sec. 4. (AB 2192) Effective January 1, 2025.)

22040. Any person may examine the plans, specifications, or working details, or all of these, adopted by the public agency for any project.

(Added by renumbering Section 21210 (as added by Stats. 1983, Ch. 1054) by Stats. 1986, Ch. 1019, Sec. 62.)

22041. This article does not apply to the construction of any public building used for facilities of juvenile forestry camps or juvenile homes, ranches, or camps established under Article 15 (commencing with Section 880) of Chapter 2 of Part 1 of Division 2 of the Welfare and Institutions Code, if a major portion of the construction work is to be performed by wards of the juvenile court assigned to those camps, ranches, or homes.

(Added by renumbering Section 21211 (as added by Stats. 1983, Ch. 1054) by Stats. 1986, Ch. 1019, Sec. 63.)

22042. The commission shall review the accounting procedures of any participating public agency where an interested party presents evidence that the work undertaken by the public agency falls within any of the following categories:

(a) Is to be performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency.

(b) Exceeded the force account limits set forth in subdivision (a) of Section 22032.

(c) Has been improperly classified as maintenance.

(d) Has been split or separated into smaller work orders or projects, in violation of Section 22033.

(e) Has exceeded the limits or otherwise not met the requirements set forth in subdivisions (b) and (c) of Section 22032.

(Amended by Stats. 2024, Ch. 953, Sec. 5. (AB 2192) Effective January 1, 2025.)

22042.5. The commission shall review practices of any participating public agency where an interested party presents evidence that the public agency is not in compliance with Section 22034 or 22037.

(Amended by Stats. 2024, Ch. 953, Sec. 6. (AB 2192) Effective January 1, 2025.)

22043. (a) In those circumstances set forth in subdivision (a) of Section 22042, a request for commission review shall be in writing, sent by certified or registered mail received by the commission postmarked not later than eight business days from the date the public agency has rejected all bids.

(b) In those circumstances set forth in subdivision (b), (c), (d), or (e) of Section 22042, a request for commission review shall be by letter received by the commission not later than eight days from the date an interested party formally complains to the public agency.

(c) The commission review shall commence immediately and conclude within the following number of days from the receipt of the request for commission review:

(1) Forty-five days for a review that falls within subdivision (a) of Section 22042.

(2) Ninety days for a review that falls within subdivision (b), (c), (d), or (e) of Section 22042.

(d) During the review of a project that falls within subdivision (a) of Section 22042, the agency shall not proceed on the project until a final decision is received by the commission.

(e) A request for commission review pursuant to Section 22042.5 shall be in writing, sent by certified or registered mail, and received by the commission no later than eight days from the day an interested party formally complains to the public agency. The commission review shall commence immediately and conclude within 90 days from the receipt of the request for commission review.

(Amended by Stats. 2024, Ch. 953, Sec. 7. (AB 2192) Effective January 1, 2025.)

22044. The commission shall prepare written findings, which shall be presented to the public agency within 30 calendar days of formal commission review. Should the commission find that the provisions of this chapter or of the uniform cost accounting procedures provided for in this chapter were not complied with by the public agency, the following steps shall be implemented by that agency:

(a) On those projects set forth in subdivision (a) of Section 22042, the public agency has the option of either (1) abandoning the project, or (2) awarding the project to the lowest responsible bidder.

(b) On those projects set forth in subdivision (b), (c), (d), or (e) of Section 22042, the public agency shall present the commission's findings to its governing body within 30 calendar days of receipt of written notice of the findings and that governing body shall conduct a public hearing with regard to the commission's findings within 60 calendar days of receipt of the findings.

(c) (1) On findings of noncompliance pursuant to Section 22042.5, the public agency shall notify its governing body of the commission's findings within 60 calendar days of receipt of written notice of the findings from the commission.

(2) The public agency shall notify the commission in writing, within 90 days of receipt of written notice of the findings, of the public agency's best efforts to comply.

(Amended by Stats. 2024, Ch. 953, Sec. 8. (AB 2192) Effective January 1, 2025.)

22044.5. If the commission makes a finding, in accordance with Section 22043, on three separate occasions within a 10-year period, that the work undertaken by a public agency falls within any of the categories described in Section 22042, the commission shall notify the public agency of that finding in writing by certified mail and the public agency shall not use the bidding procedures provided by this article for five years from the date of the commission's findings.

(Added by Stats. 2006, Ch. 192, Sec. 1. Effective January 1, 2007.)

22045. (a) No later than January 1, 1985, the commission shall recommend, for adoption by the Controller, written procedures implementing the accounting procedures review provided for in this article.

(b) The Controller shall, upon receipt of the commission's recommendation, review and evaluate the recommended procedures and either formally adopt or reject the recommended procedures within 90 days of submission of the commission.

(Added by renumbering Section 21215 by Stats. 1986, Ch. 1019, Sec. 67.)

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
ELECTING TO BE SUBJECT TO THE UNIFORM PUBLIC CONSTRUCTION COST
ACCOUNTING ACT PROCEDURES**

WHEREAS, the Uniform Public Construction Cost Accounting Act, Public Contract Code section 22000 et seq. (UPCCAA) establishes a uniform cost accounting standard for construction work performed or contracted by local public agencies and authorizes local public agencies that elect to be subject to the UPCCAA to use informal bidding procedures for public works and maintenance projects valued at \$220,000 or less, or as the UPCCAA may be amended; and

WHEREAS, the California Uniform Construction Cost Accounting Commission (Commission) has developed uniform cost accounting procedures for the performance of or in the contracting for construction of public projects; and

WHEREAS, a local public agency must elect by resolution to become subject to the UPCCAA; and

WHEREAS, all legal prerequisites to the adoption of this resolution have occurred.

NOW, THEREFORE, the City Council of the City of East Palo Alto hereby resolves:

Section 1. The City Council finds that the facts set forth in this resolution are true and correct.

Section 2. The City hereby elects under Public Contract Code section 22030 to become subject to the uniform public construction cost accounting and bidding procedures set forth in the UPCCAA and to the Commission's policies and procedures manual and cost accounting review procedures, as they may each be amended from time to time.

Section 3. The City Clerk shall certify as to the adoption of this resolution and shall promptly transmit notice of the City's election and a copy of this resolution to the State Controller.

Section 4. The City Council finds that the proposed action does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is related to government

fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

PASSED AND ADOPTED at a regular City Council meeting held on February 4, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Signed:

Martha Barragan, Mayor

ATTEST:

Approved as to form:

James Colin, City Clerk

John D. Lê, City Attorney

ORDINANCE NO. ____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
REPEALING THE EXISTING PURCHASING ORDINANCE AND
REPLACING IT WITH A NEW PURCHASING ORDINANCE**

WHEREAS, the City of East Palo Alto's purchasing ordinance was last amended in 2011 and no longer serves the City's needs; and

WHEREAS, this ordinance provides a new way for the City to procure public projects, supplies and equipment, service, and real property, allowing for speedier and more streamlined operations while ensuring proper controls are in place; and

WHEREAS, the City Council is simultaneously adopting a resolution electing to be subject to the California Uniform Public Construction Cost Accounting Act, codified in California Public Contract Code section 22000 et seq., which sets up a tiered system for greater formalities in public bidding for projects higher in dollar value; and

WHEREAS, the City Council is also simultaneously adopting a resolution setting purchasing ordinance limits to fill in the amounts listed in this ordinance as "adopted by resolution."

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO DOES ORDAIN AS FOLLOWS:

SECTION 1. INCORPORATION OF RECITALS. The City Council finds that the above recitals are true and correct and are incorporated herein by reference.

SECTION 2. MUNICIPAL CODE AMENDMENT. Chapter 2.84 of Title 2 of the City of East Palo Alto Municipal Code is hereby amended in its entirety to read as follows:

ARTICLE I. GENERAL PROVISIONS

SEC. 2.84.010. PURPOSE.

(A) The purpose of this chapter is to ensure that the city establishes an efficient centralized procurement system, and that goods, materials, public projects and services are procured at fair and competitive prices.

(B) This chapter provides procedures for the performance of public projects, the purchase of supplies and equipment, and contracting for services.

(C) This chapter shall be interpreted and construed to be consistent with applicable law.

SEC. 2.84.020. SCOPE

(A) Purchasing Authority. All purchasing shall be done and accomplished under the authority of the City Manager as provided in Section 2.12.070, and the City Manager is designated as the purchasing officer for the City. The City Manager may cause to be implemented necessary operational policies and procedures not inconsistent with this chapter within a purchasing manual.

(B) Delegated Authority. The City Manager may delegate authority to acquire certain goods and/or services to a designee of his/her choice or other City employee if such delegation is deemed necessary for the effective procurement of those items.

SEC. 2.84.030. DEFINITIONS.

For the purposes of Title 2, the following definitions and rules shall be observed, unless such would be inconsistent with the manifest intent of the City Council:

(A) AUTHORIZATION - The maximum dollar amount that the City Council delegates to an individual per vendor or consultant, allowing that individual to award purchase orders or contracts to such vendor or consultant, subject to the limits established by the City Council or other applicable regulations.

(B) BEST VALUE - The expected outcome of a solicitation that, in the City's judgment, provides the greatest overall benefit in meeting the City's requirements. The evaluation and selection process considers a combination of factors including, but not limited to, price, quality, durability, serviceability, delivery time, standardization, and any other criteria set forth in the City's purchasing policies or manual. The goal is to minimize negative impacts while maximizing long-term performance, efficiency, and value in the procurement of goods, services, or construction

(C) CHANGE ORDER – A written order by the City Manager or his/her designee to the Vendor or Contractor directing an addition, deletion, or revision in the work, an adjustment to the contract price, or an adjustment to the contract time, any of which are issued after the effective date of the agreement to address an unforeseen circumstance.

(D) EMERGENCY - Either of the following conditions:

(1) Regarding public projects, as defined in this chapter, an emergency as outlined in California Public Contract Code Section 22050.

(2) For all other procurement, an emergency is a situation where there is an imminent risk to public safety or City operations that makes it impractical or not in the best interest of the City to follow standard bidding procedures, whether formal or informal.

(E) EVERGREEN CONTRACT – A type of contract that is automatically renewed after a specified period, with no finite termination date.

(F) FORCE ACCOUNT - Work performed on public projects using the City's own resources, including, but not limited to, labor, equipment, materials, supplies, and subcontracts, rather than contracting out the work to an external vendor or contractor.

(G) FORMAL SOLICITATION - A bid or proposal process that requires sealed submissions, either via mail, hand delivery, email, or other electronic means, in compliance with a prescribed format. Evaluations are conducted according to the procedures outlined in the solicitation document, as established in the City's purchasing manual.

(H) INFORMAL SOLICITATION - A competitive bid or proposal for any procurement, conveyed through mail, fax, email, or other written or electronic means, and that does not require sealed bids or other formalities associated with a formal solicitation.

(I) NEGOTIATED CONTRACT - A contract for the purchase of supplies, equipment, services or construction, with a total value not exceeding \$100,000, that is awarded through direct negotiation with a contractor, vendor, or consultant, without requiring a competitive bidding process. Such contracts are awarded based on factors including, but not limited to, the qualifications of the contractor, vendor, or consultant, project scope, and price, as determined in accordance with applicable laws, regulations, and the best interests of the City.

(J) PAPER PRODUCTS – This term shall mean and include, but not be limited to, paper janitorial supplies, cartons, wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling, or as otherwise defined in 14 CCR Section 18982(a)(51).

