



**CITY OF HUGHSON
CITY COUNCIL MEETING
CITY HALL COUNCIL CHAMBERS
(VIA VIDEOCONFERENCE)
7018 Pine Street, Hughson, CA**

**AGENDA
MONDAY, MAY 11, 2020 – 7:00 P.M.**

**SPECIAL NOTICE
Coronavirus COVID-19**

MEMBERS OF THE PUBLIC MAY REMOTELY OBSERVE THE MEETING AND ADDRESS THE COUNCIL VIA VIDEOCONFERENCE. THIS MEETING WILL NOT INCLUDE IN PERSON PUBLIC ATTENDANCE.

This meeting will be held in accordance with the Governor's Stay at Home Executive Order N-33-20 and will not include in person public attendance. Members of the public may observe the meeting and provide comments to the Council as described below.

**INFORMATION REGARDING ATTENDANCE AT THE CITY COUNCIL MEETING
IN RESPONSE TO THE LOCAL PUBLIC HEALTH EMERGENCY:**

How to observe the Meeting:

- You can observe the meeting by calling Deputy City Clerk, Ashton Gose at 209-883-4054, or e-mailing AGOSE@HUGHSON.ORG by 4:00 p.m. on Monday, May 11, 2020.
- In addition, recorded City Council meetings are posted on the City's website the first business day following the meeting. Recorded videos can be accessed with the following link: <http://hughson.org/our-government/city-council/#council-agenda>

How to submit Public Comment:

- If you wish to provide comment during the Public Comment Period, or on a specific agenda item, please submit your comments via email by 4:00 p.m. on Monday, May 11, 2020 prior to the Council meeting. Please email your comment to the Deputy City Clerk at AGOSE@HUGHSON.ORG and include either "Public Comment 5/11" or the Agenda Item Number in the subject line of the email. Your written comment will be distributed to the City Council, read aloud during the meeting, and kept on file as part of official record of the Council meeting.

CALL TO ORDER: Mayor Jeramy Young

ROLL CALL: Mayor Jeramy Young
Mayor Pro Tem George Carr
Councilmember Ramon Bawan
Councilmember Harold Hill
Councilmember Michael Buck

FLAG SALUTE: Mayor Jeramy Young

INVOCATION: Hughson Ministerial Association

1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):

Members of the audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, state their name and city of residence for the record (requirement of name and city of residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

2. PRESENTATIONS: NONE.

3. CONSENT CALENDAR:

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

3.1: Approve the Minutes of the Regular Meeting of April 27, 2020.

3.2: Approve the Warrants Register.

3.3: Approve the City of Hughson Treasurer's Quarterly Investment Portfolio Report for December 2019.

3.4: Proclaim May 17-23, 2020, as National Public Works Week.

3.5: Accept the City of Hughson Goals Annual Report Card.

3.6: Adopt Resolution 2020-21, Approving the Measure L Master Funding Agreement with the Stanislaus Council of Governments.

4. UNFINISHED BUSINESS: NONE.

5. PUBLIC HEARING TO CONSIDER THE FOLLOWING: NONE.

6. NEW BUSINESS:

6.1: Approve the Employment Contract with Merry Mayhew for the Position of City Manager, Effective June 1, 2020.

7. CORRESPONDENCE: NONE.

8. COMMENTS:

8.1: Staff Reports and Comments: (Information Only – No Action)

City Manager:

Deputy City Clerk:

Community Development Director:

Director of Finance and Admin Services:

Police Services:

City Attorney:

8.2: Council Comments: (Information Only – No Action)

8.3: Mayor’s Comments: (Information Only – No Action)

9. CLOSED SESSION TO DISCUSS THE FOLLOWING:

9.1: CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Raul Mendez, City Manager
Employee Organization: Operating Engineers Local Union 3

ADJOURNMENT:

Notice Regarding Non-English Speakers:

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Hughson City Council shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

General Information: The Hughson City Council meets in the Council Chambers on the second and fourth Mondays of each month at 7:00 p.m., unless otherwise noticed.

Council Agendas: The City Council agenda is now available for public review at the City's website at www.hughson.org and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.

Questions: Contact the City Clerk at (209) 883-4054



CITY COUNCIL AGENDA ITEM NO. 3.1 SECTION 3: CONSENT CALENDAR

Meeting Date: May 11, 2020
Subject: Approval of the City Council Minutes
Presented By: Ashton Gose, Deputy City Clerk

Approved By: _____

Staff Recommendation:

Approve the Minutes of the Regular Meeting of April 27, 2020.

Background and Overview:

The draft minutes of the April 27, 2020 meeting are prepared for the Council's review.



**CITY OF HUGHSON
CITY COUNCIL MEETING
CITY HALL COUNCIL CHAMBERS
7018 Pine Street, Hughson, CA**

**MINUTES
MONDAY, APRIL 27, 2020 – 7:00 P.M.**

**SPECIAL NOTICE
Coronavirus COVID-19**

MEMBERS OF THE PUBLIC MAY REMOTELY OBSERVE THE MEETING AND ADDRESS THE COUNCIL VIA VIDEOCONFERENCE. THIS MEETING WILL NOT INCLUDE IN PERSON PUBLIC ATTENDANCE.

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IN RESPONSE TO THE LOCAL PUBLIC HEALTH EMERGENCY:**

How to observe the Meeting:

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- In addition, recorded City Council meetings are posted on the City’s website the first business day following the meeting. Recorded videos can be accessed with the following link: <http://hughson.org/our-government/city-council/#council-agenda>

How to submit Public Comment:

- If you wish to provide comment during the Public Comment Period, or on a specific agenda item, please submit your comments via email by 4:00 p.m. on Monday, April 27, 2020 prior to the Council meeting. Please email your comment to the Deputy City Clerk at AGOSE@HUGHSON.ORG and include either “Public Comment 4/27” or the Agenda Item Number in the subject line of the email. Your written comment will be distributed to the City Council, read aloud during the meeting, and kept on file as part of official record of the Council meeting.

CALL TO ORDER: Mayor Jeramy Young

ROLL CALL:

Present: Mayor Jeramy Young (via videoconference)
 Mayor Pro Tem George Carr (via videoconference)
 Councilmember Harold Hill (via videoconference)
 Councilmember Ramon Bawan (via videoconference)
 Councilmember Michael Buck (via videoconference)

Staff Present: Raul Mendez, City Manager (via videoconference)
 Daniel Schroeder, City Attorney (via videoconference)
 Larry Seymour, Chief of Police (via videoconference)
 Ashton Gose, Deputy City Clerk (via videoconference)
 Lea Simvoulakis, Community Development Director (via teleconference)
 Merry Mayhew, Director of Finance and Admin Services (via teleconference)
 Jaime Velazquez, Utilities Superintendent (via videoconference)
 Lisa Whiteside, Finance Manager (via videoconference)

1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):

Heather Bailey from the Hughson Library provided a written update to the City Council regarding the modified services at the library due to COVID-19. This update was read aloud by Deputy City Clerk, Ashton Gose during the public comment period, and the written update is attached to be kept on file as part of official record of this Council meeting.

2. PRESENTATIONS:

2.1: Development Impact Fee Nexus Study – Presented by Bartle Wells Associates.

Michael DeGroot, consultant from Bartle Wells Associates, presented an update on the Development Impact Fee Nexus Study.

3. CONSENT CALENDAR:

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

- 3.1:** Approve the Minutes of the Regular Meeting of March 23, 2020.
- 3.2:** Approve the Warrants Register.
- 3.3:** Adopt Resolution No. 2020-16, Calling and Giving Notice of the Holding of a General Municipal Election on Tuesday, November 3, 2020, for the Election of Certain Officers as Required by the Provisions of the Laws of the State of California Relating to General Law Cities and Requesting Consolidation of the Election with Stanislaus County.
- 3.4:** Approval to Waive the Second Reading and Adopt Ordinance No. 2020-05, Amending Chapter 13.08, of the Hughson Municipal Code Concerning the Disconnection for Nonpayment of Residential Water Service.
- 3.5:** Adopt Resolution No. 2020-17, Amending the City of Hughson's Conflict of Interest Code and Revise the Titles of Existing Positions, Delete Titles of Positions That Have Been Abolished and/or Positions That No Longer Make or Participate in Making Governmental Decisions and Amend the "Terms of Code".
- 3.6:** Approval of Amendment to the Hughson City Manager Second Amended Employment Contract.
- 3.7:** Consideration of Recommendation of Lieutenant Fidel Landeros for Hughson Chief of Police.
- 3.8:** Proclaim April 19-25, 2020 as National Library Week.
- 3.9:** Proclaim April 19-25, 2020 as Administrative Professionals Week.
- 3.10:** Adopt Resolution No. 2020-18, Supporting the Approval of the Fiscal Years 2020-2025 Consolidated Plan (Con Plan), Fiscal Year 2020-2021 Community Development Block Grant (CDBG) Annual Action Plan (AAP), and the Fiscal Years 2020-2025 Analysis of Impediments to Fair Housing Choice (AI).
- 3.11:** Adopt Resolution No. 2020-19, Approving the "Designation of Applicant's Resolution for Non-State Agencies" Designating Agents Authorized to Execute Applications for and on Behalf of the City of Hughson for Financial Assistance from the Federal Emergency Management Agency and the California Governor's Office of Emergency Services for Recovering Costs Associated with Declared Emergencies.
- 3.12:** Adopt Resolution No. 2020-20, Approving the Professional Services Agreement with CSG Consultants for Building Plan Review and Building Inspection Services.

3.13: Update on Local Emergency Coronavirus/COVID-19.

3.14: Review and Approve the City of Hughson Treasurer's Investment Portfolio Reports for November and December 2019.

YOUNG/HILL 5-0-0-0 motion passes to approve the Consent Calendar as presented.

4. UNFINISHED BUSINESS: NONE.

5. PUBLIC HEARING TO CONSIDER THE FOLLOWING: NONE.

6. NEW BUSINESS:

6.1: Approval to Conduct Sole Source Procurement for the Well No. 7 Replacement Project, Phase III and Related Actions.

HILL/BUCK 5-0-0-0 motion passes to approve conducting sole source procurement for the Well No. 7 Replacement Project, Phase III and Related Actions.

7. CORRESPONDENCE: NONE.

8. COMMENTS:

8.1: Staff Reports and Comments: (Information Only – No Action)

City Manager:

City Manager Mendez recognized each of the City's administrative staff in conjunction with Administrative Professional's Week (April 19-25, 2020). He also provided a reminder regarding the Hughson Volunteer Firefighter's Association Annual Chicken BBQ being held on Saturday, May 9, 2020.

Community Development Director:

Director Simvoulakis provided the Council an update regarding potential housing development projects within the City.

Director of Finance and Administrative Services:

Director Mayhew provided the Council an update regarding Contract City Auditing Service interviews.

Police Services:

Chief Seymour provided the City Council with the latest Crime Statistic Report.

8.2: Council Comments: (Information Only – No Action)

Councilmember Bawan expressed his appreciation for City staff and Hughson Police Services. He also provided information regarding Love Hughson signs of encouragement staked throughout the City.

Councilmember Hill expressed his appreciation for City staff. He also provided a reminder regarding the Hughson Volunteer Firefighter's Association Annual Chicken BBQ being held on May 9, 2020.

Councilmember Buck expressed his appreciation for City staff and Hughson Police Services.

Mayor Pro Tem Carr expressed his appreciation for City staff. He also encouraged individuals to recognize first responders during this pandemic.

Mayor Young expressed his appreciation for City staff and Hughson Police Services. He identified that the City parks look great and thanked the Public Works staff for the condition of the parks. He attends 3-4 conference calls per week, with the City Managers and Mayors of Stanislaus County, as well as the Stanislaus County Office of Emergency Services, regarding COVID-19. Prior to this Council meeting he attended a Stanislaus Council of Governments Executive Committee meeting, and Policy Board meeting.

9. CLOSED SESSION TO DISCUSS THE FOLLOWING:

9.1: PUBLIC EMPLOYMENT
Title: City Manager

9.2: CONFERENCE WITH LABOR NEGOTIATORS
City Designated Representatives: Mayor Young
Unrepresented Employee: City Manager

9.3 CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Raul Mendez, City Manager
Employee Organization: Operating Engineers Local Union 3

ADJOURNMENT:

HILL/BAWANAN 5-0-0-0 motion passes to adjourn the regular meeting of April 27, 2020, at 9:53 P.M. to May 4, 2020 at 1:00 P.M. via teleconference to continue closed session items 9.1 through and including 9.3 in accordance with Government Code Section 54955.

NOTICE OF ADJOURNMENT OF REGULAR CITY COUNCIL MEETING

Pursuant to Government Code Section 54955 and 54955.1, the Regular City Council Meeting noticed for and held on April 27, 2020 has been adjourned to May 4, 2020, at 1 p.m. The Council will address closed session items 9.1 through and including 9.3 that were not completed during the April 27, 2020 Regular Meeting.

MONDAY, MAY 4, 2020 – 1:00 P.M.

SPECIAL NOTICE Coronavirus COVID-19

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INFORMATION REGARDING ATTENDANCE AT THE CITY COUNCIL MEETING IN RESPONSE TO THE LOCAL PUBLIC HEALTH EMERGENCY:

How to observe the Meeting:

- You can observe the meeting by calling Deputy City Clerk, Ashton Gose at 209-883-4054, or e-mailing AGOSE@HUGHSON.ORG by 11:00 a.m. on Monday, May 4, 2020.

How to submit Public Comment:

- If you wish to provide comment during the Public Comment Period regarding any of the closed session items, please submit your comments via email by 11:00 a.m. on Monday, May 4, 2020 prior to the Council meeting. Please email your comment to the Deputy City Clerk at AGOSE@HUGHSON.ORG and include either "Public Comment 5/04" or the Agenda Item Number in the subject line of the email. Your written comment will be distributed to the City Council, read aloud during the meeting, and kept on file as part of official record of the Council meeting.

CALL TO ORDER: Mayor Jeramy Young

ROLL CALL:

Present: Mayor Jeramy Young
Mayor Pro Tem George Carr
Councilmember Harold Hill
Councilmember Ramon Bawanan
Councilmember Michael Buck (arrived at 1:08 P.M.)

Staff Present: Raul Mendez, City Manager
Daniel Schroeder, City Attorney
Ashton Gose, Deputy City Clerk

1. PUBLIC COMMENT ON CLOSED SESSION ITEMS:

NONE.