(K) PIGGYBACK PURCHASE – A purchase made from a vendor where a competitive bid process has already been completed by another agency, and therefore a valid lowest prices/responsive and/or responsible bidder has been established. Such purchases are contingent on the vendor agreeing to extend the same price and terms in the successful competitive bid to the City.

(L) **PRINTING AND WRITING PAPERS** – This term shall mean and include, but not limited be to, copy, xerographic, watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes, manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated writing papers, posters, index cards, calendars, brochures, reports, magazines, and publications, or as otherwise defined in 14 CCR Section 18982(a)(54).

(M) **PROCUREMENT** – The acquisition of public projects, goods and/or services by the City, including but not limited to purchasing or leasing, and all functions and procedures pertaining to such acquisitions.

(N) **PURCHASING MANUAL** – A written manual detailing the purchasing policies and procedures that implement the requirements of this chapter. The purchasing manual may establish and describe in detail the contract solicitation and award procedures and requirements that must be followed in making acquisitions, purchases and licenses on behalf of the City. The purchasing manual may include, among other things, control procedures established under the authority of this chapter. The City Manager shall approve the purchasing manual and any modifications made to the manual from time to time.

(O) **PUBLIC PROJECT** - The meaning provided in California Public Contract Code Section 22002(c) and (d).

(P) **RECYCLED-CONTENT PAPER** – This term means and includes paper products and printing and writing paper that consists of at least thirty (30) percent, by fiber weight, postconsumer fiber, or as otherwise defined in 14 CCR Section 18982(a)(61).

(Q) **RESPONSIBLE** - A bidder is responsible if it is qualified and trustworthy (with respect to the quality, fitness and capacity) to do the particular work required. This term is further defined in case law.

(R) **RESPONSIVE** - A bid is responsive if it promises to do what the bidding instructions require, which can be determined from the face of the bid without outside investigation or information. This term is further defined in case law.

(S) **SERVICES** - All services performed by persons or firms in a professional occupation (e.g., consulting and performance services for accounting, financial, economic, auditing, computer hardware and software support, engineering, architectural, landscape architectural, planning, environmental, land surveying, construction project management, personnel and grant-writing); performed by individuals with manual skills and special training; or those performed by individuals that do not require special skills, formal certification, or a professional licensure (e.g., janitorial, maintenance work, and custodial services).

(T) TASK ORDER – A written order by the City Manager or his/her designee to the Vendor or Contractor directing work within the scope of the agreement, issued after the effective date of the agreement.

SEC. 2.84.040. CITY MANAGER OR HIS/HER DESIGNEE.

Except as otherwise ordered by City Council, the City Manager or his/her designee shall provide the services stated in this chapter on behalf of all City departments. In the performance of his/her duties, the City Manager or his/her designee shall comply with applicable law and City Council orders, including limitations on purchasing procedures. The City Manager or his/her designees may:

- (A) Prepare and issue all solicitations.
- (B) Issue a purchase order or execute a contract for procurement required by any City department, in accordance with procedures prescribed by this chapter up to the City Manager or his/her designee's authorization.
- (C) Amend any contract for supplies, equipment and services in any way that does not change the total amount, including, but not limited to, amendments extending the contract term, changing a vendor, contractor or consultant's legal name, or authorizing higher costs and rates.
- (D) Negotiate and recommend award of contracts for the purchase of supplies, equipment and services.
- (E) Act to procure for the City the needed quality in supplies, equipment, and services at the best value to the City.
- (F) Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases.
- (G) Prepare and maintain the purchasing manual.
- (H) Keep informed of current developments in the field of purchasing, prices, market conditions and new products.
- (I) Maintain such forms as reasonably necessary to the operation of this chapter and other rules and regulations.
- (J) Recommend the transfer of surplus or unused supplies and equipment between departments as needed, and the sale of all supplies and equipment that cannot be used by any department or that have become unsuitable for City use.
- (K) Use cooperative purchasing, whereby multiple government agencies, cooperative entities, or jurisdictions enter into a contract to procure from each other or to collectively procure a vendor, contractor or consultant.

(L) Make a “piggyback purchase” whereby the City utilizes another agency or jurisdiction’s solicitation results but enters into a separate contract or issues a separate purchase order with the vendor, except that this process is not allowed for public projects.

(M) Recommend award of and execute a negotiated contract when the City Manager or his/her designee determines that obtaining bids and proposals is not in the City's best interest.

(N) Develop and maintain a list of contractors, vendors and professionals identified according to categories of work.

(O) Prequalify or prescreen contractors, vendors and consultants.

(P) Maintain a list of the construction trade journals, as determined for San Mateo County by the California Uniform Construction Cost Accounting Commission, to which the City must deliver notice of all informal and formal construction contracts being bid for work within the County.

SEC. 2.84.050. CONFLICT.

(A) The provisions of this chapter shall not apply to the extent that they conflict, and shall be interpreted and construed to be consistent, with any applicable State or federal laws or regulations, or the terms and conditions of any grant, contract, gift or bequest otherwise consistent with law.

(B) Any evaluation or selection practice under this chapter that would result in unlawful activity, including, but not limited to, any rebate, kickback or unlawful consideration is expressly prohibited. Any award of a contract where a public official has used his/her official position to influence a governmental decision in which he/she knows or has reason to know that he/she has a financial interest in any person or entity who seeks such a contract, or in the outcome of the selection process in any way, is expressly prohibited.

(C) Prior to participating in any procurement, a staff member will have to state the nature and length of his/her relationship, if any, to all bidders or proposers as well as any other personal interest in the outcome of the solicitation. A staff member must immediately notify the City Manager or his/her designee and not review any materials or attend any meetings regarding the procurement until further instruction from the City Manager or his/her designee if that staff member has, or reasonably should know that he/she has, a prior relationship or personal interest in the outcome of the solicitation.

SEC. 2.84.060. EXEMPTIONS.

(A) The City Manager may, in writing, authorize any department to procure specified supplies, equipment, public projects and services independently of the City Manager or his/her designee, subject to the conditions of this section and applicable laws.

(B) The following are exempted from the requirement to obtain competitive bids or proposals as well as the requirement to be formalized through a purchase order or contract, as set forth by this chapter:

(1) Contracts unrelated to the procurement of goods, materials, public projects or services.

(2) Advertising: Costs related to advertising, including but not limit to air time, print media, (newspaper and magazine), digital advertising and other advertising platforms, but excluding costs associated with advertising agencies or advertising design services.

(3) Bank Service Fees: Any fees paid for banking services, including account management and wire transfer fees.

(4) Government Printed Publications: Publications printed by government entities for public distribution.

(5) Common Carrier Transportation: Payments for common carrier transportation services (e.g., airline tickets, rail, or bus transportation), but excluding conference or meeting room rentals.

(6) Travel Payments: Payments for travel-related services such as hotel or motel accommodations, transportation (including air, rail, and bus), which shall be more comprehensively and separately addressed in the City's travel policy.

(7) Insurance: Contracts for the procurement of insurance services, including coverage for liability, property, and other forms of insurance as required by law.

(8) Memberships in Professional Organizations: Memberships in associations, organizations, or agencies that are necessary for the conduct of any City business.

(9) Credit Card Payments: Payments made via credit card to a bank for standard business operations, excluding specific procurement or payment transactions.

(10) Contracts with Other Governmental Entities: Contracts or agreements with other federal, State, or local government agencies or special districts, including intergovernmental agreements (IGAs) or cooperative purchasing agreements, which are subject to different procurement rules.

(11) Permit Fees: Fees paid to another governmental agency for regulatory approvals, permits, or the operation of City-owned utilities.

(12) Postage and United States Postal Service Fees: Payments for postage services and United States Postal Service (USPS) box fees. This exemption does not apply to private mail services, courier services, or mail handling services.

(13) Real Property Transactions: Purchases, sales, leases, or lease renewals of real property, including payments for escrow services or lease payments, as allowed by law, with exception for public works projects that fall under the Public Contract Code.

(14) Subscriptions to Publications: Subscriptions to professional journals, periodicals, and other informational materials required for City business.

(15) Utility Payments: Payments for the provision of public utility services (e.g., electricity, water, gas, telecommunications, and waste services) to the City, as well as public utility fee payments.

(16) Voting Materials and Election Expenses: Expenses related to the procurement of voting materials, election-related services, and supplies.

(17) Exemptions Established by Law: Any procurement that is exempt from competitive bidding or proposals under applicable state, federal, or local laws, including those related to specific procurement methods such as sole-source contracts, or contracts exempted under the California Public Contract Code or other relevant statutes.

(18) Legal Brief Printing and Transcription Services: Services directly related to legal briefs, court reporting, transcription services, or document preparation in connection with legal matters.

(19) Legal Services: Contracts for legal services, including general counsel, litigation services, or specialized legal counsel, which are necessary for the conduct of city business.

(20) Confidential Police Matters: Procurement related to confidential, ongoing police investigations or any other confidential law enforcement activities, where disclosure of the procurement details could possibly undermine the purpose of the investigation or harm public safety.

(C) The City Attorney may award and execute purchase orders, contracts, or task orders for legal services, including services related to legal matters, provided by outside counsel, investigators, consultants, or other experts needed for litigation or administrative proceedings, up to an authorization amount as determined by Council resolution. If the total contract amount exceeds this authorization, the contract may be awarded and executed jointly by the City Attorney and the most senior available member of the City Council.

(D) The City Manager may award and execute purchase orders, contracts, or task orders related to confidential, ongoing police investigations or other confidential police matters, up to the authorization amount as determined by Council resolution. For contracts exceeding this amount, the award and execution may be jointly made by the City Manager and the most senior available member of the City Council.

(E) The City Manager, with the concurrence of the City Attorney, may award and execute a severance or settlement agreement up to the authorization amount as determined by Council resolution.

SEC. 2.84.070. NO OBLIGATION TO CONTRACT.

Nothing in this chapter shall require the City to authorize any purchase order or enter into any contract with any person or firm.

ARTICLE II. PUBLIC PROJECTS

SEC. 2.84.100. APPLICABILITY.

This article shall apply to the procurement of public projects as defined in California Public Contract Code Section 22002(c) and (d).

SEC. 2.84.110. UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT.

The City Council has elected to apply the Uniform Public Construction Cost Accounting Act (California Public Contract Code Sections 22000 et seq.) to the City's public projects. The procedures set forth in this chapter are designed to implement and comply with the requirements of the Act.

SEC. 2.84.120. BIDDING FOR TIER 1 PUBLIC PROJECTS.

A public project costing within a range determined by Council resolution that is not performed by force account shall require at least three written bids. The City Manager or Finance Director shall use his/her discretion if three written bids cannot, or for some compelling reason should not, be obtained.

SEC. 2.84.130. BIDDING FOR TIER 2 PUBLIC PROJECTS.

(A) A public project costing within a range determined by Council resolution shall be subject to the informal bidding procedures set forth in California Public Contract Code Section 22034. Notice shall be provided in accordance with Section 22034(a)(2) of the California Public Contract Code.

(B) If all bids received exceed the amount listed in Council resolution, the City Council may, by adoption of a resolution by a four-fifths vote, award the contract up to the amount listed in that Council resolution, provided the Council determines the City's

cost estimate was reasonable and that the lowest responsible bidder is awarded the contract.

SEC. 2.84.140. BIDDING FOR TIER 3 PUBLIC PROJECTS.

(A) A public project exceeding the amount listed in Council resolution shall be bid out using the formal bidding procedures set forth in California Public Contract Code Section 22037.

(B) The City Engineer shall adopt plans, specifications and working details for all Tier 3 public projects.

SEC. 2.84.150. REJECTING ALL BIDS.

The City Manager or his/her designee may reject all bids at any time, for any reason deemed in the best interest of the City.