9. CLOSED SESSION TO DISCUSS THE FOLLOWING:

9.1: PUBLIC EMPLOYMENT
Title: City Manager

9.2: CONFERENCE WITH LABOR NEGOTIATORS
City Designated Representatives: Mayor Young
Unrepresented Employee: City Manager

9.3 CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Raul Mendez, City Manager
Employee Organization: Operating Engineers Local Union 3

10. REPORT FROM CLOSED SESSION:

All the Councilmembers were present and there was no reportable action.

ADJOURNMENT:

YOUNG/HILL 5-0-0-0 motion passes to adjourn the meeting at 5:09 P.M

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JERAMY YOUNG, Mayor

ASHTON GOSE, Deputy City Clerk

Ashton Gose

From: Heather Bailey
Sent: Monday, April 27, 2020 3:01 PM
To: Ashton Gose
Subject: Public Comments for tonight

Hello Ashton,

For public comments I would like to share about the library still open with modify services.

The Hughson library is offering modified services during this time, the hours of operation are Monday thru Thursday 12-6 and Friday 11-5, to answer questions about our digital services, and we as no-contact hold, curbside hold pick up. Call 883-2293 for more information. The library is also providing virtual programming through Facebook and Instagram; including virtual story time. Visit www.stanislauscounty.org, or follow us on Facebook for information and new additions to our free services. The California state library just added ABC mouse through our site for free to all.

Feel free to contact Heather Bailey for any questions.

Thank you
Heather

Total Control Panel

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CITY COUNCIL AGENDA ITEM NO. 3.2

SECTION 3: CONSENT CALENDAR

Meeting Date: May 11, 2020
Subject: Approval of Warrants Register
Enclosure: Warrants Register
Presented By: Lisa Whiteside, Finance Manager

A handwritten signature in blue ink, appearing to be "Lisa Whiteside", is written over a horizontal line.

Approved By: _____

Staff Recommendation:

Approve the Warrants Register as presented.

Background and Overview:

The warrants register presented to the City Council is a listing of all expenditures paid from April 24, 2020 to May 7, 2020.

Fiscal Impact:

There are reductions in various funds for payment of expenses.



Hughson

Check Report

By Check Number

Date Range: 04/24/2020 - 05/07/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
Bank Code: Payable Bank-Payable Bank						
01420	CALIFORNIA STATE DISBURSEMENT UNIT	04/24/2020	Regular	0.00	40.12	52862
INV0003535	Invoice	04/01/2020	INCOME WITHHOLDING FOR CHILD SUPP	0.00	40.12	
01420	CALIFORNIA STATE DISBURSEMENT UNIT	04/24/2020	Regular	0.00	40.12	52863
INV0003586	Invoice	04/16/2020	INCOME WITHHOLDING FOR CHILD SUPP	0.00	40.12	
00069	ANDREWS ELECTRIC	04/28/2020	Regular	0.00	8,369.00	52864
81862	Invoice	04/09/2020	Lift station pump Rebuild	0.00	8,369.00	
00284	CHARTER COMMUNICATION	04/28/2020	Regular	0.00	89.67	52865
0054047041020	Invoice	04/10/2020	IP ADDRESS- 1ST	0.00	89.67	
00463	EXPRESS PERSONNEL SERVICE	04/28/2020	Regular	0.00	790.40	52866
23831230	Invoice	04/08/2020	Extra Help- PW	0.00	790.40	
00544	GRAND FLOW	04/28/2020	Regular	0.00	330.20	52867
150854	Invoice	04/15/2020	AP Checks	0.00	330.20	
00698	KUBWATER RESOURCES, INC	04/28/2020	Regular	0.00	3,729.08	52868
09433	Invoice	04/09/2020	Polymer	0.00	3,729.08	
00775	MISSION UNIFORM SERVICE	04/28/2020	Regular	0.00	420.40	52869
512145185	Invoice	03/30/2020	Uniform service	0.00	32.47	
512145187	Invoice	03/30/2020	Uniform service	0.00	112.25	
512193307	Invoice	04/06/2020	Uniform service	0.00	33.92	
512193308	Invoice	04/06/2020	Uniform service	0.00	118.59	
512200882	Invoice	04/06/2020	Uniform service	0.00	32.36	
512240490	Invoice	04/13/2020	Uniform service	0.00	33.92	
512240492	Invoice	04/13/2020	Uniform service	0.00	56.89	
00855	OPERATING ENGINEERS LOCAL	04/28/2020	Regular	0.00	312.00	52870
INV0003614	Invoice	04/02/2020	LOCAL UNION DUES #3	0.00	312.00	
00863	PACIFIC PLAN REVIEW	04/28/2020	Regular	0.00	3,542.43	52871
INV0003604	Invoice	03/31/2020	Contract Services Planning/Building	0.00	3,542.43	
00884	PITNEY BOWES	04/28/2020	Regular	0.00	500.00	52872
INV0003605	Invoice	04/13/2020	POSTAGE	0.00	500.00	
00914	QUICK N SAVE	04/28/2020	Regular	0.00	45.55	52873
1014368	Invoice	04/20/2020	Fuel	0.00	45.55	
01009	SHRED-IT USA LLC	04/28/2020	Regular	0.00	165.08	52874
8129571827	Invoice	04/07/2020	Shredding	0.00	165.08	
01048	STANISLAUS COUNTY DEPARTM	04/28/2020	Regular	0.00	247.00	52875
IN0015747	Invoice	04/09/2020	enviremental stan county	0.00	247.00	
01040	STANISLAUS COUNTY SHERIFF	04/28/2020	Regular	0.00	99,775.93	52876
1920-161	Invoice	04/14/2020	LAW ENFORCEMENT SERVICES- MARCH	0.00	99,775.93	
01149	TURLOCK IRRIGATION DIST.	04/28/2020	Regular	0.00	24,294.77	52877
INV0003617	Invoice	04/15/2020	ELECTRIC	0.00	24,294.77	
01176	USA BLUE BOOK	04/28/2020	Regular	0.00	532.34	52878
197065	Invoice	04/09/2020	Hydrant software	0.00	532.34	
01206	WARDEN'S OFFICE	04/28/2020	Regular	0.00	128.33	52879

Check Report

Date Range: 04/24/2020 - 05/07/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
2024630-0	Invoice	04/15/2020	ink	0.00	93.85	
2025886-0	Invoice	04/15/2020	flash drives	0.00	34.48	
00305	CITY OF HUGHSON	04/30/2020	Regular	0.00	182.25	52880
INVO003622	Invoice	04/29/2020	Building Permit Florsheim -	0.00	182.25	
00528	GILTON SOLID WASTE MANAGE	04/30/2020	Regular	0.00	43,888.02	52881
INVO003623	Invoice	04/29/2020	GARBAGE SERVICE- MARCH	0.00	43,888.02	

Bank Code Payable Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	27	20	0.00	187,422.69
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	27	20	0.00	187,422.69

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	27	20	0.00	187,422.69
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	27	20	0.00	187,422.69

Fund Summary

Fund	Name	Period	Amount
999	POOLED CASH/CONSOLIDATED CASH	4/2020	187,422.69
			187,422.69



Hughson

Refund Check Register

Refund Check Detail

low

UBPKT01135 - 2020-04-03 Regular Billing Refunds

Account	Name	Date	Check #	Amount	Code	Receipt	Amount	Type
14-0355-001	LITTLE, KYLE A	4/3/2020	52858	90.42			90.42	Deposit
16-0960-003	SAROEUN, KENNEDY & WICHAN Farms, JGF	4/3/2020	52859	69.15			69.15	Deposit
16-2270-005		4/3/2020	52860	56.66			56.66	Deposit
17-0180-000	Winpac- Euclid Ave LP	4/3/2020	52861	125.72			125.72	Deposit
Total Refunded Amount:				341.95				

Revenue Code Summary

Revenue Code	Amount
996 - UNAPPLIED CREDITS	341.95
Revenue Total:	341.95

General Ledger Distribution

Posting Date: 04/03/2020

Account Number	Account Name	Posting Amount	IFT
Fund: 510 - WATER/SEWER DEPOSIT			
510-10001	CLAIM ON CASH-WATER/SEWER DEPOSIT	-341.95	Yes
510-11040	CUSTOMER CREDITS	341.95	
510 Total:		0.00	
Fund: 999 - POOLED CASH/CONSOLIDATED CASH			
999-10010	CASH IN BANK-MONEY MARKET	-341.95	
999-20000	DUE TO OTHER FUNDS (POOLED CASH)	341.95	Yes
999 Total:		0.00	
Distribution Total:		0.00	



CITY COUNCIL AGENDA ITEM NO. 3.3 SECTION 3: CONSENT CALENDAR

Meeting Date: May 11, 2020
Subject: Approval of the Treasurer's Investment Portfolio Report
Presented By: Crystal Aguilar, Treasurer
Merry Mayhew, Director of Finance and Administrative Services

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned above a horizontal line.

Approved By: _____

Staff Recommendation:

Review and approve the City of Hughson Treasurer's Quarterly Investment Portfolio Report for December 2019.

Summary:

The City Treasurer reviews the City's investment practices and approves the quarterly Portfolio of Investments Report. As of December 2019, the City of Hughson's investment total is \$2,801,065.69 and has a total cash and investment balance of \$21,613,705.68. All investment actions executed since the last report have been made in full compliance of the City of Hughson's Investment Policy. The City of Hughson will meet its expenditure obligations for the next six months as required by California Government Code Section 53646 (b) (2) and (3) respectively.

Discussion:

The Investment Portfolio Report is intended to provide supplementary documentation of the City of Hughson's investment practices. According to the City of Hughson's Investment Policy, the City Treasurer shall submit to the City Council a quarterly investment report containing a complete description of the portfolio, the type of investments, the issuers, maturity dates, par and dollar values, and the current market values of each component of the portfolio. As per the City's Investment Policy, when dealing with investment activities, the City of Hughson's primary objectives, in order of priority, are safety, liquidity, and return on investments.

The City of Hughson has utilized MBS Account Executive, Michael DeGeeter, as a third-party investor. According to Mr. DeGeeter, a 5-year Certificate of Deposit (CD) laddering approach is utilized for the City's investment practices. This approach layers various CDs depending on interest rates and timing, which allows for reduced portfolio rates and a continuous stream of maturity dates. Mr. DeGeeter states that this CD approach has always spread positively for the City of Hughson and has had the highest yield of any spread thus far.

Attached is the City of Hughson Treasurer's Investment Portfolio Report for December 2019 along with supplementary graphs depicting the percentage of the City's portfolio of investments. City staff submits the following summary of investments:

Certificates of Deposits

The reported investments in CDs reflect the City's most current balance statement as of December 2019. The two accounts, share a combined balance of \$2,717,750.38, comprising 97.03% of the City's total portfolio of investments. This compares with the balance in September 2019, three months prior, of \$2,690,418.54.

L.A.I.F. Investments

The reported Local Agency Investment Fund (L.A.I.F.) investments reflect the City's most current balance statement as of December 2019. The two L.A.I.F. accounts share a combined balance of \$83,315.31, comprising of 2.97% of the City's total portfolio of investments. This compares with the L.A.I.F. accounts balance in September 2019, three months prior, of \$82,805.26.

Fiscal Impact:

As of December 2019, the total investments balance for the City of Hughson is \$2,801,065.69 accounting for 12.9% of the City's total cash and investments. The total cash and investment amount is \$21,613,705.68. Of the amounts invested, 2.97% is invested in L.A.I.F. investments, and 97.03% is invested in Certificates of Deposit. City staff will continue to monitor and report on the City of Hughson's investment practices.

**City of Hughson
Portfolio of Investments
December 2019**

	MONEY MARKET	GENERAL	REDEVELOPMENT**	TOTAL
Bank Statement Totals	\$ 18,557,422.22	\$ 293,698.18	\$ -	\$ 18,851,120.40
Adjustment-Direct Deposit Payroll	-360.04	1,303.27		
Outstanding Deposits +	\$ 95,893.27			\$ 95,893.27
Outstanding Checks/transfers -	\$ (19,655.36)	\$ (114,718.32)		\$ (134,373.68)
ADJUSTED TOTAL	\$ 18,633,300.09	\$ 180,283.13	\$ -	\$ 18,812,639.99
Investments: Various				\$ 1,129,011.77
Multi-Bank WWTP				\$ 1,588,738.61
Investments: L.A.I.F.		\$ 41,724.01	\$ 41,591.30	\$ 83,315.31
General Ledger Adjustments				
Wages Payable				
Total Investments				\$ 2,801,065.69
Total Cash & Investments				\$ 21,613,705.68

All investment actions executed since the last report have been made in full compliance with the Investment Policy. The City of Hughson will meet its expenditure obligations for the next six months as required by California Government Code Section 53646 (b)(2) and (3) respectively.

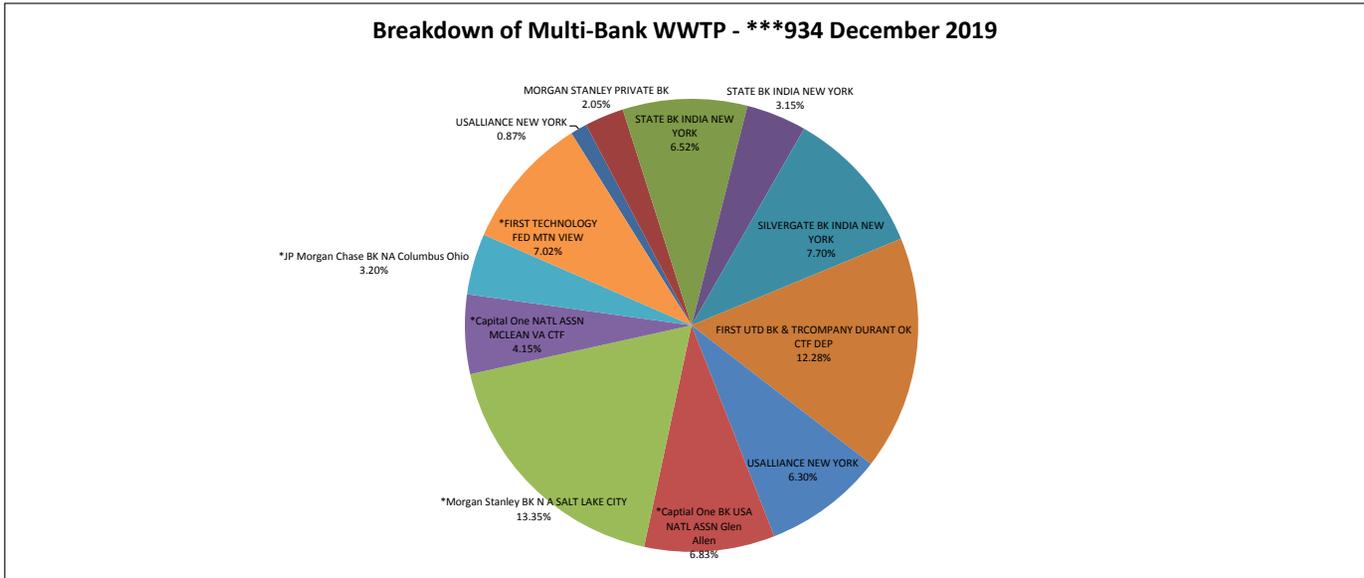
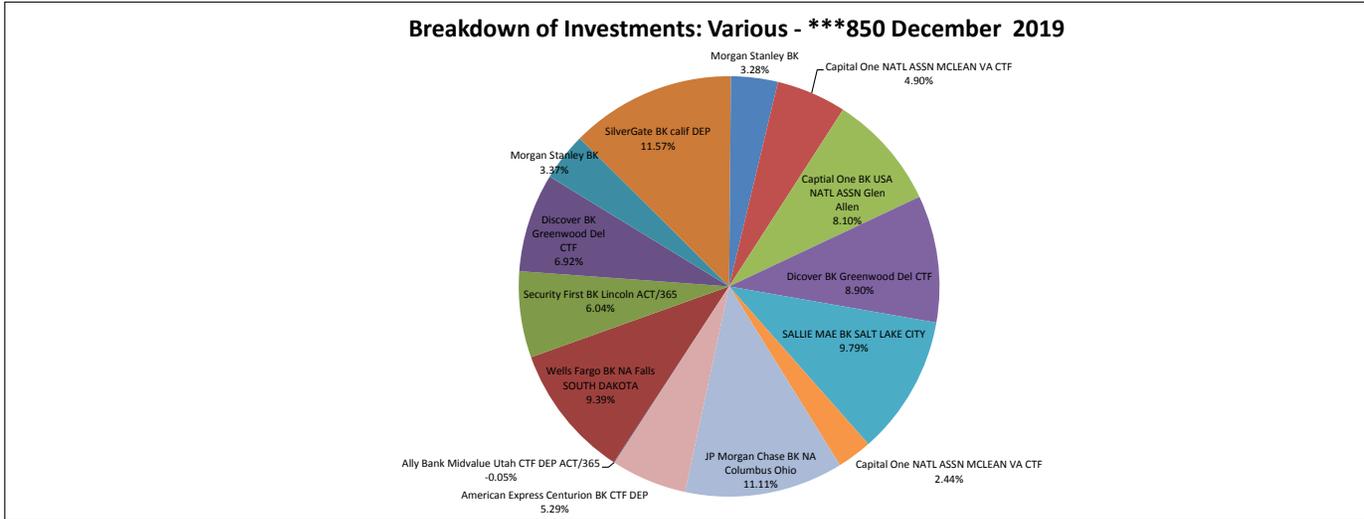
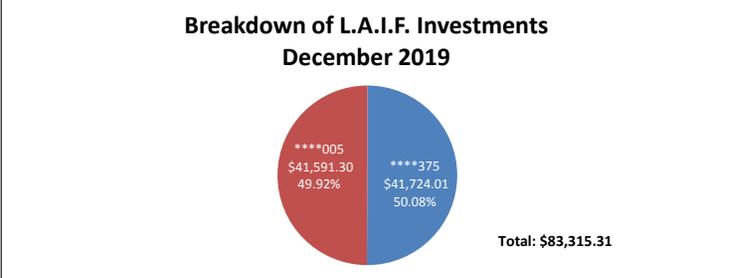
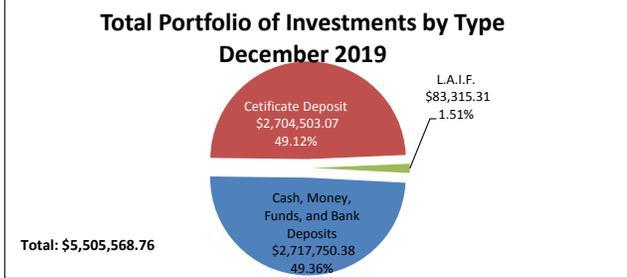
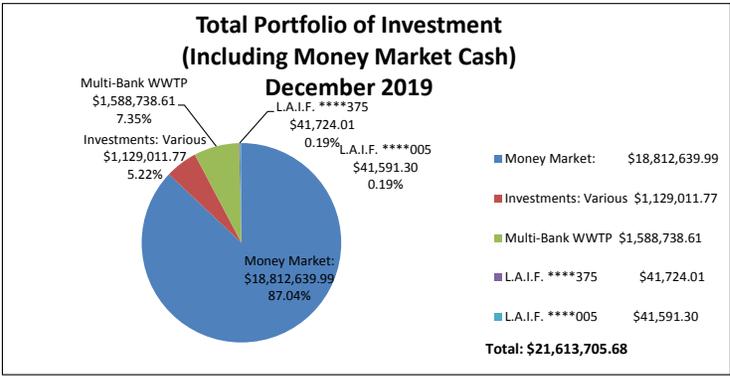
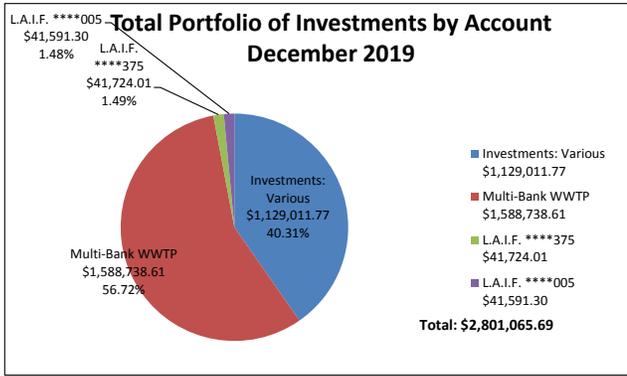
Breakdown of Investments

Investments: Various - ***850							
Description	Maturity Dates	Quantity	Opening Balance	Closing Balance	Interest Accrued		% of Portfolio
Cash, Money, Funds, And Bank Deposits:			\$ 9,496.41	\$ (614.09)	\$ -		-0.05%
Total:			\$ 1,127,727.44	\$ 1,129,011.77	\$ -		
Fixed Income (Certificate of Deposits)	Maturity Dates	Quantity	Market Price	Market Value	Interest Accrued	Rate of Return	% of Portfolio
Ally Bank Midvalue Utah CTF DEP ACT/365	04/27/17- 04/27/20	106,000.00	\$100.0450	\$ 106,047.70	\$ 339.78	1.790%	9.39%
Wells Fargo BK NA Falls SOUTH DAKOTA	09/18/19-12/18/23	68,000.00	\$100.2690	\$ 68,182.92	\$ 48.44	1.990%	6.04%
Security First BK Lincoln ACT/365	01/25/19-01/25/24	78,000.00	\$100.0960	\$ 78,074.88	\$ 465.33	3.240%	6.92%
Discover BK Greenwood Del CTF	11/21/18-11/22/21	37,000.00	\$102.8700	\$ 38,061.90	\$ 131.78	3.150%	3.37%
Morgan Stanley BK	10/30/19-10/30/24	130,000.00	\$100.4800	\$ 130,624.00	\$ 7.84	2.180%	11.57%
SilverGate BK calif DEP	12/11/19-12/11/24	37,000.00	\$100.1070	\$ 37,039.59	\$ 8.31	2.030%	3.28%
Morgan Stanley BK	04/27/17 - 04/27/20	55,000.00	\$100.5000	\$ 55,275.00	\$ 61.78	2.040%	4.90%
Capital One NATL ASSN MCLEAN VA CTF	11/04/15 - 11/04/20	91,000.00	\$100.5000	\$ 91,455.00	\$ 305.54	2.130%	8.10%
Capital One BK USA NATL ASSN Glen Allen	11/04/15 - 11/04/20	100,000.00	\$100.5000	\$ 100,500.00	\$ 335.75	2.130%	8.90%
Discover BK Greenwood Del CTF	11/04/15 - 11/04/20	110,000.00	\$100.4580	\$ 110,503.80	\$ 377.92	2.180%	9.79%
SALLIE MAE BK SALT LAKE CITY	06/12/18 - 06/14/21	27,000.00	\$101.8910	\$ 27,510.57	\$ 39.95	2.940%	2.44%
Capital One NATL ASSN MCLEAN VA CTF	09/28/16 - 09/28/21	126,000.00	\$99.5750	\$ 125,464.50	\$ 551.64	1.700%	11.11%
JP Morgan Chase BK NA Columbus Ohio	11/18/16 - 11/18/21	60,000.00	\$99.5850	\$ 59,751.00	\$ 129.00	1.800%	5.29%
American Express Centurion BK CTF DEP	04/26/17 - 04/26/22	100,000.00	\$101.1350	\$ 101,135.00	\$ 433.97	2.370%	8.96%
Total CDs				\$ 1,129,625.86	\$ 3,237.03		100.05%
Total Investments: Various Holdings				\$ 1,129,011.77	\$ 3,237.03		100.00%
Total Portfolio Investment							40.31%

Multi-Bank WWTP - ***934							
Description	Maturity Dates	Quantity	Opening Balance	Closing Balance	Interest Accrued		% of Portfolio
Cash, Money, Funds, and Bank Deposits:			\$9,619.14	\$ 13,861.40	\$ -		0.87%
Total:			\$1,585,114.74	\$ 1,588,738.61	\$ -		
Fixed Income (Certificate of Deposits)	Maturity Dates	Quantity	Market Price	Market Value	Interest Accrued	Rate of Return	% of Portfolio
USALLIANCE NEW YORK	03/22/19-03/22/24	130,000.00	\$100.3110	\$ 130,404.30	\$ 96.16	2.990%	2.05%
MORGAN STANLEY PRIVATE BK	04/25/19-04/25/24	100,000.00	\$103.6180	\$ 103,618.00	\$ 504.79	2.920%	6.52%
STATE BK INDIA NEW YORK	05/30/19-05/30/2024	50,000.00	\$100.1980	\$ 50,099.00	\$ 121.03	2.840%	3.15%
STATE BK INDIA NEW YORK	06/19/19-06/19/24	122,000.00	\$100.2610	\$ 122,318.42	\$ 114.31	2.840%	7.70%
SILVERGATE BK INDIA NEW YORK	10/24/19-11/24/19	195,000.00	\$100.0260	\$ 195,050.70	\$ 76.66	2.040%	12.28%
FIRST UTD BK & TRCOMPANY DURANT OK CTF DEP	04/26/19-04/28/25	100,000.00	\$100.0890	\$ 100,089.00	\$ 39.73	2.890%	6.30%
USALLIANCE NEW YORK	09/27/18-09/27/21	106,000.00	\$102.4040	\$ 108,548.24	\$ 36.01	3.020%	6.83%
*Capital One BK USA NATL ASSN Glen Allen	11/04/15 - 11/04/20	211,000.00	\$100.5000	\$ 212,055.00	\$ 708.44	2.130%	13.35%
*Morgan Stanley BK N A SALT LAKE CITY	05/03/18-05/03/21	65,000.00	\$101.5510	\$ 66,008.15	\$ 294.37	2.800%	4.15%
*Capital One NATL ASSN MCLEAN VA CTF	09/28/16 - 09/28/21	51,000.00	\$99.5750	\$ 50,783.25	\$ 223.28	1.700%	3.20%
*JP Morgan Chase BK NA Columbus Ohio	11/18/16 - 11/18/21	112,000.00	\$99.5850	\$ 111,535.20	\$ 240.80	1.800%	7.02%
*FIRST TECHNOLOGY FED MTN VIEW	05/10/18-02/10/22	250,000.00	\$102.6430	\$ 256,607.50	\$ 431.51	2.920%	16.15%
*American Express Centurion Bk CTF DEP	04/26/17 - 04/26/22	67,000.00	\$101.1350	\$ 67,760.45	\$ 290.76	2.370%	4.27%
Total CDs				\$ 1,574,877.21	\$ 3,177.85		92.97%
Total Multi-Bank WWTP Holdings				\$ 1,588,738.61	\$ 3,177.85		93.84%
Total Portfolio Investment							56.72%

L.A.I.F. Investments						
Account #	Quarter End Principal Balance as of September 2019	Quarterly Interest Earned as of December 2019	Interest Rate	Total		% of Investment
****375	\$ 41,468.58	\$ 255.43	0.205%	\$ 41,724.01		50.08%
****005	\$ 41,336.68	\$ 254.62	0.205%	\$ 41,591.30		49.92%
Total L.A.I.F Investments Holdings				\$ 83,315.31		100.00%
Total Portfolio Investment						2.97%

Charts and Graphs





CITY COUNCIL AGENDA ITEM NO. 3.4

SECTION 3: CONSENT CALENDAR

Meeting Date: May 11, 2020
Subject: Proclaim May 17-23, 2020, as National Public Works Week
Presented By: Ashton Gose, Deputy City Clerk

Approved By: _____

Staff Recommendation:

Proclaim May 17-23, 2020, as National Public Works Week.

Background and Overview:

The City of Hughson staff prides itself on its excellence in maintaining the City's streets, parks and public buildings as well as providing and delivering vital services such as water and sewer to Hughson residents.

As the American Public Works Association (APWA) states, "There would be no community without the quality of life public works provides. There would be no community to police and protect, no public to lead or represent. Public works allows the world as we know it to be".

This year's theme is "The Rhythm of Public Works". This theme challenges members and their citizens to think about their communities as a symphony of essential services, working in concert to create a great place to live. Every community has a rhythm, a heartbeat that reflects its essence and tempo of life.

The Public Works/Utilities staff includes employees Jaime Velazquez, Jose Vasquez, Eduardo (Lalo) Ruiz, Sam Luna, Neil Raya, Adrian Luna and Robert Delarm.

Fiscal Impact:

There is no fiscal impact associated with this item.