SEC. 2.84.160. BONDS.

For any contract involving an expenditure exceeding the amount specified in California Civil Code, Section 9550, the City shall require both faithful performance bond and a payment bond, each in the amount specified by California Civil Code, Section 9554. Such bonds shall be issued by an admitted surety insurer.

SEC. 2.84.170. CITY MANAGER'S AUTHORIZATION.

Except for a contract related to an exemption listed in Section 2.84.060, the City Manager may award and execute procurement contracts or purchase orders up to an authorization limit as determined by Council resolution.

SEC. 2.84.180. TASK ORDERS.

The City Manager may approve and execute any task order for a public project, provided that the total value of the task order, when combined with all other task orders on the project, does not exceed the total contract value.

SEC. 2.84.190. CHANGE ORDERS.

The City Manager may award and execute any change order to a public project contract, provided that the cumulative total of all change orders does not exceed the contract plus contingency amount.

SEC. 2.84.200. EMERGENCIES.

(A) In cases of emergency, including, but not limited to, states of emergency defined in California Government Code, Section 8558, where repair or replacements are necessary, the City Council may proceed immediately to replace or repair any public facility without adopting plans, specifications or working details, or notice for competitive

bids. Such work may be performed by City labor, by contractor or a combination of both. California Public Contract Code, Section 22050 shall apply if no notice for is issued.

(B) The City Manager or designee may each authorize actions pursuant to California Public Contract Code, Section 22050.

ARTICLE III. SUPPLIES AND EQUIPMENT

SEC. 2.84.300. APPLICABILITY.

This article shall not apply to the purchase of supplies or equipment associated with public projects, which are governed by separate provisions and applicable law.

SEC. 2.84.310. BRAND AND TRADE NAMES.

(A) Requests for bids shall not specify supplies and equipment by particular brand or trade name, unless followed immediately by the words “or equal,” allowing bidders to offer equivalent supplies or equipment. Any request to substitute equivalent supplies or equipment must be in writing and submitted by the time specified in the request for bids, or, if no such time is specified, at the time of submission of bid. The request for substitution must include sufficient data to demonstrate the equivalency of the proposed supplies. The bidder shall bear the burden of proving the comparative quality and suitability of the alternative and shall provide all documentation required by the City Manager or his/her designee at the bidder’s own expense.

(B) Subsection (A) shall not apply if:

(1) The City Manager or his/her designee includes a written finding in the request for bids that a specific brand or trade name is required for any of the following reasons:

(a) To conduct a field test or experiment to assess the suitability of supplies or equipment for future use.

(b) To match supplies or equipment already in use on a project, either completed or in progress, or for a service already provided or being provided.

(c) To acquire supplies or equipment that are only available from only one source.

(d) To respond to an emergency declared by the City, the State, a State agency, a political subdivision, or the federal government.

(2) The person or entity with the authority to award the contract determines that the purchase of supplies or equipment by a particular brand or trade name is required for a valid purpose outlined in subsection (B)(1).

SEC. 2.84.320. BIDDING FOR TIER 1 SUPPLIES AND EQUIPMENT.

Supplies or equipment costing within a range determined by Council resolution shall require at least three written bids. The City Manager or Finance Director shall use his/her discretion if three written bids cannot, or for some compelling reason should not, be obtained.

SEC. 2.84.330. BIDDING FOR TIER 2 SUPPLIES AND EQUIPMENT.

(A) Supplies or equipment costing within a range determined by Council resolution shall be subject to informal bidding procedures, which must be posted or published by the City, and sent to any relevant trade journals, not less than ten (10) calendar days before bids are due.

(B) If all bids received exceed the amount listed in Council resolution, the City Council may, by adoption of a resolution by a four-fifths vote, award the contract up to the amount listed in that Council resolution, provided the Council determines the City's cost estimate was reasonable and that the lowest responsible bidder or best value bidder is awarded the contract.

SEC. 2.84.340. BIDDING FOR TIER 3 SUPPLIES AND EQUIPMENT.

Supplies or equipment exceeding the amount listed in Council resolution shall be subject to formal bidding procedures, which must be posted or published by the City, and sent to any relevant trade journals, not less than 15 calendar days before bids are due. The City Manager or his/her designee is responsible for encouraging broad participation and ensuring maximum competition among prospective vendors.

SEC. 2.84.350. NO RESPONSIVE BIDS.

If no responsive bids are received, the City Manager or his/her designee may negotiate a written bid with potential vendors. If the negotiated bid exceeds the City Manager's authorization, this contract shall be presented to the City Council for approval, and to the most senior available member of the City Council for execution.

SEC. 2.84.360. RECEIPT OR REJECTION OF BIDS.

(A) The City may award a contract based on either the lowest responsive bid or the best value, as may be further defined in the purchasing manual.

(B) If two or more bids received are received with identical prices or unit costs, the City may accept one of the bids based on further negotiation or evaluation of best value.

(C) The City Manager or his/her designee may reject all bids at any time, if deemed necessary for the City's best interest.

SEC. 2.84.370. PURCHASE ORDERS AND CONTRACTS.

(A) Any purchase of supplies and equipment exceeding \$5,000 per vendor per fiscal year shall be formalized through a purchase order or contract.

(B) Contract or purchase orders shall be awarded to the most responsive and responsible bidder or to the bidder offering the best value to the City.

SEC. 2.84.380. CITY MANAGER'S AUTHORIZATION.

(A) Except for an exemption listed in Section 2.84.060, the City Manager may award and execute procurement contracts or purchase orders up to an authorization limit as determined by Council resolution.

(B) If the City Manager is authorized to award a purchase order or contract, he or she also has the authority to amend that purchase order or contract, provided the total amount of that purchase order or contract, and all amendments thereto, does not exceed his or her authorization limit.

SEC. 2.84.390. PURCHASE ORDERS PURSUANT TO CONTRACT.

Once a contract has been awarded, the City Manager may authorize and execute any purchase order related to the contract, provided the cumulative value of all purchase orders under the contract does not exceed the total contract amount.

SEC. 2.84.400. CHANGE ORDERS.

The City Manager may approve and execute any change order to a purchase order or contract, provided that the cumulative value of all change orders does not exceed the contract plus any approved contingency. Change orders that exceed this threshold must be approved by the individual or entity with authority to approve such higher contingency.

SEC. 2.84.410. URGENCY.

Sections 2.84.310 through 2.84.360 shall not apply in cases where, at the discretion of the City Manager:

(A) Obtaining bids is not feasible due to the urgent nature of the situation; and

(B) Public interest and necessity require immediate expenditure of public funds to protect life, health, or property, or to mitigate substantial economic losses.

ARTICLE IV. SERVICES

SEC. 2.84.500. APPLICABILITY.

This article does not apply to services related to public projects.

SEC. 2.84.510. PROPOSALS FOR CERTAIN PROFESSIONAL SERVICES REQUIRED.

In accordance with California Government Code section 4526, all proposals for professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms must be evaluated on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required; this means while price may be considered, it may not be the only or deciding factor in determining which proposal is the best value for the City.

SEC. 2.84.520. BRAND AND TRADE NAMES.

(A) A request for bids or proposals for services shall not specify designated supplies and equipment by specific brand or trade names, unless followed by the words “or equal,” allowing bidders or proposers to offer equivalent supplies or equipment in fulfilling the service. Any request to substitute equivalent supplies or equipment must follow the process outlined in Section 2.84.310, and the burden of proof for equivalency rests with the bidder or proposer, including proving all necessary data at his/her own expense.

(B) Subsection (A) does not apply if any exemption listed in Section 2.84.310 applies, such as the need for specific brand or trade names for compatibility, field tests, or due to emergency circumstances.

SEC. 2.84.530. SOLICITING TIER 1 SERVICES.

Services costing within a range determined by Council resolution shall require at least three written bids or proposals. The City Manager or Finance Director shall use his/her discretion if three written bids cannot, or for some compelling reason should not, be obtained.

SEC. 2.84.540. SOLICITING TIER 2 SERVICES.

(A) Services costing within a range determined by Council resolution shall be subject to informal bidding procedures, which must be posted or published by the City, and sent to any relevant trade journals, not less than 10 calendar days before bids are due.

(B) If all bids received exceed the amount listed in Council resolution, the City Council may, by adoption of a resolution by a four-fifths vote, award the contract up to the amount listed in that Council resolution, provided the Council determines the City's cost estimate was reasonable and that the lowest responsible bidder or best value bidder is awarded the contract.

SEC. 2.84.550. SOLICITING TIER 3 SERVICES.

A service exceeding the amount listed in Council resolution shall be subject to formal bidding procedures, which must be posted or published by the City, and sent to any relevant trade journals, not less than 15 calendar days before bids are due. The City Manager or his/her designee is responsible for ensuring maximum outreach and encouraging a broad response from potential vendors or consultants.

SEC. 2.84.560. RECEIPT OR REJECTION OF BIDS OR PROPOSALS.

(A) The City may accept a bid or proposal on either the lowest bid or the best value, as determined by the City Manager's evaluation criteria.

(B) In the case of bids for price only, if two or more bids received with the same total amount or unit price, the City may select the bid based on the lowest bid following further negotiation or the best value.

(C) The City Manager or his/her designee may reject all bids or proposals at any time if it is in the best interest of the City to do so.

SEC. 2.84.570. CONTRACTS.

All services exceeding \$5,000 per consultant, per fiscal year, shall be formalized by contract. Contracts shall be awarded based on the consultant's competence and professional qualifications necessary to perform the required services satisfactorily.

SEC. 2.84.580. CITY MANAGER'S AUTHORIZATION.

(A) Except for a contract related to an exemption listed in Section 2.84.060, the City Manager may award and execute procurement contracts or purchase orders up to an authorization limit as determined by Council resolution.

(B) If the City Manager is authorized to award a purchase order or contract, he or she also has the authority to amend that purchase order or contract, provided the total amount of that purchase order or contract, and all amendments thereto, does not exceed his or her authorization limit.

SEC. 2.84.590. TASK ORDERS.

The City Manager may approve and execute any task order related to a services contract, provided that the cumulative total of all task orders does not exceed the total value of the contract previously approved.

SEC. 2.84.600. CHANGE ORDERS.

The City Manager may approve and execute any change order to a contract for services, provided that the cumulative total of all change orders does not exceed the contract plus any contingency funds. Any change orders exceeding the approved

contract amount, including contingencies, must be presented to the individual or entity with authority to approve such higher contingency.

SEC. 2.84.610. URGENCY.

Sections 2.84.510 through 2.84.560 shall not apply in situations where, at the City Manager's discretion:

(A) Obtaining bids or proposals is not feasible due to the urgent nature of the situation; and

(B) Public interest and necessity require the immediate expenditure of public funds to protect life, health or property, or to mitigate substantial economic losses.

ARTICLE V. ADDITIONAL PROCEDURES

SEC. 2.84.700. MINIMUM WAGE.

Chapter 5.10 of this Code requiring the payment of City minimum wage shall apply to wages paid related to all City-procured work.

SEC. 2.84.710. PREVAILING WAGES.

Any public project exceeding the amount specified in California Labor Code, Section 1771 relating to prevailing wages, as may be amended from time to time, shall be executed by written contract with the contractor.

SEC. 2.84.720. RECYCLING.

(A) All departments shall comply with Public Contracts Code Section 22150, which requires the purchase of recycled products instead of non-recycled products whenever recycled products are available at the same or a lesser total cost than non-recycled items, if fitness and quality are equal.

(B) All service providers and vendors providing paper products and printing and writing paper shall:

1. If fitness and quality are equal, provide recycled-content paper products and recycled-content printing and writing paper that consists of at least thirty (30) percent, by fiber weight, postconsumer fiber instead of non-recycled products whenever recycled paper products and printing and writing paper are available at the same or lesser total cost than non-recycled items.

2. Provide paper products and printing and writing paper that meet Federal Trade Commission recyclability standard as defined in 16 Code of Federal Regulations (CFR) Section 260.12.

3. Certify in writing, under penalty of perjury, the minimum percentage of postconsumer material in the paper products and printing and writing paper offered or sold to the City. This certification requirement may be waived if the percentage of postconsumer material in the paper products, printing and writing paper, or both can be verified by a product label, catalog, invoice, or a manufacturer or vendor internet website.

4. Certify in writing, on invoices or receipts provided, which may be electronic, that the paper products and printing and writing paper offered or sold to the City is eligible to be labeled with an unqualified recyclable label as defined in 16 Code of Federal Regulations (CFR) Section 260.12.

5. Provide records to the City, in accordance with this chapter, of all paper products and printing and writing paper purchases within thirty (30) days of the purchase (both recycled-content and non-recycled content, if any is purchased) made by any City department or employee. Records shall include a copy (electronic or paper) of the invoice or other documentation of purchase, written certifications as required by subsections B.3. and B.4. for recycled-content purchases, purchaser name, quantity purchased, date purchased, and recycled content (including products that contain none), and if non-recycled content paper products or printing and writing papers are provided, include a description of why recycled-content paper products or printing and writing papers were not provided.

(C) All service providers and vendors providing compost shall provide compost that meets the definition in East Palo Alto Municipal Code Chapter 8.32.

(D) All vendors providing mulch shall provide SB 1383 eligible mulch that meets the definition in East Palo Alto Municipal Code Chapter 8.32.

SEC 2.84.730. [RESERVED]

SEC. 2.84.740. TERMINATION OF PURCHASE ORDER OR CONTRACT.

The City Manager or his/her designee may terminate any purchase order or contract for procurement.

SEC. 2.84.750. BID SPLITTING.

It shall be unlawful to split or divide any procurement into smaller purchase orders or contracts for the purpose of evading the provisions of this chapter.

SEC. 2.84.760. APPROVAL AS TO FORM.

All purchase orders, contracts, amendments, task orders, change orders and terminations shall be approved as to form by the City Attorney prior to execution, ensuring compliance with applicable laws, regulations and City policies.

SEC. 2.84.770. CONTRACT TERM.

The City may enter into a contract for a term consistent with the industry standard term for the type of supply, equipment or service being procured. The term of the contract shall be clearly specified and comply with all legal requirements. However, evergreen procurement contracts are not allowed.

SEC. 2.84.780. IMMEDIATE NEED.

Other than for public projects, in cases where the City Council is not in session or the City Manager determines there is an immediate need, a purchase order, contract (including, but not limited to, a lease or license), change order or task order that otherwise require City Council approval may be awarded or approved by the City Manager and the most senior available City Council member and executed by them collectively. The City Manager or his/her designee, shall place the jointly approved document on the agenda for ratification at one of the next three regular City Council meetings. If ratification is denied, is the authority to perform work under that document will automatically terminate.

SEC. 2.84.790. CITY MANAGER'S AUTHORITY - REAL PROPERTY.

The City Manager may award and execute contracts for the rental, lease, or license of real property up to an authorization limit as determined by Council resolution. Such contracts may be for periods of time not exceeding the number of years listed in that Council resolution, unless otherwise authorized by law or City policy.

SEC. 2.84.800. CREDIT CARDS.

City staff may use City-issued credit cards to pay for supplies, equipment, and services for the City, as well as for City-related training and travel. The City Manager or his/her designee may develop and maintain a procurement card manual outlining the issuance, oversight, and use of credit cards, ensuring compliance with City policies, financial controls and accountability standards.

ARTICLE VI. SALE OF SUPPLIES, EQUIPMENT AND SERVICES

SEC. 2.84.900. SALE OF SUPPLIES, EQUIPMENT AND SERVICES.

(A) The City Manager or his/her designee is authorized to sell, trade, exchange, donate, or otherwise dispose of supplies and equipment that are no longer needed, are obsolete, or are worn out. This includes the authority to award and execute contracts for such sales, exchanges, trade-ins, donations, or other methods of disposition. All actions shall be carried out in accordance with the provisions of Chapter 2.84.1490 of the East Palo Alto Municipal Code, including:

Adherence to value thresholds and conditions for sales, as specified in Sections 2.84.1490.1 and 2.84.1490.3.

Authorization for exchanges or trade-ins per Section 2.84.1490(D).

Donation of property in compliance with the guidelines and thresholds outlined in Section 2.84.1490.2.

Disposal of nominal-value property or property unsuitable for sale, as described in Section 2.84.1490.3.

Compliance with federal guidelines for the disposal of federally funded municipal property as required under Section 2.84.1490.4.

(B) The City Manager is authorized to award and execute contracts to provide City staff's services to other entities, provided such services are in the City's best interest and comply with relevant laws and agreements.

SECTION 3. CALIFORNIA ENVIRONMENTAL QUALITY ACT. The proposed action does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, phrase or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed and adopted this Ordinance, and each and all provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

SECTION 5. EFFECTIVE DATE. This Ordinance shall take effect and be in full force thirty (30) days after the date of its adoption.

SECTION 6. PUBLICATION. The City Clerk is hereby directed to cause publication of this Ordinance as required by Government Code Section 36933.

INTRODUCED at a regular City Council meeting held January 21, 2025, and

PASSED AND ADOPTED at a regular City Council meeting held on February 4, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SIGNED:

Martha Barragan, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

Chapter 2.84 - PURCHASING^[1]

Sections:

Footnotes:

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Editor's note— Ord. No. 340, att. A, adopted Feb. 15, 2011, amended ch. 2.84 in its entirety to read as herein set out. Former ch. 2.84, §§ 2.84.010—2.84.170, pertained to similar subject matter and derived from: Prior code §§ 2-5.401—2-5.416; and Ord. 200, § 1, 1996.

2.84.010 - Adoption of the purchase system.

In order to establish efficient procedures for the purchase or contract of supplies, services, equipment, and public projects, at the lowest cost commensurate with required quality; to exercise positive financial control over purchases that meet legal requirements and generally accepted accounting principles; and to define authority for the purchasing function: a purchasing system is adopted.

(Ord. No. 340, att. A, 2-15-2011)

2.84.020 - Reserved.

2.84.030 - Purchasing system: Policies, procedures, limits and functions.

The city manager shall recommend, and the city council shall approve, a purchasing policy as necessary to implement a purchasing system compliant with [Section 2.84.010](#).

The purchasing policy shall include designating city staff, known collectively as the "purchasing authority", who are authorized and obligated pursuant to the authority granted by the ordinance from which this chapter derives to:

- A. Purchase or contract for supplies, services, equipment and public projects required by any using department in accordance with purchasing procedures prescribed by this chapter and such administrative regulations as may be adopted for the internal management and operation of the purchasing authority;
- B. Negotiate and recommend execution of contracts for the purchase of supplies, services, equipment and public projects;
- C. Act to procure for the city needed quality in supplies, services, equipment, and public projects at the lowest cost to the city;
- D. Encourage competitive bidding as set forth in this chapter;
- E. Prepare and recommend to the city manager rules, revisions and amendments governing the procedures for the purchase of supplies, services, equipment and public projects for the city;
- F. Prescribe and maintain such forms as necessary to the operation of this chapter and other rules and regulations;
- G. Supervise the inspection of all supplies and equipment purchased to insure conformance with contract documents;
- H. Maintain a bidders' list of the vendors that are capable of supplying the various goods, supplies, and services required by the city;
- I. Execute the provisions contained in this chapter, provide administrative interpretation thereof and advise on the provisions contained herein.

(Ord. No. 340, att. A, 2-15-2011)

2.84.040 - Estimates of requirements.

All departments shall be responsible for estimating requirements for supplies, services, equipment, and public projects. Estimates shall be prepared in a manner, and at such time, as necessary for the appropriation of funds and to conduct City business.

(Ord. No. 340, att. A, 2-15-2011)

2.84.050 - Requirements for departments, direct service providers, and vendors.

- A. All departments shall comply with Public Contracts Code Section 22150 which requires the purchase of recycled products instead of non-recycled products whenever recycled products are available at the same or a lesser total cost than non-recycled items, if fitness and quality are equal.
- B. All service providers and vendors providing paper products and printing and writing paper shall:
 1. If fitness and quality are equal, provide recycled-content paper products and recycled-content printing and writing paper that consists of at least thirty (30) percent, by fiber weight, postconsumer fiber instead of non-recycled products whenever recycled paper products and printing and writing paper are available at the same or lesser total cost than non-recycled items.
 2. Provide paper products and printing and writing paper that meet Federal Trade Commission recyclability standard as defined in [16](#) Code of Federal Regulations (CFR) Section 260.12.
 3. Certify in writing, under penalty of perjury, the minimum percentage of postconsumer material in the paper products and printing and writing paper offered or sold to the city. This certification requirement may be waived if the percentage of postconsumer material in the paper products, printing and writing paper, or both can be verified by a product label, catalog, invoice, or a manufacturer or vendor internet website.
 4. Certify in writing, on invoices or receipts provided, which may be electronic, that the paper products and printing and writing paper offered or sold to the city is eligible to be labeled with an unqualified recyclable label as defined in [16](#) Code of Federal Regulations (CFR) Section 260.12 (2013).
 5. Provide records to the city, in accordance with this chapter, of all paper products and printing and writing paper purchases within thirty (30) days of the purchase (both recycled-content and non-recycled content, if any is purchased) made by any city department or employee. Records shall include a copy (electronic or paper) of the invoice or other documentation of purchase, written certifications as required by subsections B.3. and B.4. for recycled-content purchases, purchaser name, quantity purchased, date purchased, and recycled content (including products that contain none), and if non-recycled content paper products or printing and writing papers are provided, include a description of why recycled-content paper products or printing and writing papers were not provided.
- C. All service providers and vendors providing compost shall:
 1. Provide compost that meets the definition in East Palo Alto Municipal Code [Chapter 8.32](#).
- D. All vendors providing mulch shall:
 1. Provide SB 1383 eligible mulch that meets the definition in East Palo Alto Municipal Code [Chapter 8.32](#).
- E. "Paper products" shall mean and include, but are not limited to, paper janitorial supplies, cartons, wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling, or as otherwise defined in [14](#) CCR Section 18982(a)(51).
- F. "Printing and writing papers" shall mean and include, but are not limited to, copy, xerographic, watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes, manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated writing papers, posters, index cards, calendars, brochures, reports, magazines, and publications, or as otherwise defined in [14](#) CCR Section 18982(a)(54).
- G. "Recycled-content paper" means and include paper products and printing and writing paper that consists of at least thirty (30) percent, by fiber weight, postconsumer fiber, or as otherwise defined in [14](#) CCR Section 18982(a)(61).

(Ord. No. 05-2021, § 1, 11-16-2021)

2.84.060 - Emergency purchases.

When an emergency exists, in the judgment of the department head or designee, which requires immediate action in the interest of public health, safety and welfare, and the city manager or an appointed designee are not available, the department head, or designee may authorize the necessary supplies, services and equipment. The city manager, or an appointed designee, shall have similar authority in the event of the necessity for immediate emergency action.

(Ord. No. 340, att. A, 2-15-2011)

2.84.070 - Bidding.