*Proclamation
National Public Works Week
May 17-23, 2020*

WHEREAS, National Public Works Week is a celebration of the tens of thousands of men and women in North America who provide and maintain the infrastructure and services collectively known as public works; and

WHEREAS, the Hughson Public Works Department provides services for our community and is a vital and integral part of our citizens' everyday lives; and

WHEREAS, the City of Hughson staff prides itself on its excellence in maintaining the City's streets, parks and public buildings as well as providing and delivering services such as water and sewer to Hughson residents; and

WHEREAS, the health, safety and comfort of this community greatly depends on these facilities and services; and

WHEREAS, the efficiency and effectiveness of the qualified and skilled staff contribute to the quality of life that residents and visitors alike enjoy and rely upon from the City of Hughson; and

NOW, THEREFORE, BE IT PROCLAIMED by the Mayor and City Council that we recognize and extend appreciation to our dedicated and skilled staff and hereby proclaim the week of May 17-23, 2020 as "**National Public Works Week**".

AND, BE IT FURTHER PROCLAIMED that the Hughson City Council requests that all citizens and civic organizations acquaint themselves with the issues involved in providing public works services to our community and to recognize the contributions which our public works employees make every day to our health, safety, comfort and quality of life.

*IN WITNESS WHEREOF, I have hereunto set my hand
and caused the Seal of the City of Hughson to be affixed this
11th day of May 2020.*

JERAMY YOUNG, Mayor



CITY COUNCIL AGENDA ITEM NO. 3.5

SECTION 3: CONSENT CALENDAR

Meeting Date: May 11, 2020
Subject: Approval to Accept the City of Hughson Goals Annual Report Card
Presented By: Raul L. Mendez, City Manager

A handwritten signature in blue ink, appearing to be "Raul L. Mendez", is written over a horizontal line.

Approved By: _____

Staff Recommendation:

Accept the City of Hughson Goals Annual Report Card.

Background and Overview:

On July 8, 2019, the Hughson City Council adopted the 2018 Goals Report (attached). The report included the City's Vision Statement, Mission Statement, set of Core Values, and goals and actions for the immediate future.

The goals are intended to provide a strategic work plan for the next two years and a framework that ensures the Council's priorities are clear to all City employees, residents and partners. In contrast to the values, which outline the "way" the City will conduct business, the goals indicate "what" the City will work on and towards.

Discussion

The Goals Report is intended to be re-evaluated every two years or as necessary. City staff has determined that now is an opportune time to conduct a review to ensure they align with allocated resources during the annual budget process.

The Annual Report Card measures the progress made by the organization toward the established Council goals, which currently are as follows:

1. Complete Applicable Measure L Projects
2. Complete Well No. 7 Replacement Project
3. Complete Other City Water Projects
4. Implement Sewer Fund Stabilization
5. Improve Business Atmosphere in City
6. Improve Viability of and Expand Industrial Area

7. Revitalize Downtown
8. Update Land Use and Development Policies
9. Maintain Adequate Resources for Public Safety
10. Update City Fees
11. Improve City Facilities
12. Develop Long Range Financial Model

At a subsequent meeting, City staff will bring back recommended revisions to the Goals Report. At that time, the City Council will have an opportunity to add, modify or delete any of the content and establish priorities that will guide the work of the organization moving forward.

Fiscal Impact:

There is no direct fiscal impact associated with item. City Council goals and priorities once established will be incorporated into the annual budget accordingly based on available resources.

2019 | CITY OF HUGHSON GOALS REPORT

ANNUAL REPORT CARD – MAY 2020



GOALS & ACTIONS

2019 - 2020 GOALS

1. Complete Applicable Measure L Projects
2. Complete Well No. 7 Replacement Project
3. Complete Other City Water Projects
4. Implement Sewer Fund Stabilization
5. Improve Business Atmosphere in City
6. Improve Viability of and Expand Industrial Area
7. Revitalize Downtown
8. Update Land Use and Development Policies
9. Maintain Adequate Resources for Public Safety
10. Update City Fees
11. Improve City Facilities
12. Develop Long Range Financial Model

GOALS & ACTIONS

✓ Complete/Significant Progress - ✓ Limited Progress - ✓ Minimal/No Progress

1. Complete Applicable Measure L Projects ✓

On May 13, 2019, the Hughson City Council accepted the **Santa Fe Overlay Project (Phase 1)** and authorized the City Clerk to file a Notice of Completion (NOC). The Santa Fe Overlay Project (Phase 1) consisted of widening Santa Fe Avenue to 28 feet and grinding/milling the existing roadway and applying an overlay of asphalt concrete to a depth of 4" between Hatch Road and Whitmore Avenue. Project construction commenced on April 8, 2019 and was completed on April 18, 2019. The total cost of this project including design, engineering, and all construction costs, equaled \$525,987.07.

Euclid Avenue (from Hatch Road to Whitmore Avenue) presented a unique opportunity to leverage Measure L Funding. The Province Place Development, approved by the City Council on February 14, 2017, included a condition of approval that required the existing pavement within the entire width of Euclid Avenue to be overlaid with a minimum of two inches of pavement with dig outs. In addition, **the existing pavement within the entire width of Euclid Avenue southerly of the project limits to Whitmore Avenue** was to be overlaid with a minimum two-inch pavement overlay and the cost of this improvement to be reimbursed by the City using Measure L funding. Windward Pacific Builders (WPC) completed both improvements in July 2019 and was provided reimbursement for the latter segment in the amount of \$60,632.50. The Locust Street Improvement Project, in partnership with the Hughson Unified School District, also provided a cost-effective option to make improvements to the **Euclid Avenue segment from Locust Street to Fox Road**. Working with the existing contractor, Ross F. Carroll (RFC), the City took advantage of some economies of scale. The City Engineer evaluated this roadway and based on his recommendation a slurry seal was applied rather than an overlay. A proposal was obtained from RFC in the amount of \$36,554 and the improvements were completed in the early fall of 2019.

On February 10, 2020, the Hughson City Council awarded the **Santa Fe Overlay Project (Phase 2)** to Tom Mayo Construction, Inc. in the amount of \$325,955 and authorized a construction contingency as well as a construction set-aside for construction management thereby making the estimated construction cost \$391,147. This project consists of widening Santa Fe Avenue to a minimum of 28 feet and grinding/milling the entire existing roadway 0.15' deep and applying an overlay of asphalt concrete, Type A (1/4" design mix) at a



minimum depth of 3". The project limits are between Whitmore Avenue and Seventh Street (approximately .5 miles). Tom Mayo Construction, Inc. worked with City staff to develop a schedule to proceed with the improvement project despite some challenges posed by the COVID-19 pandemic. The construction began on May 4, 2020 and is expected to be substantially completed by mid-May.

2. Complete Well 7 Replacement Project ✓



On November 12, 2019, the Hughson City Council accepted the **Well 7 Replacement Project Phase I** and authorized the City Clerk to file the Notice of Completion. Anthony J. Prieto substantially completed the work by mid-September. The total cost of this phase of the project was approximately \$1.1 million. This phase of the project included improvements to the sewer lift station, underground work, testing, casing and well drilling/development.

On July 8, 2019, the Hughson City Council awarded the contract for the **Well Replacement Project Phase II** to Gateway Pacific Construction (GPC) in the amount of \$1.9 million. This phase of the project included the construction of the 1-million-gallon storage tank and GPC has made significant progress. The GPC and City construction team see this phase nearing completion next month. The 1-million-gallon concrete storage tank is substantially constructed, and the contractor is finishing specialty work on the tank. The contractor will finish installing miscellaneous safety equipment, hardware, and other appurtenances in the upcoming week. City staff expects the contractor will complete all painting, testing and cleanup sometime toward the end of May. Shortly thereafter, City staff will bring a Notice of Completion to the Hughson City Council for acceptance.

On April 27, 2020, the Hughson City Council approved the recommended approach for **Phase III** that involves the installation of a water treatment system for the new replacement Well No. 9 and the re-drilled Well No. 5 site. City staff will be sole sourcing this project with Rescue Engineers, Inc. who has proprietary equipment like the one used at our existing Well 8 Arsenic Treatment Facility along Euclid Avenue. City staff is well trained in this technology and it was the type of treatment approved by the State of California. Once a proposal is received from Rescue Engineers that meets the project's needs, City staff will bring a formal agreement to the City Council for consideration and action.

The full \$8.3 million project includes the construction of a new water well site (Hughson Well No. 9), which will include a water treatment system, a 1.0-million-gallon concrete storage/blending tank, as well as the re-drilling of Well No. 5 in a new location on the same parcel (to be called Hughson Well No. 10) and new water distribution pipeline to connect the well sites.

3. Complete Other Water Projects ✓



City staff continues to work with the State Water Board to explore the **Hughson Water Consolidation Project** that would provide grant funding to reconstruct and expand the water line along Whitmore Avenue to bring an out of boundary service connection to two private water systems (Cobles Corner and Country Villa Apartments). An application for grant funding is under development and City staff is working with Self-Help Enterprises and the State on the required environmental work to complete its formal submission.

The City continues to pursue litigation against the responsible parties that lead to the **1,2,3,-TCP (trichloropropane)** contaminant in its water source that exceeds the State established MCL (Maximum Contaminant Level). Robins-Borghei LLP is representing the City on this matter and City staff has provided necessary information and participated in proceedings as required. In early 2020, City staff released a Request for Proposals for Engineering Design Services associated with 1,2,3,-TCP treatment. Three responses were received and in the process of being evaluated.

City staff made limited progress on **Phase I of the Water Meter Project** due to staffing challenges. Originally, intended to be completed using internal resources, City staff is re-evaluating the approach to determine if it is more feasible to contract a firm for installation of the meters and associated public outreach/education.

4. Implement Sewer Fund Stabilization ✓



City staff explored a variety of different strategies with the goal of stabilizing the sewer fund. This included working with the State Water Board to request modifications to the wastewater treatment facility debt service obligation. Although receipt of an amendment to the current funding agreement has yet to be received, the State has indicated approval to extend the term. On March 9, 2020, the Hughson City Council approved an agreement between the City of Hughson and Stanislaus County that would provide for the disposal of backwash

water from the Geer Road Landfill at the Hughson Wastewater Treatment Facility. This agreement will generate additional revenue to offset the cost of operations. On February 24, 2020, the Hughson City Council approved a professional services agreement with Bartle Wells Associates (BWA) to conduct a

comprehensive wastewater rate study. City staff is in the process of responding to BWA initial information request.

5. Improve Business Atmosphere in City ✓



The **Hughson Small Business Incubation Center** operated at full capacity for most of the year with the Hughson Chamber of Commerce, Hughson Chronicle, Bella Viva Orchards, Elite Medical Solutions and MS Medical Credentialing as current tenants. Bella Viva Orchards exited after nearly two years due to challenges with expanding their internet presence as envisioned. The City continues to provide support to existing and prospective businesses through an agreement with the **Opportunity Stanislaus Small Business Development Center**. The partnership between the City of Hughson and the Hughson

Chamber of Commerce continues to be strong. This past year also saw the arrival of some **new businesses—Hughson Asian Kitchen, El Fuego, Tribes Pilates, and Fitness, etc.** Due to the COVID-19 pandemic, City staff has offered support to existing businesses in a variety of ways—helping to clarify State/local directives, sharing information regarding available business resources/assistance, and promoting shopping local.

6. Improve Viability of & Expand Industrial Area ✓



City staff made minimal progress in this area despite our best efforts. **Dairy Farmers of America (DFA)** idled its Hughson Plant on September 14, 2018. The City was able to negotiate a settlement with DFA cancelling its permit to operate and abandoning its sewer capacity. Working with Opportunity Stanislaus, City staff was able to refer several parties interested in purchasing or leasing the vacant property to DFA. Unfortunately, none of those

conversations materialized into a new business being sited at that location. In late 2019, Hughson Investment Group sold the **The Market Neighborhood Shopping Center** near the corner of Whitmore Avenue/Tully Road to a local investor. As part of the sale, HIG was able to pay its outstanding development impact fees to the City in full. Also, at the time of the sale/purchase, all the suites at the location were in leases (although a month later Don't Panic, It's Organic announced it was closing its doors). City staff reached out to the new ownership to welcome them to the Hughson community and begin building a working relationship.

7. Revitalize Downtown ✓



The work from the **Community Planning Assistant Team**, conducted in July 2018, to create a strategy for **Downtown Hughson** was a focus for the Hughson Economic Development Committee (EDC). The Hughson EDC provided direction to assist staff with the planning and implementation of those elements deemed practical. Examples of public sector investment included: developing a directional signage program, rehabilitation of the Hughson water tower as a focal point, creating a shade canopy through tree planting, utilizing vacant parcels in creative ways, developing a pocket park, erecting an entry feature, additional street art and furniture, etc. Examples of private sector investment included the siting of a brewery/pub, developing a brand

for Hughson, expanding the existing La Perla Tapatia Market, establishing a downtown improvement district, etc.

There was some development activity in Downtown Hughson. Ron Callahan and his investors purchased the former Assemblymember George House building to be the future location of Callahan Brewing Company. City staff began working with Ron Callahan and his architect on building improvement plans. The City also processed a conditional use permit application for Sovereign Grace Church to expand their current facility. The Hughson Unified School District also exited their location on the corner of Hughson Avenue and Third Street which left a vacancy. The City recently became aware that the property had recently sold to a local property owner to be used as offices. Earlier this year, Livingston Community Health also transitioned into the Hughson Medical Offices previously occupied by the Stanislaus County Health Services Agency.

8. Update Land Use and Development Policies ✓

On November 25, 2019, the Hughson City Council authorized City staff to apply for the **SB 2 Planning Grant Funding Program**. The City submitted a request for \$160,000 of grant funding to assist with the preparation of the **Hughson General Plan Update** that would have a housing focus. City staff was recently notified that it had been awarded the SB 2 funding. The City will apply the \$160,000 directly to the costs associated with a comprehensive update to the General Plan. City staff estimates the overall cost of a General Plan update to be \$500,000-\$600,000. As part of a study being conducted by Bartle Wells Associates on the City's Development Impact Fees, City staff directed the consultant to incorporate a General Plan Update Fee. Bartle Well Associates presented the draft report to the Hughson City Council during its April 27, 2020 regular



meeting. The update to the City’s DIF program will be brought back for consideration by the City Council later. If approved, with the General Plan Update Fee, there will be an additional source of funding for this necessary planning work. The Hughson General Plan was last updated in 2005 and it is advised that municipalities update this important planning tool every 10-15 years.