Bidding may be dispensed with:

- A. When an emergency requires the invocation of [Section 2.84.060](#);
- B. When the amount involved is less than five thousand dollars (\$5,000.00) for public projects, and less than ten thousand dollars (\$10,000.00) for other purchases of supplies, services, and equipment;
- C. When the commodity can be obtained from only one vendor;
- D. When other special circumstances require, and the city manager recommends disregarding bid procedures, and city council approval is obtained to disregard bid procedures and which expressly authorizes negotiations with one or more firms, persons, corporations, partnerships and/or associates for entities;
- E. When either [Section 2.28.140](#) or [Section 2.28.180](#) of this chapter is applicable.

(Ord. No. 340, att. A, 2-15-2011)

2.84.080 - Formal bid procedures.

Public projects with an estimated value exceeding five thousand dollars (\$5,000.00) and other purchases with an estimated value exceeding twenty-seven thousand dollars (\$27,000.00) shall be by written contract with the lowest responsible bidder, except as otherwise provided in this chapter and pursuant to the procedures prescribed in this chapter.

- A. Notice Inviting Bids. Notices inviting bids shall include a general description of the supplies, services, equipment and public projects to be purchased, shall state where bid blanks and specifications may be secured, and the time and place for opening bids.
 1. Published Notice. The purchasing agent shall cause the city clerk to have notice inviting bids published and posted at least ten days before the date of opening the bids. Notices shall be circulated and shall be posted on the official bulletin board of the city located in the city offices.
 2. Bidders List. The purchasing authority shall solicit sealed bids from all responsible prospective suppliers whose names are on the bidders list or who have made written request that their names be added thereto.
 3. Bulletin Board. The purchasing authority shall also advertise pending purchases by a notice posted on a public bulletin board in the city offices.
- B. Bidder's Security. When deemed necessary by the purchasing authority, bidders security may be prescribed in the public notices inviting bids. Bidders shall be entitled to return of bid security; provided, however, that a successful bidder shall forfeit his bid security upon his refusal or failure to execute the contract within ten (10) days after the notice of award of contract and the contract has been mailed. The city council may, at its option, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder, and if the city council awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the city to the contract price differential between the lowest bid and the second lowest bid, subtracting administration costs; if any surplus exists it shall be returned to the defaulted bidder.
- C. Bid Opening Procedure. Sealed bids shall be submitted to the purchasing authority and shall be identified as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notices by the city clerk, the purchasing authority and department head or their authorized designee. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.
- D. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of re-advertising for bids, the city council may, in its discretion, accept the one it chooses or accept the lowest bid made by and after negotiations with the tie bidders at the time of the bid opening.
- E. Award of Contracts. The purchasing authority, except as otherwise provided in this chapter, shall recommend contract approval to the city manager and city council. Contracts subject to formal bid procedure shall be awarded by the city council.
- F. Rejection of Bids. At its discretion, the city council may reject any or all bids presented, waive any irregularity in any bid received and award the contract or readvertise for bids pursuant to the procedure hereinabove prescribed.
- G. Performance Bonds. The city council shall have authority to require a performance bond before entering a contract in such amount as it finds reasonably necessary to protect the best interests of the city. If the city council requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.
- H. Lowest Responsible Bidder Determination. In determining the lowest responsible bidder, the following factors may be considered in addition to price:
 1. The ability, capacity and skill of the bidder to perform the contract or provide the service required;
 2. The character, integrity, reputation, judgement, experience of the bidder, considering efficiency for the city or other contracting parties;
 3. The quality of performance by the bidder of previous contracts or services for the city or other contracting parties;
 4. The previous and existing compliance by the bidder with state laws and city ordinances relating to contracts or services;
 5. The sufficiency of the financial resources and the ability of the bidder to perform the contract or provide the services;
 6. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract.

(Ord. No. 340, att. A, 2-15-2011)

2.84.090 - Informal bid procedures—Supplies, services, equipment and public projects.

Purchase of supplies, services and equipment, other than public projects, of an estimated value in the amount of twenty-seven thousand dollars (\$27,000.00) or less may be made by the purchasing authority in the open market pursuant to the procedure prescribed in this chapter; provided, however, that all bidding may be dispensed with for purchases of supplies, services, and equipment having a total value of ten thousand dollars (\$10,000.00) or less.

Purchases for public projects with an estimated value of five thousand dollars (\$5,000.00) or less may be made by the purchasing authority in the open market pursuant to the procedure prescribed in this chapter and without regard to the procedure prescribed in Section 2-5.308.

- A. Minimum Number of Bids. Open market purchases shall, wherever possible, be based on at least three bids and shall be awarded to the lowest responsible bidder consistent with the quality of supplies, services, equipment and public projects required.
- B. Notice Inviting Bids. The purchasing agent or his/her designated representative shall solicit bids by written request to prospective vendors or by telephone.
- C. Written Bids and Phone Bids. Written bids and phone bids shall be submitted to the purchasing agent who shall keep a record of all open market orders and bids for a period of one year after submission of bids or the placing of orders. This record, while so kept, shall be open for public inspection.

(Ord. No. 340, att. A, 2-15-2011)

2.84.100 - Purchase orders.

Purchases of supplies, services and equipment shall be made by purchase orders when practicable. Unless otherwise provided in this chapter, no purchase order shall be issued unless the prior approval of the purchasing authority has been obtained. The purchasing Authority shall enforce the purchasing procedure.

(Ord. No. 340, att. A, 2-15-2011)

2.84.110 - Available funds required.

Except in cases of emergency or in cases where specific authority has been first obtained from the city manager, the purchasing authority shall not issue any purchase order for supplies, services, equipment and public projects unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged.

(Ord. No. 340, att. A, 2-15-2011)

2.84.120 - Reserved.

2.84.130 - Inspection and testing.

The purchasing agent or his delegated representative shall inspect supplies and equipment delivered to determine their conformance with the contract documents or specifications set forth in the order. The purchasing agent shall have the authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications, including OSHA and/or California industrial safety standards.

(Ord. No. 340, att. A, 2-15-2011)

2.84.140 - Surplus supplies and equipment.

All departments shall submit to the purchasing authority, at such time and in such forms as prescribed, reports showing all supplies and equipment which are no longer used or which have become obsolete or worn out. The purchasing authority shall have authority to exchange for or trade in on new material supplies and equipment which cannot be used by any agency or which have become unsuitable for city use with value up to five thousand dollars (\$5,000.00) total value for any one transaction. Multiple transactions shall not be utilized by the purchasing authority to avoid the five thousand dollar (\$5,000.00) limit. All exchange or trade transactions shall be reported to the city manager.

(Ord. No. 340, att. A, 2-15-2011)

2.84.150 - Public project.

Government Code 20161 defines "public project" as follows:

- A. A project for the erection, improvement, painting, or repair of public buildings and works;
- B. Work in or about streams, bays, water fronts, embankments, or other work for protection against overflow;
- C. Street or sewer work except maintenance or repair; and
- D. Furnishing supplies or materials for any such project, including maintenance or repair of streets or sewers.

(Ord. No. 340, att. A, 2-15-2011)

2.84.160 - Change orders to public projects.

The city manager is delegated authority to approve, without seeking new bids, contract change orders to public projects up to the combined amounts funded for construction or purchase and for contingencies as established in the project authorization.

(Ord. No. 340, att. A, 2-15-2011)

2.84.170 - Prequalification of contractors for projects exceeding fifty thousand dollars.

- A. On any specific project exceeding fifty thousand dollars (\$50,000.00) in estimated costs, the City may elect to prequalify contractors as defined in this section. In such case the city shall limit bids to contractors who have been prequalified and placed on a prequalification list for such project.
- B. "Prequalification" is defined as the process of establishing that a contractor is qualified, fit and capable, based upon past experience and current ability, to perform and complete the project in a timely and economically efficient manner. Poor past performance, by itself, is an adequate ground for determining that a bidder is not responsible. Prequalification shall be used to determine if a contractor is responsible as required by the ordinance codified in this section and state law.
- C. In order to prequalify all general contractors (hereinafter contractors) must complete a questionnaire designed to obtain information about licenses, past experience in performing similar projects, financial ability, compliance with appropriate laws and regulations, insurance, past and urgent information regarding litigation, and staffing, and such other areas of inquiry that will enable the city to complete the project on time and within budget.
- D. All information provided by contractors is subject to review by the city. The determination as to whether a contractor is prequalified rests solely with the city. The city further reserves the right to reject all prequalification questionnaires and repeat the prequalification process.

(Ord. No. 340, att. A, 2-15-2011)

2.84.180 - Exclusions.

Subject to the California Government Code and the California Public Contracts Code, the city manager shall recommend, and the city council shall approve, a report of purchases for which the provisions of this chapter shall not apply. Such report may contain, but is not limited to, purchases for the following:

- A. Franchises governed by the provisions of the California Public Utilities Code or other statute of the State of California;
- B. Insurance coverage and employee benefits;
- C. Intergovernmental agreements;
- D. Utilities, including, but not limited to, telephone service, fuel, electricity, or water.

(Ord. No. 340, att. A, 2-15-2011)



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: February 4, 2025
TO: Honorable Mayor and Members of the City Council
VIA: Melvin E. Gaines, City Manager
BY: Tomohito Oku, Finance Director
SUBJECT: Budget Ordinance Amendments

Recommendation

By motion:

1. Waive the first reading and introduce an ordinance amending Chapters 3.08 and 3.16 of the East Palo Alto Municipal Code to revise the budget planning and fiscal procedures as well as financial control chapters of the East Palo Alto Municipal Code; and
2. Finding the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) in that it is related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

This staff report addresses two issues within Chapters 3.08 (“Budget Planning and Fiscal Procedures”) and 3.16 (“Financial Control”) of Title 3 (“Revenue and Finance”) of the City of East Palo Alto Municipal Code:

1. The Timing of Presenting the Annual Budget to the City Council in Chapter 3.08; and

POLICY AND ACTION 12.2

The current ordinance requires staff to submit the budget and budget message by April 30th, which staff recommends removing. Due to this requirement, staff have been compelled to submit a budget with insufficient data and all other considerations such as new strategic priority programs and department requests.

Currently, Section 3.08.050 (“Preparation and Submission of Budget”) states:

“The budget officer, no later than April 30th of each fiscal year, shall submit to the city council a budget and an explanatory budget message in the form of and with the contents provided for by Chapter 3.12. For such purpose, no later than March 1st of the fiscal year, he/she or an officer designated by him shall obtain from the head of each office, department or agency estimates of revenue and expenditures of that office, department or agency detailed by:

- A. Program activities within each department;
- B. Personnel services;
- C. Operating services;
- D. Capital outlay;
- E. Such other supporting data as he/she may request;
- F. A list of all new programs and capital projects which each department head believes should be undertaken, including:
 - 1. Those within the budget year, and
 - 2. Those within the next five succeeding years.

In preparing the budget, the budget officer shall review the estimates, shall hold conferences with department heads thereon, and may revise the estimates as he may deem advisable. He also shall obtain from the responsible officer or officers or develop on his/her own initiative estimates of anticipated state and federal grants and required matching funds where applicable.”

2. Legal Level of Budgetary Control in Chapter 3.16

Legal level of budgetary control is the level at which spending authority is established by law, typically in the form of an approved budget, and beyond which expenditures cannot be made without formal approval. It is essentially the point at which the governing body enforces compliance with the budget. The current ordinance in the Section 3.16.030, indicates that the legal level of budgetary control is by department/office as opposed to by fund which is not consistent with the City’s current practice, and staff believes that the fund level of budgetary control is more advantageous in many aspects of fiscal management.

Analysis

1. The Timing of Presenting the Annual Budget to the City Council in Chapter 3.08; and

Staff’s concern with Section 3.08.050 is not the substance of what must be done, but the timing. The City’s budget process follows a structured timeline to ensure alignment with Council strategic priorities and sound financial management. Below is the detailed process:



POLICY AND ACTION 12.2

1. Current Fiscal Year's Mid-Year Budget Review (February)

- After the previous year's audited financial statements are issued in February, staff present a mid-year budget report to the Council. This report includes budget-to-actual information, year-to-date spending by fund type, carried-forward budgets (unspent funds from the prior year), and any requests for additional appropriations.

2. Departmental Budget Requests for the Next Fiscal Year (March)

- At the beginning of March, department heads submit their budget requests to the Finance Department. These submissions include detailed work programs for the upcoming fiscal year, along with proposed new initiatives that align with the Council's strategic priorities.

3. Finance and City Manager Conduct Initial Review of Budget Requests for the Next Fiscal Year (Late March to Early April)

- The Finance Department reviews the submitted budget requests to ensure accuracy and feasibility. Once reviewed, the budget is forwarded to the City Manager.
- The City Manager evaluates the requested allotments in the context of departmental work programs, Council priorities, and available resources. Meetings are held with department heads to discuss consistency with strategic priorities and resource constraints.

4. Council Strategic Priorities Study Session (January to March)

- Between January and March (with this year's session scheduled for early March), the Council conducts a study session to review progress and achievements of current-year priority work programs and brainstorm new work plan items for the upcoming fiscal year.

5. Finance Compilation and Analysis of Proposed Budgets (April)

- After review by the City Manager, all department budgets are routed back to the Finance Department.
- The Finance team compiles and analyzes the requested budgets, ensuring resource availability, compliance with financial policies, and balanced funding by fund.
- The Director of Finance, through the City Manager, prepares a preliminary budget and a budget message to the Council, as required by the current budget ordinance.

6. Budget Study Sessions with Council (May)

- In May, the Council holds two budget study sessions. During these sessions, each department presents its proposed budget, demonstrating alignment with its work programs. The Council deliberates on the budgets with input from the public.

7. Final Budget Adoption (June)

- o The finalized budget is adopted during a regular Council meeting in June.

8. Ongoing Budget Adjustments

- o Throughout the year, management may request additional appropriations via resolutions in Council meetings, allowing flexibility to address unforeseen financial needs.

The Mid-year Budget Review occurs in February because that is the earliest it can be prepared. Staff need data through the first 6 months of the fiscal year, which typically is not reconciled until late January, to capture and to show any financial trends. Therefore, February is the appropriate timing to provide a comprehensive mid-year budget report.

Given that staff present the mid-year budget to Council in February and the budget preparation Council Strategic Priorities processes go beyond April, staff have difficulty presenting a coherent budget proposal and explanatory budget message by April 30st. Preparing the budget is a complex process, and requiring the budget and an explanatory budget message by the end of April requires compromises in the quality of our proposal.

Concerning the budget meeting schedule, if desired, the Council can amend it through the annual presentation of Council proposed meeting schedule provided by City Clerk in December, which includes the timing and frequency of the budget meetings. Therefore, staff recommend amending the section of the current ordinance by eliminating the specific date (see the attachment 1 for details).

2. Legal Level of Budgetary Control

According to the best practices recommended by the Government Finance Officers Association (GFOA), budgetary controls are necessary to ensure that a government does not spend more than the amount legally appropriated by its governing body. By establishing clear spending boundaries, budgetary controls also promote accountability and bolster trust throughout the organization.

Section 3.16.010 in the City's ordinance states that the City's Chief Financial Officer is responsible for the administration of the financial affairs of the City. He or she must exercise financial budgetary control "over each office, department and agency." Additionally, the City's Annual Comprehensive Financial Reports (ACFRs) state that the legal level of the budgetary controls is by fund, which means transfers of operating budgets between funds, use of unappropriated fund balances, and significant changes in capital improvement project budgets require the approval of the City Council. In other words, the City Manager or his/her designee has the authority to make adjustments to the operating budget between departments within the same fund.

However, within Chapter 3.16 regarding Financial Control, Section 3.16.030 (Transfers of Appropriations) states in relevant part: "the City Council may by resolution transfer any

POLICY AND ACTION 12.2

unencumbered appropriation balance or portion thereof from one office, department or agency to another. No transfer shall be made from the appropriations required by subsections A, B and C of Section 3.12.090.” This statement suggests that the City Council exercises financial budgetary control over each office, department and agency, not the Chief Financial Officer, which is inconsistent with the statements in ACFRs.

Staff recommends amending the legal level of budgetary control in Section 3.16.030 by department/office to by fund. (See the attachment 1 for details). The practice of having the legal level of budgetary control at the fund level, rather than at the departmental level, offers several advantages. Budgeting by fund aligns financial management practices with legal requirements, enhances transparency, and promotes strategic resource allocation. It ensures compliance, improves financial oversight, and provides the flexibility the City needs to address evolving priorities while maintaining fiscal discipline.

Fiscal Impact

This ordinance amendment requires no new budgetary appropriation.

Public Notice

The public was provided notice by making the agenda and report available on the City’s website and on a bulletin, board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The proposed action does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(4) in that it is related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachment:

1. Ordinance

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO

REVISING THE BUDGET PLANNING AND FISCAL
PROCEDURES AS WELL AS FINANCIAL CONTROL
CHAPTERS OF THE EAST PALO ALTO MUNICIPAL CODE

WHEREAS, the City of East Palo Alto's staff typically presents a midyear budget report to the City Council in February, which cannot be presented earlier due to not having enough months of data to show any trends; and

WHEREAS, staff cannot begin to prepare the annual budget before the midyear budget is presented to Council because...

WHEREAS, the current ordinance requires staff to submit a budget and an explanatory budget message no later than April 30th, which is insufficient time from when the midyear budget is completed to substantively review the City's current financial position, all proposals of departments, and other the current needs; and

WHEREAS, Council prefers a comprehensive recommendation from staff on the budget to an early presentation that has not been properly vetted; and

WHEREAS, the City's Annual Comprehensive Financial Reports (ACFRs) state that the legal level of the budgetary controls is by fund, which means transfers of operating budgets between funds, use of unappropriated fund balances, and significant changes in capital improvement project budgets require the approval of the City Council whereas the City Manager or his/her designee has the authority to make adjustments to the operating budget between departments within the same fund; and

WHEREAS, East Palo Alto Municipal Code Section 3.16.030 is inconsistent with the ACFRs and the Chief Financial Officer's authority relating to budgetary controls over departmental fund balances in that it states that the Chief Financial Officer has such authority yet it requires a Council resolution to exercise such authority.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO DOES ORDAIN AS FOLLOWS:

SECTION 1. INCORPORATION OF RECITALS. The City Council finds that the above recitals are true and correct and are incorporated herein by reference.

SECTION 2. MUNICIPAL CODE AMENDMENT. Section 3.08.050 of Chapter 3.08 of Title 3 of the City of East Palo Alto Municipal Code is hereby amended to state:

“The budget officer, ~~no later than April 30th of each fiscal year~~, shall submit to the City Council a budget and an explanatory budget message in the form of and with the contents provided for by Chapter 3.12. For such purpose, ~~no later than March 1st of the fiscal year~~, he/she or an officer designated by him shall obtain from the head of each office, department or agency estimates of revenue and expenditures of that office, department or agency detailed by:

- A. Program activities within each department;
- B. Personnel services;
- C. Operating services;
- D. Capital outlay;
- E. Such other supporting data as he/she may request;
- F. A list of all new programs and capital projects which each department head believes should be undertaken, including:
 - 1. Those within the budget year, and
 - 2. Those within the next five succeeding years.

In preparing the budget, the budget officer shall review the estimates, shall hold conferences with department heads thereon, and may revise the estimates as he may deem advisable. He also shall obtain from the responsible officer or officers or develop on his/her own initiative estimates of anticipated state and federal grants and required matching funds where applicable.”

SECTION 3. MUNICIPAL CODE AMENDMENT. Section 3.16.030 of Chapter 3.16 of Title 3 of the City of East Palo Alto Municipal Code is hereby amended to state:

“The budget officer may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditures ~~within a department~~ **by fund**, regarding service, function or activity. At the request of the budget officer and within the last three months of the budget year, the city council may by resolution transfer any unencumbered appropriation balance or portion thereof from one ~~office, department or agency~~ **fund** to another. No transfer shall be made from the appropriations required by subsections A, B and C of Section 3.12.090.”

SECTION 4. CALIFORNIA ENVIRONMENTAL QUALITY ACT. The City Council hereby finds that proposed Ordinance does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378(b)(4), in that it is related to government fiscal activities, which do not

involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

SECTION 5. SEVERABILITY. If any section, subsection, sentence, clause, phrase or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed and adopted this Ordinance, and each and all provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

SECTION 6. EFFECTIVE DATE. This Ordinance shall take effect and be in full force thirty (30) days after the date of its adoption.

SECTION 7. PUBLICATION. The City Clerk is hereby directed to cause publication of this Ordinance as required by Government Code Section 36933.

INTRODUCED at a regular City Council meeting held _____, 2025, and

PASSED AND ADOPTED at a regular City Council meeting held on _____, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Signed:

Martha Barragan, Mayor

ATTEST:

Approved as to form:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: February 4, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Batool Zaro, Senior Engineer
Humza Javed, Public Works Director

SUBJECT: Cummings Loft Project Preferred Layout

Recommendation

Receive a presentation on the Cummings Loft Project space programming drawings and provide feedback on a preferred layout.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Housing, Economic and Workforce Development

Background

Several years ago, the City of East Palo Alto (“City”) acquired nearly 1,000 sq/ft of commercial space on the second floor of Cummings Lofts at 1765 East Bayshore Road as part of a negotiation with a developer who built a mixed-use project. The Council has expressed a desire to create incubator office space for East Palo Alto small businesses and non-profits who may be at risk of being displaced due to gentrification.

The developer provided the space in a “cold shell” condition. Therefore, the space needs drywall, plumbing, flooring, paint, and other essential features prior to making the space available for use. As a first step towards site improvements, the City developed a capital project named the Cummings Loft Improvement Project.

This project is fully funded by federal funds, which are administered by the State. Specifically, the City requested \$555,000 from the Small Business Administration in the FY 2022 Financial Services &

POLICY AND ACTION 12.3

General Government appropriations bill to construct an incubator office space for small businesses which will help budding entrepreneurs grow their businesses. The City was awarded the grant in the amount of \$555,000. The grant scope includes installing flooring, drywall, plumbing, electrical upgrades, an HVAC system, and furnishing the space using traditional office furniture.

Public Works staff advertised a request for proposals (RFP) for architectural services for the project. At the April 16, 2024, City Council meeting, City Council awarded a contract to MBH Architects for the design of the Project.

Analysis

Following the Council's directive to create an incubator space, staff explored various design options to potentially support office functions of non-profits, small businesses, and start-ups. As part of this effort, multiple schematic designs and space programming layouts have been prepared. These designs will be presented to City Council for review and feedback. Based on the Council's input, conceptual plans will be developed.

Three space programming options have been prepared, as shown in Attachment 1. Each configuration contains open office desks, meeting rooms, a communal office space, a private office, a kitchenette, and a restroom. The number of open office desks, number of meeting rooms, and the meeting room size, vary with each option. All options are intended to have soft seating, storage space, and lockers. The main objective is to create a flexible space that can support a variety of small businesses.