9. Maintain Adequate Resources for Public Safety ✓

Hughson Police Services continues to expand the City’s **Portable Observation Devices (PODs)**, a tool they utilize to provide effective law enforcement services. Under development, the number



of PODs are being increased and equipped with license plate reader technology. City staff is negotiating the **law enforcement contract with the Stanislaus County Sheriff’s Department** that is due to expire on June 30, 2020. It is expected that the agreement will be presented to the Hughson City Council this June for consideration and action. Lastly, in anticipation for the retirement of the current **Chief of Police** (Larry Seymour, the Hughson City Council has considered the candidate provided by the Sheriff’s Department to take

over that leadership role and recommended that Lieutenant Fidel Landeros assume the role in August 2020. The City Manager and currently Chief of Police will work with Lieutenant Landeros to get him acclimated to this important leadership role.

10. Update City Fees ✓



City staff made some progress in this area. On December 10, 2018, the Hughson City Council approved a contract with Bartle Wells Associates to update the City’s **Development Impact Fee Nexus Study** at a cost not to exceed \$14,900. As previously mentioned, BWA presented a draft report and proposed update to the Hughson City Council during its April 27, 2020. Earlier this

year, BWA was also authorized to conduct a **Comprehensive Wastewater Rate Study** at an amount not to exceed \$18,490. This work is in the initial stages.

11. Improve City Facilities ✓



The City submitted a \$4 million grant application for the **Lebright Fields Modernization Project** in August 2019 to the **Statewide Park Development and Community Revitalization Program**. Earlier this year, City staff was notified by the California Department of Parks and Recreation that it had not been awarded the grant even though the application covered all the required areas.

On February 24, 2020, the Hughson City Council approved a \$50,000 funding allocation for the **Hughson Sports and Fitness Complex Parking Lot Project** as requested by the Hughson Unified School District. The project expected to be jointly funded by the Hughson Unified School District, Stanislaus County, the Hughson Sports and Fitness Complex Steering Committee and the City of Hughson.

Funding was earmarked from the City’s one-time **State of California Proposition 68 (Per Capita Program)** funding allocation that is projected be at least \$200,000.

12. Develop Long Range Financial Model ✓



City staff made limited progress in this area. Discussions took place with the Budget and Finance Subcommittee on several occasions and focused on (1) how the City could pay down or entirely long-term debt obligations. (2) revisiting the City’s investment practices to maximize returns, (3) reviewing the City’s comprehensive fee structure to ensure they were set at appropriate levels, and (4)

exploring a policy for the use or designation of reserves for specific purposes (pension liability, deferred maintenance, etc.) requiring a majority vote of the City Council. City staff has explored several options for the latter and is expected to bring forward a proposal for consideration and action. **Due to the COVID-19, a long-range financial model will be even more critical.** In preparation, City staff has been working with HdL on revenue projections considering the current pandemic.

2019 | CITY OF HUGHSON GOALS REPORT





2019 | CITY OF HUGHSON GOALS REPORT

CITY COUNCIL

Jeremy Young, Mayor

George Carr, Mayor Pro Tem

Harold Hill, Councilmember

Mark Fontana, Councilmember

Ramon Bawanon, Councilmember

INTRODUCTION

The Hughson City Council adopted the current Vision Statement, Goals and Objectives in 2005. Since then, City staff has made only minor updates to the goals and objectives and has periodically provided progress updates to the City Council and residents.

In 2017, the City undertook an effort to re-evaluate and update its “goals and objectives” document and process. In July, the Hughson City Council held a public workshop as a kick-off to this effort—the stated purpose was to determine the priorities, values and vision for the community to help reset the City’s goal setting process.

Many attended the workshop to provide their input to help determine where we were as a City and where we want to go. Councilmembers, residents, organizations and community partners all collaborated to help steer the comprehensive update process.

On February 13, 2018, the Hughson City Council approved an updated Vision Statement for the organization, which is more reflective of the City’s desire for the future of Hughson; a new Mission Statement, and a set of values, which provide clear an indication to residents and all who interact with the City, how the City intends to go about its business. Additionally, the City developed a new approach of the goals and objectives—shifting from open-ended, broad goals, towards more concrete, actionable goals. These goals serve as a priority list, a clear indication of what the City expects to accomplish and how it will focus its resources.

Report Organization

Vision Statement / Mission Statement / Values / Goals & Actions

VISION STATEMENT

To preserve Hughson's unique spirit, heritage and character, while creating an undeniably great place to be.

MISSION STATEMENT

Improving Hughson every day
through fiscal responsibility,
customer focused service and
an emphasis on creating and
strengthening partnerships

VALUES

The following core values are a statement of the Hughson City Council's priorities—the City's beliefs which will guide its actions every day. These values are a proclamation of the way we intend to work with and serve the residents, businesses, stakeholders and visitors of this City.

Fiscal Responsibility. Fiscal responsibility is more than a decision made by the City Council or staff, it is a mindset to ensure the long-term prosperity of the City.

Customer Focused. City staff endeavor to provide true public service, with friendliness, respect, responsiveness, urgency and efficiency.

Partnership Building. The City knows that it can achieve more of its goals and accomplish more working together with its residents and partners than alone. The City will strive to build and maintain these relationships.

Results Oriented. The City will strive to reduce bureaucracy and function in a results-oriented manner.

Open and Accessible. It is the City's charge to be transparent, honest and informative in all dealings.

Public Safety. The safety of the community is of the utmost importance.

The City maintains these priorities while staying true to the agricultural heritage of the community and responsibly managing the natural resources of this bountiful area.

GOALS & ACTIONS

The goals—in contrast to the values, which outline the WAY in which the City will conduct business—indicate WHAT the City will work towards.

These goals serve as a strategic work plan for the next two years. They further provide a comprehensive framework that ensures priorities set by the City Council are clear to all employees, residents and partners. This model ensures that progress towards the City Council's priorities can be tracked.

Under each goal, are a set of actions—which specify how the goal is to be accomplished. Actions are implementation steps to attain the goal; they explain the steps and resources needed to accomplish the goal.

2019 - 2020 GOALS

1. Complete Applicable Measure L Projects
2. Complete Well No. 7 Replacement Project
3. Complete Other City Water Projects*
4. Implement Sewer Fund Stabilization*
5. Improve Business Atmosphere in City
6. Improve Viability of and Expand Industrial Area
7. Revitalize Downtown
8. Update Land Use and Development Policies*
9. Maintain Adequate Resources for Public Safety*
10. Update City Fees
11. Improve City Facilities
12. Develop Long Range Financial Model

*New Goal

GOALS & ACTIONS

1 Complete Applicable Measure L Projects

Measure L—a 0.5% transportation sales tax—was approved by the voters in Stanislaus County in November 2016, which took effect in April 2017. Each City was required to adopt a project list, which served as an expenditure plan for the Measure to help ensure revenues are used appropriately.

The City of Hughson will work diligently to make progress on various Measure L projects in future years and complete projects in the current year. The City may periodically make allowable adjustments to the list as appropriate to leverage resources and capitalize on economies of scale or work being done in an adjacent area.

ACTIONS

- 1.1. Coordinate with contract City Engineer to ensure future Measure L projects are designed, engineered and ready for construction.
- 1.2. Coordinate with StanCOG to ensure City is meeting project delivery, accounting and reporting obligations to receive applicable Measure L funding
- 1.3. Coordinate with Stanislaus County and other neighboring agencies on any projects that may affect travelers in Hughson.
- 1.4. Find opportunities to leverage Measure L monies to expand the scope of listed projects or increase the number of projects.

GOALS & ACTIONS

2

Complete Well No. 7 Replacement Project

In 2013, the City of Hughson began to develop the Well No. 7 Replacement Project, which includes a new potable water well (Well No. 9), the re-drilling of an existing well (Well No. 5) arsenic treatment equipment and a 1.0 million gallon storage tank to address the State’s compliance order for Nitrate and Arsenic.

The City has coordinated with the State the execution of a Project Installment Sale Agreement or “Funding Agreement”. The City will receive up to \$5 million in grant funding and 0% interest on the remaining funds for this anticipated \$8.3 million project. This first phase of the project broke ground in early 2019.

ACTIONS

- 2.1 Continue to provide quarterly Compliance Order updates to the State Water Board.
- 2.2 Release for bid, select and manage contractors for the four (4) phases of the project—well drilling, storage tank, water treatment equipment and general well construction.
- 2.3 Ensure Hughson Municipal Water System comes into compliance with the State of California’s MCL (Maximum Contaminant Level) for arsenic.

GOALS & ACTIONS

3

Complete Other City Water Projects

The State Water Board approached the City regarding grant funding available for a Consolidation project—for the extension of City water infrastructure, past the City limits to connect nearby users along Geer Road (Cobles Corner and Country Villa) suffering from substandard water. Now that the funding agreement is secured for the Well No. 7 Replacement Project and the City broke ground on that project, it can re-engage in the proposed Consolidation project.

On June 29, 2018, the City of Hughson was notified by the State that its municipal water system was out of compliance with the newly established MCL (Maximum Contaminant Level) for 1, 2, 3-Trichloropropane (1, 2, 3-TCP). Earlier that year, the Council approved a feasibility study that contained options for treatment.

ACTIONS

- 3.1 Complete application for funding under the State of California's Consolidation Incentive Program to extend municipal water service to two private water systems (Cobles Corner and Country Villa). If awarded, bring forward to City Council for formal acceptance.
- 3.2 Continue efforts to identify funding for the implementation of a corrective action plan to bring the City's municipal water system with the State's standard for 1, 2, 3-TCP.
- 3.3 Implement Phase 1 of City's Water Meter Radio Replacement Project.

GOALS & ACTIONS

4

Explore Sewer Fund Stabilization

The City of Hughson constructed a sewer treatment plant in 2012 to meet the community's current and future needs. The \$21.5 million facility has the capacity to process 1.8 million gallons of waste. A sewer rate study was approved at that time to ensure that adequate revenue was generated to both cover the cost of operation and maintenance and the debt service associated with the construction of the new facility.

With the closing of a local industrial business that contributed significantly to the sewer fund, City staff has been directed to reduce spending and explore ways to offset the loss in revenue to ensure obligations are met and the sewer treatment plant operates at the appropriate level. These sewer fund stabilization measures will be critical to ensure this core service and facility is maintained.

ACTIONS

- 4.1 Update the 2009 Sewer Rate Study to determine if it is still appropriate given current conditions.
- 4.2 Continue to look for new opportunities to expand the use of the sewer treatment plant (Gilton Solid Waste Management, Regional Surface Water Treatment Project, other industrial businesses, etc.).
- 4.3 Work with State Water Board to review terms of the current sewer treatment plant loans and debt service.

GOALS & ACTIONS

5

Improve Business Atmosphere in City

The City of Hughson has a small but prosperous business atmosphere. Although Hughson is the smallest City in the County (of 9), it produces the 7th highest sales tax revenues. It is home to many great restaurants and industrial businesses.

The City of Hughson will strive to build on its business successes and target its areas of weakness. The City will seek to support, grow and expand existing businesses by leveraging resources and partnerships. Additionally, the City will seek new business opportunities that are well suited for the City and complement existing businesses.

ACTIONS

- 5.1 Expand City's coordination with existing business owners to provide assistance, support and additional opportunities.
- 5.2 Actively seek new business opportunities, which are well suited for the City. Proactively reach out to property owners and potential new business owners to catalyze new business opportunities.
- 5.3 Coordinate with the Hughson Chamber of Commerce to expand support to businesses.
- 5.4 Continue and expand work with Small Business Development Center (SBDC) to provide resources to businesses.
- 5.5 Focus on filling City's Small Business Incubation Center to help stimulate small businesses that are looking to grow.

GOALS & ACTIONS

6

Improve Viability of & Expand Industrial Area

The City's burgeoning industrial area is home to a number of significant industrial businesses, which produce many jobs and sales tax dollars. The City would like to expand this area to not only add new businesses, but to complement existing businesses to help them grow and expand.

The City will focus on improving and expanding the industrial area through aggressive strategies and approaches.

ACTIONS

- 6.1 Annex useable property, along major street frontages, into the industrial area.
- 6.2 Emphasize Tully Road as a quick and easy way to access State Route 99. It takes approximately 7-8 minutes to reach SR-99 from Whitmore Avenue on Tully Road, which has few stops and light traffic.
- 6.3 Enhance Tully Road to accommodate larger volumes of truck traffic to facilitate growth in the area. Coordinate with Stanislaus County on the portion outside of the City limits.
- 6.4 Expand coordination with existing business owners to provide assistance, support and opportunity to businesses.
- 6.5 Actively seek new business opportunities, which are well suited for the City. Proactively reach out to property owners and potential new business owners to catalyze new business.

GOALS & ACTIONS

7 Revitalize Downtown

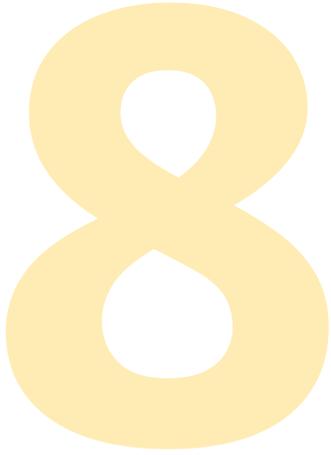
Downtown Hughson, which is over 100 years old, is a mix of old and new. The downtown includes buildings dating back to the 1900's with significant architectural charm and history, as well as modern buildings and improvements. Overall, the downtown has ample small-town character as well as a safe, quaint feel.

The City seeks to maximize the many positives and help improve the areas requiring attention. The City desires to revitalize the downtown—the heart of the City—to improve the business atmosphere and to be a point of pride for residents and a destination for all.

ACTIONS

- 7.1 Utilize, where practical and appropriate, the Community Planning Assistance Team (CPAT) findings and strategies to help revitalize the downtown.
- 7.2 Complete the next phase of the City's downtown street improvements.
- 7.3 Proactively work with property owners to fill vacancies and explore consolidating parcels to create larger developable areas for future commercial growth.
- 7.4 Devise strategy to create greater linkages and support to all of Hughson's commercial areas.
- 7.5 Install decorative crosswalks, bike racks, wall murals and other art, as well as enhance alleys in the downtown.

GOALS & ACTIONS



Update Land Use and Development Policies

The City of Hughson’s General Plan was adopted in 2005 (and the Housing Element in 2015). The General Plan provides the fundamental basis for the City’s land use and development policy and represents the basic community values, ideals and aspirations to govern a shared environment during 2025. The General Plan addresses all aspects of development including land use, community character, transportation, housing, public facilities, infrastructure and open space, among other topics.