Option 1 includes nine 30"x 60" open desks, two meeting rooms (that can accommodate 10 seats), and one private office. The communal space can accommodate about eight seats and the kitchenette and restroom are located on the southern corner of the space.

Option 2 includes additional open desks of a smaller size. The layout shows twelve 24"x 48" desks, one private office, two meeting rooms (that can accommodate 8 seats), and a larger communal space with 12 seats. The kitchenette and the restroom are also located at the southern end of the space, similar to option 1.

Option 3 includes eighteen 24"x48" open office desks, one private office, and only one meeting room (that can accommodate 6 seats). Option 3 allows for additional open desks, but less private meeting spaces. Unlike option 1 and 2, the restroom is placed at the northern end of the space. Similar to option 1 and 2, the kitchenette is located on the southern end of the space. The communal space shown in option 3 can accommodate eleven seats.

Staff is seeking feedback from City Council on the preferred space programming layout. Design development and the preparation of the plans, specifications, and estimate (PS&E) package is anticipated to be completed by Summer 2025.

In the future, staff will be holding public outreach meetings to obtain public input on the programming and use of the space and will share this input with the City Council when discussing programming for the space.

POLICY AND ACTION 12.3

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered—receiving a presentation and providing feedback on a preferred layout—does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve entitlements.

Analysis of Levine Act Compliance: Not applicable.

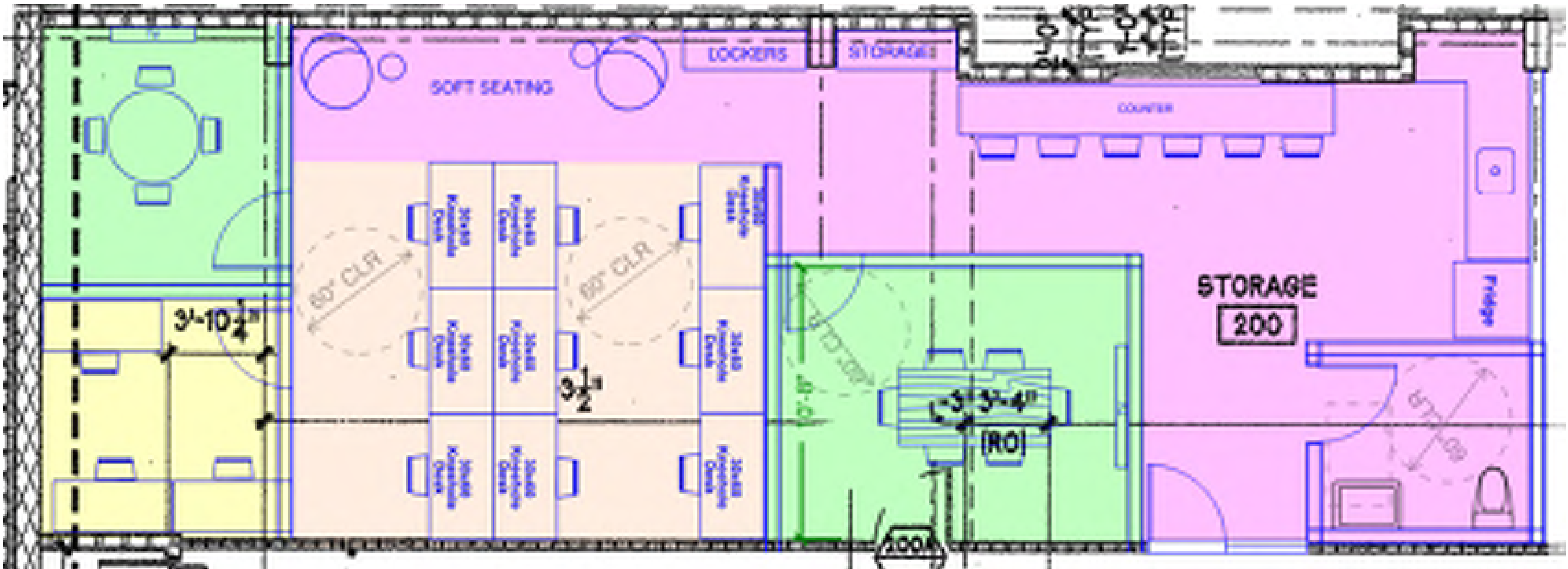
Attachment(s)

1. Attachment 1 - Cummings Loft Space Programming Options

OPTION 1

LEGEND

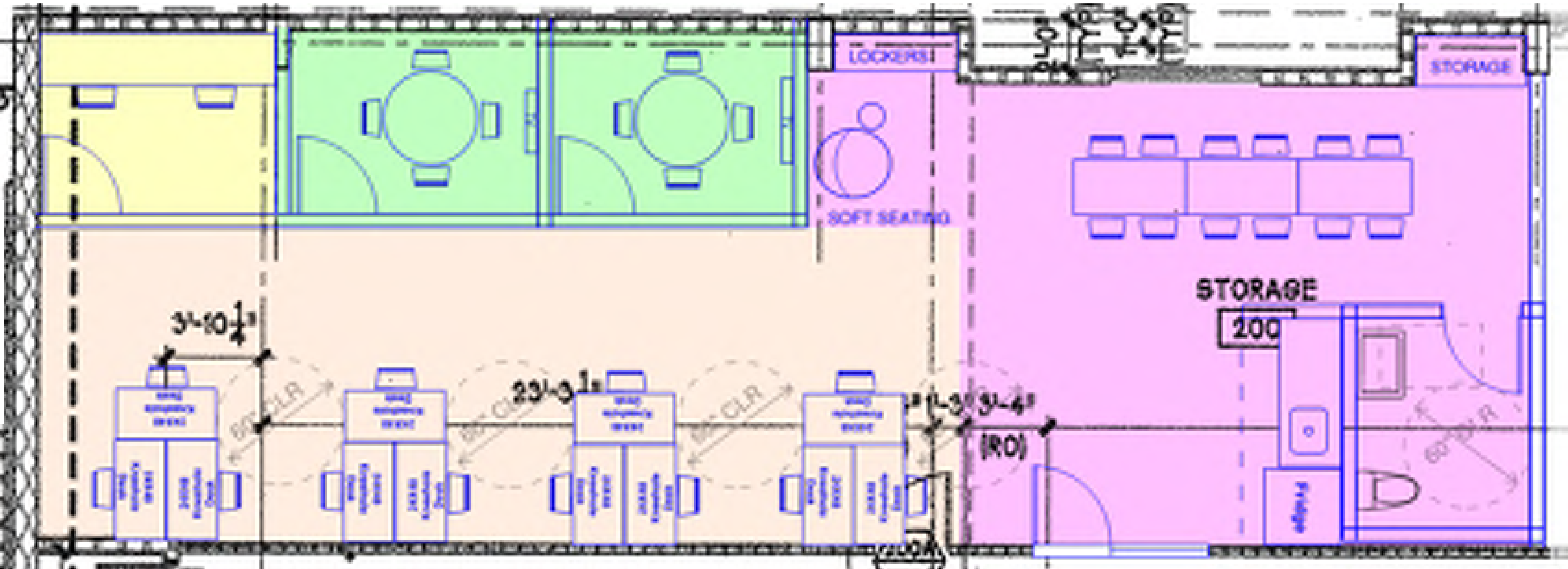
OPEN OFFICE	9 desks
PRIVATE OFFICE	1
MEETING ROOMS	2 room/10 seats
COMMUNAL SPACE	8 seats



OPTION 2

LEGEND

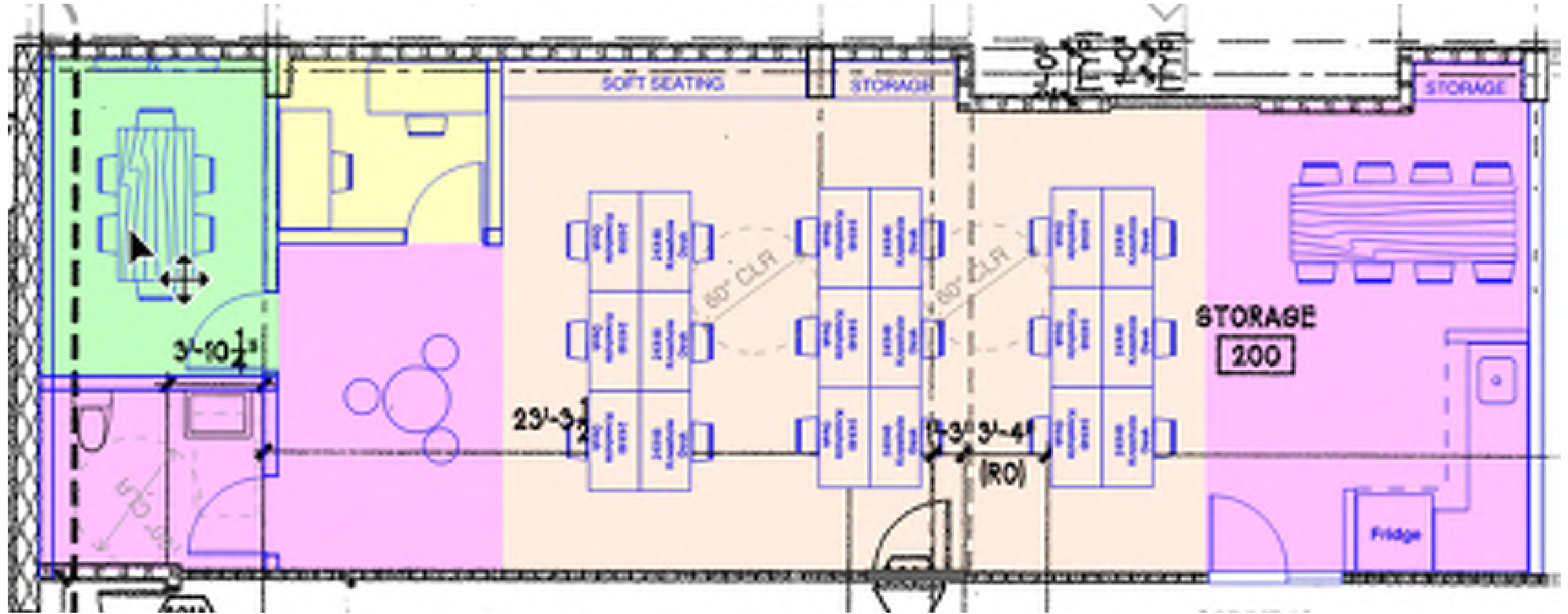
OPEN OFFICE	12 desks
PRIVATE OFFICE	1
MEETING ROOMS	2 room/8 seats
COMMUNAL SPACE	12 seats



OPTION 3

LEGEND

OPEN OFFICE	18 desks
PRIVATE OFFICE	1
MEETING ROOMS	1 room/6 seats
COMMUNAL SPACE	11 seats



CUMMINGS LOFT | INCUBATOR SPACE

1765 EAST BAYSHORE ROAD, EAST PALO ALTO, CALIFORNIA 94303

SPACE PLANNING | OVERVIEW

1" = 100'
3 FEBRUARY 2025
PROJECT NO. 59210

A.5



January 13, 2025

FROM: Ruben Abrica, Council Member

TO: East Palo Alto Community, City Staff, City Council

RE: My comments under Council Reports, for February 4

New Council Members Mark Dinan and Webster Lincoln chose to slander and demean the East Palo Alto City Council and City Staff with half-truths that turn into bold lies, at least as far as I can tell by examining their statements in regard to the conduct of the December 17th, 2024 city council meeting.

A 'half' truth can turn into a big lie. As quoted in the Daily Post, December 20-22, 2024, Mr Dinan states: (referring to outgoing council members Lopez and Gauthier)

"They were sworn on Dec. 8, 2020 and their terms expired in four years, by law."

It sounds very definitive and legalistic and implies that.... therefore after Dec. 8, 2024 their terms had expired and their vote on the consent calendar on December 17, 2024 was somehow illegal. But he conveniently leaves out what I would call the other 'half'. The writer of the article (Bay City News) clarifies for the readers:

"East Palo Alto's municipal code mirrors state law, which states the terms of elected city officers 'shall be in accordance with state law for a term of four years from Tuesday succeeding their election and until their successors are elected and qualified' New council members are considered 'qualified' once they take their oaths". (p 14)

So the Truth is that until Dinan and Lincoln were sworn in, the previously constituted City Council had full authority to act... even if the literal four years had passed.

Nothing unprecedented took place by voting on agenda items on December 17th

While not as strident as Mr. Dinan, Mr. Lincoln requested via a letter a delay in voting on consent items claiming that it was 'unprecedented' for an outgoing council to do that. I can attest to the contrary as I have witnessed 3 or 4 times over the last 20 years that outgoing councils have indeed voted on agenda items during a reorganization meeting. The City Clerk and City Attorney had also researched the issue and found specific cases. But the unfounded allegations make it seem as if the outgoing council was sneaking-in items and rushing decisions....to penalize and deprive the new members of their vote??? *And then they call a FOUR year public process on development 'rushed'? What an insult to the intelligence and participation of the community and the hard work of the staff!!*

Ask Lopez and Barragan to explain, since they were in charge of the agenda

Over the years I have never felt that the agenda committees in previous similar years were being malicious and I don't feel Lopez and Barragan were being so this time. But defaming the integrity of the City Council and Staff for politicking purposes by two council members should not be left unanswered. That's why I write this letter. But I am also calling on the 2024 agenda committee of Lopez and Barragan to clear the air and publicly explain to all of us what they had in mind with the December 17 agenda, since they and no one else were in charge. Dinan and Lincoln have already slandered the City enough.

January 26, 2025

Councilmember Ruben Abrica

City of East Palo Alto
2415 University Avenue
East Palo Alto, CA 94303

Subject: Response to Letter Regarding December 17 Meeting

Dear Councilmember Abrica,

Thank you for your January 13, 2025, letter regarding the December 17, 2024, meeting. I appreciate the opportunity to address your concerns and provide clarity on my perspective regarding the actions taken during that meeting and the surrounding context.

First, I would like to emphasize that my December 17 request to delay action on the consent calendar items was submitted directly to all councilmembers via email. It was neither shared with the media nor intended to malign or disparage the council or staff. My intent was, and remains, to promote transparency and fairness during governance transitions. For your reference, I have included my original letter as an attachment to this response.

That said, the actions taken during the December 17 meeting, in conjunction with decisions made at the December 3 special meeting, reflect a pattern of significant decisions being rushed through in the final days of the outgoing council's term. While these actions may have been procedurally valid, their timing raises concerns about public trust and inclusive governance.

Key Concerns

1. Termination of the EPASD General Manager

On December 17, the outgoing council terminated the general manager of the East Palo Alto Sanitary District (EPASD) during a closed session. This decision precluded the involvement of the incoming council and limited opportunities for broader deliberation on an important personnel matter.

2. Amendments to the EPASD District Code

At the December 3 special meeting, the council adopted amendments to the EPASD District Code. These changes:

- Stripped district directors of their authority to make independent EPASD appointments.
- Designated the City Manager as the General Manager, the City Attorney as District Counsel, and the Public Works Director as the District Engineer.
- Appointed the vice mayor as President and the mayor as President Pro Tem of the EPASD.
- Designated the City Clerk as the Secretary.

While procedurally sound, these decisions contribute to the perception of significant, last-minute actions that excluded the incoming council from meaningful participation.

3. Approval of the Ravenswood Business District (RBD) Update

On December 17, the outgoing council approved the RBD update—a billion-dollar development plan—just hours before the incoming council was sworn in. This decision deprived newly elected councilmembers of the opportunity to contribute to one of East Palo Alto's most consequential development plans.

4. Labor Negotiations and Closed-Session Actions

Also on December 17, the council addressed labor negotiations, performance evaluations, and other personnel matters during closed session. These decisions, made without input from the incoming

council, further contribute to the perception of rushed policymaking during the final hours of the outgoing council's term.

5. **Disrespect Toward Newly Elected Councilmembers and Their Families**

It was deeply disrespectful to the newly elected councilmembers and their families to have them wait for hours before the swearing-in ceremony. Families who attended to celebrate this significant milestone were left sitting through lengthy proceedings, detracting from the importance of the event and sending a dismissive message about the contributions and dignity of the incoming council.

Broader Implications

The actions taken on December 3 and December 17 reflect a pattern of lame-duck decision-making that has raised valid concerns about transparency and inclusivity. While these decisions may be procedurally sound, their timing undermines trust and collaboration during a critical governance transition.

That said, revisiting these decisions in their entirety may not be the most productive course of action. As the saying goes, sometimes it is better to "let sleeping dogs lie." Similarly, I consider these events to be "water under the bridge." My focus is on moving forward constructively and fostering a culture of collaboration and accountability. Nonetheless, documenting these concerns is necessary to ensure we learn from them and uphold the principles of fairness, transparency, and inclusivity in our governance processes moving forward.

Moving Forward

I consider these matters part of our shared history and am committed to focusing on solutions that prioritize the needs of East Palo Alto residents. My goal is to foster a culture of accountability, collaboration, and transparency as we move forward together.

Thank you for engaging with me on this matter. I look forward to working with you and the council to ensure our governance reflects the principles of fairness and inclusivity that our community deserves.

Sincerely,



Webster Lincoln
Councilmember, East Palo Alto

Attachment:

Original Letter Requesting Delay of December 17 Agenda Items

Re: Request to Delay Action on Consent Calendar Items

From Mark Dinan <mark.dinan@gmail.com>

Date Tue 12/17/2024 11:34 AM

To Webster Lincoln <webster@websterlincoln.com>

Cc alopez@cityofepa.org <alopez@cityofepa.org>; mbarragan@cityofepa.org <mbarragan@cityofepa.org>; lgauthier@cityofepa.org <lgauthier@cityofepa.org>; rabrica@cityofepa.org <rabrica@cityofepa.org>; Carlos Romero <cromero@cityofepa.org>; Melvin Gaines <mgaines@cityofepa.org>; James Colin <jcolin@cityofepa.org>

I concur with Webster, and will be putting out a public statement shortly.

On Tue, Dec 17, 2024 at 11:13 AM Webster Lincoln <webster@websterlincoln.com> wrote:

Dear Mayor Antonio D. Lopez, Vice Mayor Martha Barragan, Councilmember Lisa Gauthier, Councilmember Carlos Romero, and Councilmember Ruben Abrica,

I am writing to respectfully request that the outgoing council consider delaying action on the consent calendar items scheduled for the meeting today, December 17, 2024. The timing of these decisions, occurring on the same day, just prior to the swearing-in of the new council, is unprecedented and raises concerns about both process and public trust.

Historically, outgoing councils have refrained from taking significant actions in the final moments of their term out of respect for incoming leadership and the mandate given to them by voters. Moving forward with decisions at this time risks undermining the transparency and collaborative governance that our community values.

I respectfully ask that you defer these items to allow the newly elected council, as representatives of the community's current will, to deliberate and act upon them appropriately.

Thank you for considering this request. I trust we all share a commitment to ensuring a smooth and respectful transition for the residents of East Palo Alto.

Sincerely,
Webster Lincoln

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Mark Dinan



RESOLUTION NO. CMR-01-2025

**A RESOLUTION OF THE CITY MANAGER
OF THE CITY OF EAST PALO ALTO**

**ACTING AS THE CITY MANAGER AND GENERAL MANAGER OF THE EAST PALO ALTO
SANITARY DISTRICT (EPASD), DECLARING AN EMERGENCY DUE TO REPLACE A FAILING
SEWER LINE ALONG SOUTHBOUND 101 WITHIN CALTRANS RIGHT-OF-WAY BETWEEN
WILLOW ROAD AND UNIVERSITY AVENUE, MAKING FINDINGS THEREFOR, AND ORDERING
THAT THE FACILITY BE IMMEDIATELY REPLACED**

WHEREAS, pursuant to California Public Contract Code section 22050 (which applies to EPASD pursuant to Public Contract Code section 20806), in the case of an emergency, a public agency's governing board may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services and supplies for those purposes without giving notice for bids; and

WHEREAS, before a governing body takes any such action, it must make a finding, based on substantial evidence, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency; and

WHEREAS, the governing body may delegate to the to the appropriate county administrative officer, city manager, chief engineer, or other nonelected agency officer the authority to order any such action; and

WHEREAS, East Palo Alto Municipal Code section 2.84.060 states that, when an emergency exists, in the judgment of the department head or designee, which requires immediate action in the interest of public health, safety and welfare, and the City Manager or an appointed designee are not available, the department head, or designee may authorize the necessary supplies, services and equipment; and

WHEREAS, in East Palo Alto Municipal Code section 2.84.060, the City Council delegated to the City Manager (and in his absence, to any department head) the authority to order any such emergent action; and

WHEREAS, pursuant to East Palo Alto Municipal Code section 2.12.150, the City Manager has been delegated the authority to act as the General Manager of the EPASD.

NOW, THEREFORE, based on substantial evidence, the City Manager/General Manager of the City of East Palo Alto/EPASD hereby finds:

1. That the recitals set forth above are true and correct and incorporated in this Resolution as if set forth in full.
2. That upon investigation of an existing 6-inch clay sewer line, it was determined that it is failing, and that this situation is an emergency within the meaning of Public Contract Code section 22050, Public Contract Code section 20806, and East Palo Alto Municipal Code section 2.84.060 because there is an urgent need to protect the environment as well as public health and safety from the consequences of the sewer line failure.
3. That this emergency will not permit a delay resulting from a competitive solicitation for

bids because the existing sewer line is damaged and leaking, thereby demanding prompt replacement. Thus, the public interest and necessity demand the immediate expenditure of EPASD funds to safeguard life, health, and property.

4. That the following action is necessary to respond to the emergency:

- City staff commence immediate negotiations with a vendor to replace the sewer line.
- Coordinate repair of the sewer line via a contractor with Caltrans' as the location is within their right of way.

THUS, the City Manager of the City of East Palo Alto hereby resolves, determines and orders:

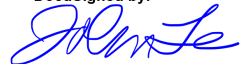
1. That the facility be immediately repaired by taking any directly related and immediate action and procuring the necessary equipment, services and supplies for those purposes, without giving notice for bids to let contracts.
2. That I shall report to the City Council at its meeting on February 4, 2025, the reasons justifying why the emergency did not permit a delay resulting from a competitive solicitation for bids and why the action was necessary to respond to the emergency.
3. That I shall inform the City Council that pursuant to both Public Contract Code section 22050 and East Palo Alto Municipal Code section 2.84.060:
 - a. The City Council must initially review the emergency action not later than seven (7) days after the action;
 - b. The City Council must continue to review the emergency action every fourteen (14) days thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action (unless I have terminated that action before the City Council reviews the emergency action and makes such a determination); and
 - c. The City Council must terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.

PASSED AND ADOPTED this 30th day of January 2025.

DocuSigned by:

4A861DD7402240E
Melvin E. Gaines,
City Manager/EPASD General Manager

APPROVED AS TO FORM:

DocuSigned by:

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John D. Le,
City Attorney/District Counsel