By statute, the General Plan is required to be updated “periodically.” While there is no requirement for how often to update the General Plan, the planning period has traditionally been 15-20 years. The Housing Element is on a mandated schedule—4, 5, or 8 years, as listed by the California Department of Housing and Community Development.

ACTIONS

- 8.1 Develop a funding strategy and schedule for the update to the City of Hughson’s General Plan.
- 8.2 Pursue external funding that may be available for municipalities for updating land use and development policies.

GOALS & ACTIONS

9

Maintain Adequate Resources for Public Safety

The City of Hughson statistically is the safest, lowest crime producing city in Stanislaus County. Nevertheless, one crime is too many. The safety and security of the residents, property and visiting public is of the utmost importance.

Law enforcement services are provided in a very cost-effective manner through a contractual agreement with the Stanislaus County Sheriff's Department. Fire protection services are provided by an independent special district, the Hughson Fire Protection District, that has been in existence since 1915.

The City considers public safety an important priority and is committed to ensuring adequate resources are allocated in this area.

ACTIONS

- 9.1 Continue to work with Hughson Police Services to ensure they have the tools necessary for the provision of law enforcement services.
- 9.2 Support the Hughson Fire Protection District with its efforts to generate additional revenue to support the current level of service.
- 9.3 Work with local public safety partners to ensure their facility and equipment needs are met leveraging local resources to their fullest potential.

GOALS & ACTIONS

10

Update City Fees

Periodically, the City reviews its fees to ensure that the charges do not exceed the estimated costs required to produce the services. The City prepares a Master Fee Schedule, which is a compilation of the fees charged for services and development within the City.

The City will take a critical look at the current fees, which were adopted in 2009 or earlier, to ensure they are not a deterrent to development. However, the City will also ensure that the fees fully cover the cost to the provide services and therefore are not a burden on the general fund and the resident's tax dollars.

ACTIONS

- 10.1 Conduct a comprehensive review of the City's current fees for service and bring forward recommended adjustments or additions for City Council consideration.
- 10.2 Manage consultant (Bartle Wells and Associates) conducting Development Impact Fee update and bring forward recommended adjustments for City Council consideration.
- 10.3 Conduct outreach with the public and other stakeholders during the fee update process.

GOALS & ACTIONS

1

Improve City Facilities

The Hughson was incorporated as a City in 1972. Two of the primary City facilities—City Hall and the Corporation Yard— were built prior to or around that time. Both have undergone minor remodels or additions since then, but the facilities are aged and sized to accommodate a much smaller City.

On August 14, 2018, the City Council and the Hughson Unified School District Board of Trustees authorized the execution of the agreement for the purchase and sale of the Lebright property--took place on November 7, 2018 for the agreed upon purchase price of \$295,000.

The City of Hughson collects development impact fees for all new residential, commercial and industrial development. These fees help pay for the infrastructure, equipment and facilities necessary to meet the public service demands of the new development.

ACTIONS

- 11.1 Develop a plan to build a new Corporation Yard.
- 11.2 Pursue external funding for the modernization of the Lebright Fields property.
- 11.3 Use, and leverage whenever possible, Park Development Impact Fees to upgrade existing facilities.
- 11.4 Develop and implement a plan for completion of deferred maintenance at City rented facilities.

GOALS & ACTIONS

1

Develop Long Range Financial Model

The City seeks to complement its annual budgeting process to adequately and strategically plan for future opportunities and challenges with a long range financial model. The model shall serve as a snapshot of the organization's current fiscal standing and a preview of conditions in the future and will look three and five years into the future and estimate anticipated revenue and expenditures based on the best available data for future planning purposes. The City's investment portfolio and reserves will also be incorporated as appropriate along with debt service payments.

City staff will project revenue based on economic factors and trends in major sources including sales tax, property tax, permit fees, etc. One-time and ongoing expenditures will be estimated based on needs and priorities. Other fiscal impacts will be included as they are identified.

ACTIONS

- 12.1 Begin development of a draft Long Range Financial Planning Model (LRFPM) utilizing current resources and consultant expert services.
- 12.2 Present Draft LRFPM to Budget and Finance Subcommittee for discussion and input.
- 12.3 Modify draft LRFPM based on direction from Budget and Finance Subcommittee and brief other Councilmembers to share major elements.
- 12.4 Finalize LRFPM after fully vetted by City Council and staff.
- 12.5 Utilize LRFPM during the annual budget process.



CITY COUNCIL AGENDA ITEM NO. 3.6

SECTION 3: CONSENT CALENDAR

Meeting Date: May 11, 2020
Subject: Adopt Resolution 2020-21, Approving the Measure L Master Funding Agreement with the Stanislaus Council of Governments and Related Actions
Presented By: Raul L. Mendez, City Manager
Lea C. Simvoulakis, Community Development Director

A handwritten signature in blue ink, appearing to be "Raul L. Mendez", is written over a horizontal line.

Approved By: _____

Staff Recommendations:

1. Adopt Resolution 2020-21, approving the Measure L Master Funding Agreement with the Stanislaus Council of Governments.
2. Authorize the City Manager to execute the said agreement inclusive of any final edits by the City Attorney.

Background and Overview:

Measure L is a Transportation Sales Tax and Expenditure Plan approved by Stanislaus County voters on November 8, 2016. The measure raises the sales tax in Stanislaus County by one-half percent for a total period of 25 years to improve our local streets and roads, improve connectivity and reduce congestion. This money, estimated at \$958 million, is administered by the Stanislaus Council of Governments (StanCOG) and pays for specific voter-approved transportation projects for local street and road improvements, and regional projects and transit programs specified in the Plan.

On March 28, 2016, the City Council approved the proposed City of Hughson Project List for the 2016 Stanislaus County Transportation Expenditure Plan. The total amount estimated for Hughson during the life of the measure was \$7,862,798. Full details on the Tax Measure, such as the specific Project List by jurisdiction, are also available on the Measure L website accessible at <http://stanislausmeasurel.com>.

Discussion:

The Stanislaus Council of Government Policy Board approved the original Measure L Master Funding agreement between the parties for the period of July 1, 2017-June 30, 2020 on November 15, 2017. Also, on that date, the Policy Board approved Resolution 17-11 adopting the Measure L Policies and Procedures/Local Control Funds. The Stanislaus Council of Governments Policy Board approved the agreement for the period of July 1, 2020-June 30, 2025 on April 15, 2020.

The Measure L Master Funding Agreement:

1. Delineates the requirements of the funds that are allocated to jurisdictions within Stanislaus County for local streets and roads, traffic management and bike and pedestrian improvements, and transit provider funds for transit services, as authorized by the Measure L Expenditure Plan;
2. Is required to be entered into by each of the member agencies of StanCOG (Stanislaus County and the cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock and Waterford) prior to receiving Measure L fund disbursements;
3. Is for the term of five (5) years; and
4. Includes other requirements such as planning documents and approvals, maintenance of effort calculations, audits, reporting, administration and duties and obligations of parties.

City Council approval of the Measure L Master Funding Agreement will allow the City of Hughson to access funds for projects as approved and contained in the Measure L Expenditure Plan.

Fiscal Impact:

Measure L is estimated to provide a total of \$7,862,498 in direct revenue to the City of Hughson over the 25-year timeframe from the three funding categories under local control. The Measure L fund currently has \$242,274.16, with \$59,300 available for local streets and roads. The City expects to accumulate an additional \$166,880 through June 30, 2020.

CITY OF HUGHSON
CITY COUNCIL
RESOLUTION NO. 2020-21

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON
APPROVING THE MEASURE L MASTER FUNDING AGREEMENT WITH THE
STANISLAUS COUNCIL OF GOVERNMENTS (FISCAL YEARS 2020-2025)**

WHEREAS, the Stanislaus Council of Governments (StanCOG) is a Regional Transportation Planning Agency and a Metropolitan Planning Organization (MPO), pursuant to State and Federal designation; and

WHEREAS, StanCOG is the Local Transportation Authority (“Authority”) as designated by the Stanislaus County Board of Supervisors, pursuant to the Local Transportation Authority and Improvement Act set forth at California Public Utilities Code Section 180000 et seq; and

WHEREAS, on November 8, 2016, the voters of Stanislaus County, approved Measure L thereby authorizing StanCOG to administer the proceeds from the one-half cent transaction and use tax (“Measure L”); and

WHEREAS, the duration of the Measure L sales tax will be 25 years from the initial year of collection, which began April 1, 2017, with the tax to expire on March 31, 2042; and

WHEREAS, the Measure L Master Funding Agreement delineates the requirements of the Measure L funds that are allocated to the jurisdictions within Stanislaus County for local streets and roads, traffic management and bike and pedestrian improvements and transit provider funds for transit services, as authorized by the Measure L Expenditure Plan; and

WHEREAS, each of the member agencies of StanCOG (Stanislaus County and the cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock and Waterford) will be required to enter into the Measure L Master Funding Agreement prior to receiving Measure L fund disbursements; and

WHEREAS, the term of the Measure L Funding Agreement is five (5) years.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Hughson does hereby approve the Measure L Master Funding Agreement with the Stanislaus Council of Governments and;

BE IT FURTHER RESOLVED that the City Council of the City of Hughson authorize the City Manager to execute the Master L Master Funding Agreement inclusive of any final edits by the City Attorney.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Hughson this 11th day of May 2020, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

JERAMY YOUNG, Mayor

ATTEST:

ASHTON GOSE, Deputy City Clerk

MEASURE L MASTER FUNDING AGREEMENT
BETWEEN THE
STANISLAUS COUNCIL OF GOVERNMENTS
AND THE
CITY OF HUGHSON
(FISCAL YEARS 2020 – 2025)

This Measure L Master Funding Agreement (“AGREEMENT”), effective July 1, 2020, is entered into by and between the Stanislaus Council of Governments, acting as the Stanislaus County Transportation Authority (“STANCOG” or the “Authority”), and the City of Hughson (“RECIPIENT”).

RECITALS

A. On November 8, 2016 the voters of Stanislaus County, pursuant to the provisions of the Local Transportation Authority and Improvement Act, California Public Utilities Code Section 180000 et seq. (the “Act”), approved Measure L, thereby authorizing STANCOG to administer the proceeds from the one-half cent transaction and use tax (“Measure L”).

B. The duration of the Measure L sales tax will be 25 years from the initial year of collection, which began April 1, 2017, with said tax to expire on March 31, 2042. The tax proceeds will be used to pay for the programs and projects outlined in the Stanislaus Council of Government’s Expenditure Plan (the “Measure L Expenditure Plan”), as it may be amended.

C. Measure L authorizes the Authority (STANCOG) to sell or issue bonds to finance and refinance the transportation projects identified in the Measure L Expenditure Plan. Costs associated with bonding will be borne only by the projects included in the Measure L Expenditure Plan.

D. This AGREEMENT delineates the requirements of the Measure L funds that are allocated to the jurisdictions within Stanislaus County for local streets and roads, traffic management and bike and pedestrian improvements, (collectively referred to as “Local Control Funds”) and Transit Provider funds for Transit Services, as authorized by the Measure L Expenditure Plan. The jurisdictions (recipients) are Stanislaus County and the cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford.

E. The original Measure L Master Funding agreement between the parties for the period July 1, 2017 – June 30, 2020, was approved by the STANCOG Policy Board on November 15, 2017.

F. This AGREEMENT for the period July 1, 2020 – June 30, 2025 reflects changes made to Transit Services and Transit Providers operations, primarily changes to the operation of

Ceres Area Transit, and was approved by the STANCOG Policy Board on _____, 2020.

NOW, THEREFORE, it is mutually agreed by and between the parties as follows:

ARTICLE I: FUNDING ALLOCATIONS

1. This AGREEMENT authorizes the STANCOG to allocate the Local Control Funds derived from Measure L receipts to the RECIPIENT as described in the voter-approved Measure L Expenditure Plan and as summarized below by jurisdiction for each of the three different programs covered under Local Control Funds (Local Streets and Roads, Traffic Management, and Bike and Pedestrian Improvements). Local Control Funds comprise 65% of the Measure L receipts (after deducting the 1% Administrative Expense Cap authorized in the Measure L Ordinance and Expenditure Plan).

Local Control Funds*

Ceres	6.36%
Hughson	1.26%
Modesto	35.79%
Newman	1.26%
Oakdale	3.86%
Patterson	4.55%
Riverbank	3.42%
Turlock	15.26%
Waterford	1.26%
Stanislaus County	26.98%
Total	100.00%

*Source: Measure L Expenditure Plan

The breakdown of the 65% of Local Control Funds by program is as follows: 50% to Local Streets and Roads; 10% to Traffic Management; and 5% to Bike and Pedestrian Improvements.

2. This AGREEMENT authorizes the STANCOG to allocate the Transit Provider funds derived from Measure L receipts as described in the Measure L Expenditure Plan and as summarized below by jurisdiction for Transit Services (“Transit Services”).

Transit Services*

Modesto	59.00%**
Stanislaus County	33.00%
Turlock	8.00%
Total	100.00%

*Source: Measure L Expenditure Plan

** Modesto allocation reflects consolidation of Ceres CAT and Modesto MAX effective July 1, 2020.

ARTICLE II: FUNDING PREREQUISITES AND REQUIREMENTS

1. RECIPIENT shall annually submit to STANCOG:

a. A copy of RECIPIENT'S adopted Capital Improvement Program (CIP), roadway resurfacing map, traffic management plan, pedestrian and bicycle plan, resolution, or other document adopted by RECIPIENT'S governing board which identifies all programs and projects RECIPIENT intends to fund, either partially or in full, with Measure L funds and which identifies the schedule for project delivery. If RECIPIENT amends its CIP, roadway resurfacing map, traffic management plan, pedestrian and bicycle plan, resolution, or other adopted document at any time during the year, it shall provide a copy of the amended document to STANCOG within 15 business days of adoption by RECIPIENT'S governing board.

b. Annual Maintenance of Effort (MOE) calculation demonstrating RECIPIENT'S compliance with MOE. The MOE calculation shall be based on the prior three fiscal years' general fund spending on transportation purposes (local streets and roads) as reported to the State Controller's Office. The MOE calculation shall be verified by an annual independent audit, conducted at the RECIPIENT'S sole cost and expense. Adjustments to the MOE calculation may be made, subject to Authority approval, based upon the criteria stated in Section 9 of the Measure L Ordinance.

c. Any other documents or reports required to be submitted pursuant to the adopted Measure L Policies and Procedures, as may be amended.

2. If RECIPIENT has submitted all required documents and reports, STANCOG will disburse Measure L funds to RECIPIENT consistent with this AGREEMENT and in accordance with the adopted Measure L Policies and Procedures. RECIPIENT will receive Local Control Funds based on the percentage allocations summarized above and as set forth in the Measure L Expenditure Plan.

3. If RECIPIENT fails to comply with one or more of the requirements set forth in this Article II, STANCOG may withhold payment of Measure L funds to RECIPIENT until full compliance is achieved.

4. The governing body of the RECIPIENT will be the decision-making body for the use of the Local Control Funds within its jurisdiction.

5. Transit Providers (Transit Services) funds will be allocated 1.4% of the Measure L receipts (after deducting the 1% Administrative Expense Cap) and will be disbursed to Transit Providers at least quarterly or as set forth in the Measure L Policies and Procedures, whichever

provides more frequent disbursements. The Transit Providers are: Modesto Area Express (MAX), Stanislaus Regional Transit (StaRT), and Turlock Transit.

6. Percentage allocations identified in the Measure L Expenditure Plan are not subject to change unless two-thirds of the voters of Stanislaus County approve an amendment to the allocations.

7. The Measure L Ordinance and Expenditure Plan provide fund usage and eligibility guidelines by allocation category and RECIPIENT acknowledges and agrees that it shall comply with the provisions of the Measure L Ordinance and Expenditure Plan. The Measure L Ordinance and Expenditure Plan, as may be amended, is hereby incorporated in its entirety into this AGREEMENT by reference.

8. The StanCOG Policy Board has adopted Measure L Policies and Procedures which contain additional fund usage and eligibility guidelines and RECIPIENT acknowledges and agrees that it shall comply with the provisions of the Measure L Policies and Procedures. The Measure L Policies and Procedures, as may be amended, are hereby incorporated in its entirety into this AGREEMENT by reference.

ARTICLE III: PAYMENTS AND EXPENDITURES

A. STANISLAUS COUNCIL OF GOVERNMENTS (STANCOG) DUTIES AND OBLIGATIONS

1. STANCOG shall remit to RECIPIENT its designated amount of Local Control Funds in accordance with this AGREEMENT.

2. STANCOG will provide a quarterly report to its Board of Directors which shall include all Measure L revenues distributed to each Recipient.

3. STANCOG shall provide for an independent annual audit of its Measure L financial statements including revenues and expenditures.

4. STANCOG shall provide timely notice to RECIPIENT prior to conducting an audit of expenditures made by RECIPIENT to determine whether such expenditures are in compliance with this Agreement, the Measure L Ordinance and Expenditure Plan, and the Measure L Policies and Procedures.

B. RECIPIENT’S DUTIES AND OBLIGATIONS

1. RECIPIENT shall expend all Measure L funds received in compliance with the Measure L Ordinance and Expenditure Plan, this AGREEMENT and the adopted Measure L Policies and Procedures.

2. RECIPIENT shall set up and maintain an appropriate system of accounts to report on Measure L funds received and spent. RECIPIENT must account for Measure L funds, including any interest received or accrued, separately for each program fund type, and from any other funds received from STANCOG. The accounting system shall provide adequate internal controls and audit trails to facilitate an annual compliance audit for each fund type and the respective usage and application of said funds.

3. RECIPIENT acknowledges and agrees that STANCOG and its representatives, agents and nominees shall have the absolute right at any reasonable time to inspect and copy any accounting records related to Measure L funds, except to the extent specifically prohibited by applicable law.

4. RECIPIENT shall cooperate with STANCOG and its auditors as they conduct an annual independent audit of all of RECIPIENT’S Measure L accounts which audit shall be conducted at STANCOG’s sole cost and expense. RECIPIENT shall comply with the schedule and requests of STANCOG’s auditors to ensure timely and accurate completion of the audit.

5. RECIPIENT agrees to provide STANCOG each fiscal year with an adopted copy of its Capital Improvement Program, roadway resurfacing map, traffic management plan, pedestrian and bicycle plan, resolution, or other document adopted by RECIPIENT’S governing board which identifies all programs and projects containing a description of all the projects and tasks that Measure L funds will pay for over that fiscal year, schedule and cost information for each project in its entirety, and other funds that will match the Measure L allocation.

6. RECIPIENT hereby acknowledges and agrees to the Maintenance of Effort requirement set forth in Section 9 of the Measure L Ordinance.

a. Pursuant to the intent of the Public Utilities Code section 180001, a jurisdiction cannot redirect monies currently being used for transportation purposes to other uses, and then replace the redirected funds with local street maintenance and improvement dollars from Measure L.

b. RECIPIENT hereby agrees to certify in the annual verification submitted to STANCOG that it has met the Maintenance of Effort requirement by demonstrating that the Measure L funds have been used to augment and not supplant local resources spent. The Maintenance of Effort calculation is set forth in Section 9.03 of the Measure L Ordinance and

uses the RECIPIENT's average general fund expenditures of the prior (3) three fiscal years spent for local transportation purposes.

c. RECIPIENT shall conduct an annual independent audit to verify that the Maintenance of Effort requirement was met by RECIPIENT.

d. If RECIPIENT does not meet its Maintenance of Effort requirement in any given year it may have its Local Streets and Roads fund received pursuant to the Measure L Expenditure Plan reduced in the following year by the amount by which RECIPIENT did not meet its required Maintenance of Effort. Such funds shall be redistributed to the remaining eligible jurisdictions.

7. RECIPIENT hereby agrees to and accepts the formulas used in the allocation of Measure L, as reflected in the Measure L Expenditure Plan.

8. RECIPIENT agrees to comply with the reporting requirements set forth in this AGREEMENT.

C. OTHER CONSIDERATIONS

1. **Transportation Purposes Only:** RECIPIENT shall use all Measure L funds solely for transportation purposes as defined by the Measure L Ordinance and Expenditure Plan. If RECIPIENT violates this provision, it must fully reimburse all misspent funds, including all interest which would have been earned thereon. The interest which would have been earned will be calculated using the current interest rate earned on local agency monies on deposit with Stanislaus County.

2. **Administrative and Staff Cost Limitations:** Direct costs associated with the delivery of programs and projects funded by Measure L, including direct staff costs and consultant costs, are eligible uses of Measure L funds, unless otherwise limited by the adopted Measure L Policies and Procedures.

a. In situations where RECIPIENT acts as the project manager, project sponsor or the lead agency for delivery of a regional project identified in the Measure L Expenditure Plan, RECIPIENT will be required to enter into a Cooperative Agreement for that regional project and the reimbursement of administrative and staff costs will be addressed pursuant to the terms of that Agreement.

b. STANCOG does not allow the reimbursement of indirect costs, unless the RECIPIENT submits an Indirect Cost Allocation Plan which may be considered by the Caltrans Independent Office of Audits and Investigations, on a case by case basis, for approval of the identified indirect costs. If the Indirect Cost Allocation Plan is approved by Caltrans, the

approved plan shall be submitted to STANCOG to allow for reimbursement of those approved indirect costs. Notwithstanding the foregoing, the following items are not eligible for Measure L reimbursement: activities related to obtaining matching funds for a project, activities related to general Measure L administration (not specific to the project), education or preparation performed by the project manager/sponsor (*e.g.*, presentation to Rotary, Kiwanis, Lions Clubs, etc.), activities related to another project (regional) not covered in a Cooperative Agreement, even if it is a Measure L project.

3. **Fund Exchange:** RECIPIENT shall have the authority to loan its Measure L receipts allocated to it for Local Control Projects to other recipients for the implementation of needed transportation projects. All such fund exchanges shall be reviewed and accepted by STANCOG in accordance with the adopted Measure L Policies and Procedures.

4. **CEQA:** All projects funded with Measure L funds will be required to complete appropriate California Environmental Quality Act (CEQA) and other environmental review as required.

ARTICLE IV: REPORTING REQUIREMENTS

A. REQUIREMENTS AND WITHHOLDING

RECIPIENT shall comply with each of the reporting requirements set forth in this Article IV. If RECIPIENT fails to comply with one or more of these requirements, STANCOG may withhold payment of further Measure L funds to RECIPIENT until full compliance is achieved.

1. RECIPIENT shall submit to STANCOG on a monthly basis:

a. Monthly revenue and expenditure reports which identify the Measure L revenue received and expended by RECIPIENT. All reports shall identify the revenue and expenses by project identified in RECIPIENT'S CIP, roadway resurfacing map, traffic management plan, pedestrian and bicycle plan, resolution or other document adopted by RECIPIENT'S governing board.

b. Monthly report of Measure L fund cash balances held by RECIPIENT.

2. RECIPIENT shall submit to STANCOG quarterly milestone reports which provides a narrative of the progress of all of RECIPIENT'S projects utilizing Measure L funding.

3. RECIPIENT shall, by March 31st of each year, or other deadline provided at least sixty (60) days in advance by STANCOG or its auditors, submit to STANCOG, at the RECIPIENT'S expense, separate independently audited financial statements for the prior fiscal year ended June 30 of Measure L funds received and used.

4. RECIPIENT shall, by September 30th of each year, document expenditure activities and report on the performance of Measure L funded activities through the annual program compliance reporting process, or through other STANCOG performance and reporting processes as may be requested, including but not limited to the annual performance report, annual program plan and planning monitoring reports. This report shall be provided to StanCOG and the Measure L Citizens Oversight Committee within 90 days of the end of each fiscal year and shall include documentation as to whether or not RECIPIENT met the Maintenance of Effort requirement for that fiscal year.

5. RECIPIENT shall install or mount signage adjacent to each project or program in excess of \$250,000 funded in whole or in part by Measure L funds identifying the project or program as being funded by Measure L revenues.

6. RECIPIENT shall provide current and accurate information on RECIPIENT's website, to inform the public about how RECIPIENT is using Measure L funds. This information shall also be provided to STANCOG for posting on the Measure L website <http://www.stanislausmeasurel.com>

7. RECIPIENT shall actively participate in a "Public Awareness Program", in partnership with STANCOG as a means of ensuring that the public has access to information regarding which projects and programs are funded through Measure L funds.

8. RECIPIENT shall make its administrative officer or designated staff available upon request to render a report or answer any and all inquiries regarding RECIPIENT's receipt, usage, and/or compliance audit findings regarding Measure L funds before the Citizens Oversight Committee.

9. RECIPIENT agrees that STANCOG may review and/or evaluate all project(s) or program(s) funded pursuant to this AGREEMENT. This may include visits by representatives, agents or nominees of STANCOG to observe RECIPIENT's project or program operations, to review project or program data and financial records, and to discuss the project with Recipient's staff or governing board.

ARTICLE V: OTHER PROVISIONS

A. INDEMNITY BY RECIPIENT

Neither STANCOG, nor its governing body, elected officials, any officer, consultant, agent, or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by RECIPIENT in connection with the Measure L funds distributed to RECIPIENT pursuant to this AGREEMENT. It is also understood and agreed, pursuant

to Government Code Section 895.4, RECIPIENT shall fully defend, indemnify and hold harmless STANCOG, its governing body, and all its officers, agents, and employees, from any liability imposed on STANCOG for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by RECIPIENT in connection with the Measure L funds distributed to RECIPIENT pursuant to this AGREEMENT.

B. INDEMNITY BY STANCOG

Neither RECIPIENT, nor its governing body, elected officials, any officer, consultant, agent, or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by STANCOG under or in connection with any work, authority or jurisdiction delegated to STANCOG under this AGREEMENT. It is also understood and agreed, pursuant to Government Code Section 895.4, STANCOG shall fully defend, indemnify, and hold harmless RECIPIENT, and its governing body, elected officials, all its officers, agents, and employees from any liability imposed on RECIPIENT for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by STANCOG under or in connection with any work, authority or jurisdiction delegated to STANCOG under this AGREEMENT.

C. JURISDICTION AND VENUE

The laws of the State of California will govern the validity of this AGREEMENT, its interpretation and performance, and any other claims to which it relates. All legal actions arising out of this AGREEMENT shall be brought in a court of competent jurisdiction in Stanislaus County, California and the parties hereto hereby waive inconvenience of forum as an objection or defense to such venue.

D. ATTORNEYS' FEES

Should it become necessary to enforce the terms of this AGREEMENT, the prevailing party shall be entitled to recover reasonable expenses and attorneys' fees from the other party.

E. TERM

The term of this AGREEMENT shall be from July 1, 2020 to June 30, 2025, unless amended in writing or a new Master Funding Agreement is executed between STANCOG and RECIPIENT.

F. SEVERABILITY

If any provision of this AGREEMENT is found by a court of competent jurisdiction or, if applicable, an arbitrator, to be unenforceable, such provision shall not affect the other provisions of the AGREEMENT, but such unenforceable provisions shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this AGREEMENT.

G. MODIFICATION

This AGREEMENT, and its Exhibits, as well as the referenced Measure L Ordinance and the Expenditure Plan, and the Policies and Procedures, constitutes the entire AGREEMENT, supersedes all prior written or oral understandings regarding Measure L funds. This AGREEMENT may only be changed by a written amendment executed by both parties.

H. CONFLICT OF OR INCONSISTENT TERMS

If there is a conflict between this Agreement and the Policies and Procedures, the Policies and Procedures will control.

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CITY COUNCIL AGENDA ITEM NO. 6.1

SECTION 6: NEW BUSINESS

Meeting Date: May 11, 2020
Subject: Consideration to Approve the Employment Contract with Merry Mayhew for the Position of City Manager, Effective June 1, 2020
Presented By: Raul L. Mendez, City Manager
Daniel J. Schroeder, City Attorney

Approved By: _____

Staff Recommendation:

Approve the employment contract with Merry Mayhew for the position of City Manager, effective June 1, 2020.

Background and Overview:

On March 17, 2020, the City of Hughson opened a recruitment to the position of City Manager that closed on April 10, 2020. This was a result of Hughson's current City Manager Raul L. Mendez recently announcing that he would be leaving City service in mid-June (after seven years) to assume an Assistant Executive Officer position with Stanislaus County.

As part of the City Manager recruitment, 20 completed applications were received by the deadline from professionals from across the State of California and beyond. An expert panel conducted the qualifications interviews on April 21, 2020 and ranked the candidates. The results were presented to the Hughson City Council on April 27, 2020 who decided to invite the top candidates to the selection interviews that were conducted on May 4, 2020.

Discussion:

Merry Mayhew was selected as the top candidate by the City Council. Ms. Mayhew has served as the Finance and Administrative Services Director for the City of Hughson since April 16, 2019 but has over 30 years of experience in public service, including a distinguished career with the County of Stanislaus.

Attached to this staff report is the recommended employment contract with Ms. Mayhew for the position of City Manager. Essential provisions of the agreement include the following:

1. Term of three (3) years; commencing June 1, 2020 to May 31, 2023.
2. Salary at Range 196, Step A of the City's Salary Schedule, a base monthly salary of ten thousand four hundred forty-one dollars and forty-one cents (\$10,441.41).
3. Car allowance of \$460 per month for the general business use of personal vehicle.
4. Technology allowance of \$100 per month for the business use of employee's cell phone.
5. A 457 deferred compensation plan for employee's continued participation equal to one percent (2%) of the employee's base salary into the employee's designated plan on employee's behalf in equal proportionate amounts each pay period.

The attached press release was issued along with the posting of this item on the agenda.

Fiscal Impact:

If approved, necessary adjustments will be incorporated into the City's Annual Budget process to cover the terms of the employment contract.

EMPLOYMENT CONTRACT

THIS EMPLOYEMENT CONTRACT ("Contract") is made and entered into this 11th day of May, 2020, by and between the City of Hughson, California, a general law city organized under the laws of the State of California, hereinafter called "Employer," and Merry Mayhew, hereinafter called "Employee", and is effective as of June 1, 2020 ("Effective Date").

The parties agree as follows:

SECTION 1. DUTIES.

A. General.

Employer hereby employs Employee as City Manager to perform the functions and duties specified in the laws of the State of California, the Municipal Code of the City of Hughson, and the Ordinances and Resolutions of the City of Hughson, and to perform such other duties and functions as the Council shall from time to time assign.

SECTION 2. TERM.

A. The term of this Contract shall be for three (3) years, commencing the Effective Date and terminating at 11:59 P.M. on May 31, 2023.

B. Nothing in this Contract shall prevent, limit, or otherwise interfere with the right of Employee to resign at any time.

C. Notwithstanding any other provision in this Section 2, this contract may be earlier terminated in accordance with Section 7 of this contract

D. Employee shall remain in the exclusive employment of Employer, and shall neither accept other employment nor become employed by any other employer except upon written approval of Employer.

E. The term "employed" shall not be construed to include occasional teaching, writing, or consulting performed on Employee's time off.

SECTION 3. DISABILITY.

If Employee shall, for whatever reason, become incapable of performing any of the essential functions of Employee's position, even with reasonable accommodation by Employer, either

1. Permanently, or
2. For a period exceeding the period of leave available to the Employee under the Family Medical Leave Act or the California Family Rights Act, or accrued sick leave, whichever is longer,

then Employee shall be deemed to have suffered a disability. Employer and Employee agree that the time period specified in 2. above is a reasonable accommodation by Employer, and that granting longer time would be an undue hardship on Employer due to the importance of the City having a permanent city manager.

SECTION 4. SALARY.

Employer agrees to pay Employee, effective June 1, 2020, for his duties, at Range 196, Step A of the City's Salary Schedule which as of the Effective Date of this Contract is a base monthly salary of ten thousand four hundred forty-one dollars and forty-one cents (\$10,441.41) payable in installments at the same time as other Employees of the Employer are paid. After the execution of this Contract, if the Employer provides a cost of living adjustment ("COLA") to all employees of the City, Employee shall be entitled to the same COLA. For purposes of calculating future base monthly salary increases as a result of a COLA, the amount of the COLA shall be applied only to the base month salary set forth in the City Salary Schedule. The City Council shall have the discretion to increase Employee's base monthly salary at any time.

SECTION 5. HOURS OF WORK.

Employee is expected to devote a great deal of time outside normal office hours to business of Employer. To that end Employee will be allowed to take compensatory time off as he shall deem appropriate, during said office hours.

SECTION 6. AUTOMOBILE ALLOWANCE.

Employee shall receive an automobile allowance of \$460.00 per month for the general business use of his personal vehicle, however, Employer shall also reimburse Employee at the IRS standard mileage rate for any business use of his personal vehicle for any single business trip totaling more than 100 miles. Employee may, at his discretion, use a City vehicle for business purposes.

Employee shall receive a technology allowance of \$100.00 per month for the business use of Employee's cell phone.

SECTION 7. TERMINATION

This contract shall terminate upon the occurrence of any of the following events:

- A. The death of Employee.
- B. The dissolution or bankruptcy of Employer.
- C. The disability of Employee, as defined in Section 3 of this contract.
- D. The majority of the City Council of Employer votes to terminate the Employee at a duly authorized meeting without cause.
- E. If the Employer, citizens or legislature act or acts to amend any provision of applicable law which substantially changes the role, powers, duties, authority, or responsibilities of the Employee, the Employee shall have the right to declare that such amendments constitute termination.
- F. If the Employer reduces the base salary, compensation or any other financial benefit of the Employee, unless it is applied in no greater percentage than the average reduction of all department heads, such action shall constitute a breach of this agreement and will be regarded as termination.
- G. If the Employee resigns following an offer to accept resignation, or a suggestion that Employee resign, whether formal or informal, by any member of the City Council of Employer acting as representative of the majority of the City Council, then the Employee may declare a termination as of the date of the suggestion.
- H. Breach of contract declared by either party with a thirty (30) day cure period for either Employee or Employer. Written notice of a breach of contract shall be provided.
- I. Conviction of Employee of any public offense which is a felony, and/or involves moral turpitude, and/or the punishment for which includes a prohibition of holding public employment.

SECTION 8. SEVERANCE PAY

If this Contract is terminated because of the reasons specified in Section 7.D., 7.E., 7.F., 7.G., or an uncured breach by Employer pursuant to 7.H., Employer shall pay severance pay to Employee in an amount equal to Six (6) months' salary if termination occurs prior to the last Six (6) months of the term of this Contract. If the Contract is terminated as set forth in this section during the last Six months of the term of this Contract, Employer shall pay severance pay to Employee in an amount equal to the number of months remaining of the term of this Contract.

If this contract is terminated for any reason specified in Section 7, Employee shall be paid for all accrued vacation time and accrued paid holidays.

SECTION 9. VACATION AND SICK LEAVE.

Employee shall accrue vacation, sick, or other Employer-authorized, leave, in the same manner as other Employees of City.

SECTION 10. DISABILITY, HEALTH AND LIFE INSURANCE.

Employee shall be provided the same disability, health, dental, vision and life insurance that is presently provided other management employees.

SECTION 11. RETIREMENT.

The Employer shall provide a qualified 457 deferred compensation plan for Employee's continued participation, and in addition to the base salary paid by the Employer to Employee, Employer agrees to pay an amount equal to two per-cent (2%) of Employee's base salary into the designated plan on Employee's behalf, in equal proportionate amounts each pay period.

SECTION 12. DUES AND SUBSCRIPTIONS.

Employer shall budget and pay for the professional dues and subscriptions of Employee necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional participation, growth and advancement and for the good of Employer. The limit of such expenses shall be \$200.00 monthly.

SECTION 13. PROFESSIONAL DEVELOPMENT.

A. Employer shall budget for and pay the travel and subsistence expenses of Employee for professional official travel, meetings and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official and other functions for Employer, including but not limited to the State League of California Cities, International City/County Management Association, and such other national, regional, state and local governmental groups and committees thereof of which Employee may serve as a member.

B. Employer shall budget and pay for the travel and subsistence expense of Employee for short courses, institutes and seminars necessary for his professional development and for the good of the Employer.

C. The expenses specified in Section 13.A. and Section 13.B. shall be preapproved by the City Council.

D. Employer will perform a written annual performance evaluation within 30 days of June 1, in 2021 2022, and 2023. In the event that Employer fails to timely perform the evaluation, Employee may issue a written notice under Section 7.H demanding that the Employer perform the evaluation within 30 days of the date of the written notice. In the event the Employer fails to perform the evaluation within 30 days of Employee's written notice, Employee may declare a termination of the Contract under Section 7.H .

SECTION 14. REIMBURSEMENT OF EXPENSES.

To the extent Employee necessarily issues expenses in the performance of his duties, Employee will receive reimbursement therefore. Employee shall submit a claim form to employer in the form and manner required of any employee. The requirement for a claim form shall apply to mileage reimbursement under Section 6 of this contract.

SECTION 15. INDEMNIFICATION.

Beyond that required under Federal, State or Local Law, Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as City Manager, or resulting from the exercise of judgment or discretion in connection with the performance of program duties or responsibilities, unless the act or omission involved willful or wanton conduct. The Employee may request and the Employer shall not unreasonably refuse to provide independent legal representation at Employer's expense and Employer may not unreasonably withhold approval. Legal representation, provided by Employer for Employee, shall extend until a final determination of the legal action including any appeals brought by either party. The Employer shall indemnify employee against any and all losses, damages, judgments, interest, settlements, fines, court costs and other reasonable costs and expenses of legal proceedings including attorneys fees, and any other liabilities incurred by, imposed upon, or suffered by such Employee in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened, arising out of or in connection with the performance of his or her duties. Any settlement of any claim must be made with prior approval of the Employer in order for indemnification, as provided in this Section, to be available.

Employee recognizes that Employer shall have the right to compromise or settle a claim or suit and agrees that he will sign any settlement agreement involving only the payment of money by the Employer or a third party. However, if the Employee is a named party to the suit and the settlement agreement requires that the Employee perform or refrain from performing any conduct, Employee's written consent must be given for the compromise or settlement, which consent shall not be unreasonably withheld. Further, Employer agrees to pay all reasonable litigation expenses of Employee throughout the pendency of any litigation to which the Employee is a party, witness or advisor to the Employer. Such expense payments shall continue beyond Employee's service to the Employer as long as litigation is pending. Further, Employer agrees to pay Employee reasonable consulting fees and travel expenses when Employee serves as a witness, advisor or consultant to Employer regarding pending litigation if those services occur after Employee is no longer an Employee of the Employer.

SECTION 16. BONDING.

Employer shall bear the full cost of any fidelity or other bonds required of the Employee

under any law or ordinance.

SECTION 17. OTHER TERMS AND CONDITIONS OF EMPLOYMENT.

A. Employer, in consultation with Employee, shall fix any such other terms and conditions of employment as it may determine from time to time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Contract, the Municipal Code, or any other law.

B. Unless otherwise specifically provided herein, all provisions of the Municipal Code and regulations and rules of Employer relating to vacation and sick leave, retirement system contributions, holidays and other fringe benefits and working conditions as they now exist or hereafter may be amended, also shall apply to Employee as they would to other employees of the Employer.

SECTION 18. NOTICES.

Notices pursuant to this Contract shall be in writing given by deposit in the custody of the United State Postal Service, postage prepaid, addressed as follows:

- (1) Employer: Mayor,
City of Hughson, P.O. Box 9,
Hughson, CA 95326
- (2) Employee: Merry Mayhew
1901 Wallace Avenue
Ceres, CA 95307

Alternatively, notices required pursuant to this Contract may be personally served in the same manner as is applicable to civil judicial process. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

SECTION 19. GENERAL PROVISIONS.

- A. The text herein shall constitute the entire Contract between the parties.
- B. This Contract shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.
- C. This Contract shall become effective on the date first written above.
- D. If any provision, or any portion thereof, contained in this Contract is held unconstitutional, invalid or unenforceable, the remainder of this Contract, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

IN WITNESS WHEREOF, the City of Hughson has caused this Contract to be signed and executed in its behalf by its Mayor and duly attested by its City Clerk, and the Employee has signed and executed this Contract, both in duplicate, the day and year first above written.

"EMPLOYER"

CITY OF HUGHSON

By: _____
JERAMY YOUNG, Mayor

ATTEST:

ASHTON GOSE, Deputy City Clerk

APPROVED AS TO FORM:



DANIEL J. SCHROEDER, City Attorney

"EMPLOYEE"



MERRY MAYHEW



News Release

Contact: Raul Mendez, City Manager

May 8, 2020
FOR IMMEDIATE RELEASE

Merry Mayhew Selected as Hughson’s Next City Manager

"I am happy to have Merry move into the City Manager position. She knows the organization well and I look forward to working with her as we navigate this unprecedented time." – Hughson Mayor Jeramy Young

On May 11, 2020, the Hughson City Council is expected to approve the employment contract for Merry Mayhew appointing her to the position of Hughson City Manager, effective June 1, 2020. Ms. Mayhew was the top candidate in the recent City Manager recruitment for Stanislaus County’s smallest city that drew 20 professionals from across the State of California and abroad. The recruitment was initiated when current Hughson City Manager Raul L. Mendez announced his departure from city service, after seven years, to assume an Assistant Executive Officer position with the Stanislaus County Chief Executive Office in mid-June.



Ms. Mayhew joined the City of Hughson organization on April 16, 2019. Prior to her current position, Ms. Mayhew had a distinguished career with Stanislaus County serving County residents for over 30 years. She was the Assistant Director of the Departments of Environmental Resources and Parks and Recreation with oversight of parks and recreation, solid waste management, milk and dairy, and information technology. Previously, Ms. Mayhew served as the Business Manager with responsibilities in the areas of administration, human resources, budget, accounting, contracts, and information technology. During her County tenure, she also had stints with other departments—Health Services Agency, Department of Agriculture and Treasurer-Tax Collector. She holds a Master of Business Administration and a Bachelor of Arts in Organizational Management from Ashford University.

While in Hughson, Ms. Mayhew has been an integral part of the organization’s senior leadership team with main responsibility in the administrative operations of the Finance and Administrative Services Department. She has assisted the City Manager in the day-to-day operations and the

preparation and oversight of the City's budget and financial audit. Further, and as directed by the Hughson City Council, she has prepared financial reports and identified opportunities for improvements, implementing changes to procedures to enhance services. Lastly, Ms. Mayhew also oversees the City's human resources, information technology and risk management programs.

"I am honored to have been selected to serve as City Manager. This is a wonderful opportunity and I look forward to serving the community together with the talented team of City employees."
– Merry Mayhew, Incoming Hughson City Manager.

The Hughson City Council meets the 2nd and 4th Monday of the month at 7:00pm. In light of COVID-19 pandemic, these meetings are held via video conference until further notice. For more information, please visit the City of Hughson website at www.hughson.org or call 209.883.4054.

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