City of Santa Clara

Joint Meeting Agenda of the City Council and Authorities Concurrent & Santa Clara Stadium Authority Board

Tuesday, July 7, 2026 **5:00 PM** **Hybrid Meeting**
City Hall Council Chambers/Virtual
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
  - o https://santaclaraca.zoom.us/j/99706759306
    Meeting ID: 997-0675-9306
  - o Phone 1(669) 900-6833

How to Submit Written Public Comment Before City Council Meeting:

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2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email. **NOTE:** Please note eComments and Emails received as public comment **will not** be read aloud during the meeting.

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Closed Session - 5:00 PM | Regular Meeting - 7:00 PM

5:00 PM CLOSED SESSION

Call to Order in the Council Chambers

Confirmation of Quorum

1.A 26-742 Conference with Labor Negotiators (CC)
Pursuant to Gov. Code § 54957.6

City representatives: Jovan D. Grogan, Aracely Azevedo, Marco Mercado, Ashley Lancaster, Glen Googins and Su Reuter

Employee Organization(s):
Unclassified Fire Management Employees - Unit #9B

1.B 26-750 Conference with Legal Counsel - Anticipated Litigation
Pursuant to Gov. Code § 54956.9(d)(2) - Exposure to litigation

Number of potential cases: 1

--Facts and circumstances: Builder's remedy dispute relating to the property located at 4220 Network Circle, in the City of Santa Clara, as described in attached Tolling Agreement

1.C 26-757 Conference with Legal Counsel-Existing Litigation (CC)
Pursuant to Gov. Code § 54956.9(d)(1)
City of Fresno, et al. v. Turner, et al., United States District Court, Northern District of California Case No. 25-cv-07070-RS

1.D 26-758 Conference with Legal Counsel-Existing Litigation (CC)
Pursuant to Gov. Code § 54956.9(d)(1)
City of Fresno, et al. v. Noem, et al., United States District Court, Northern District of California Case No. 5:26-cv-01535

Public Comment

The public may provide comments regarding the Closed Session item(s) just prior to the Council beginning the Closed Session. Closed Sessions are not open to the public.

Convene to Closed Session (Sparacino Conference Room)

7:00 PM JOINT CITY COUNCIL/STADIUM AUTHORITY BOARD MEETING

Call to Order in the Council Chambers

Pledge of Allegiance and Statement of Values

Roll Call

REPORTS OF ACTION TAKEN IN CLOSED SESSION MATTERS

CONTINUANCES/EXCEPTIONS/RECONSIDERATIONS

CONSENT CALENDAR

[Items listed on the CONSENT CALENDAR are considered routine and will be adopted by one motion. There will be no separate discussion of the items on the CONSENT CALENDAR unless discussion is requested by a member of the Council, staff, or public. If so requested, that item will be removed from the CONSENT CALENDAR and considered under CONSENT ITEMS PULLED FOR DISCUSSION.]

2.A 26-751 Action on the June 9, 2026 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting and June 15, 2026 Special City Council Meeting Minutes.

Recommendation: Approve the June 9, 2026 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting and June 15, 2026 Special City Council Meeting Minutes.

2.B 26-13 Board, Commissions and Committee Minutes

Recommendation: Note and file the Minutes of:

Parks & Recreation Commission - May 11, 2026
Cultural Commission - May 4, 2026

2.C 26-480 Resolution Authorizing an Ad Valorem Tax Levy to Finance the City's 2026 General Obligation Bonds Debt Service for Fiscal Year 2026/27 In the Amount of $22.70 per $100,000 (0.0227%) of Assessed Value in FY 2026/27

Recommendation: Adopt a Resolution Authorizing an Ad Valorem Tax Levy Based on a Debt Service Estimate to be Provided to Santa Clara County Respecting Unsold General Obligation Bonds for Fiscal Year 2026/27 In the amount of $22.70 per $100,000 (0.0227%) of assessed value.

2.D 26-630 Action to Approve and Authorize the City Manager to Execute Amendments to Reinstate and Extend Terms of Agreements with Raftelis Financial Consultants, Inc. and Baker Tilly Advisory Group for Organizational Assessment Services and Increase the Maximum Compensation Amounts to $500,000 and $347,000, Respectively

Recommendation:

1. Approve and authorize the City Manager or designee to execute Amendment No. 1 to the agreement with Raftelis Financial Consultants to reinstate the agreement, exercise the first of two one-year options to extend the term through October 31, 2026, increase the Consultant's standard hourly rates, and increase the maximum compensation by $250,000 for a revised maximum compensation amount of $500,000, subject to the appropriation of funds and review and approval as to form by the City Attorney;
2. Approve and authorize the City Manager or designee to execute Amendment No. 1 to the agreement with Baker Tilly Advisory Group to reinstate the agreement, exercise the first of two one-year options to extend the term through December 31, 2026, and increase the maximum compensation by $97,000 for a revised maximum compensation amount of $347,000, subject to the appropriation of funds and review and approval as to form by the City Attorney; and
3. Authorize the City Manager or designee to take any actions necessary to implement and administer the agreements, including exercising options to extend, and to negotiate and execute future amendments to (a) add or delete services associated with the services, (b) adjust rates in accordance with the rate schedule provisions, and (c) make de minimis changes, provided that the maximum compensation amounts are not exceeded and subject to the appropriation of funds and review and approval as to form by the City Attorney.

2.E 26-725 Action to Authorize the City Manager to Execute Amendments to Agreements with Moveable, Inc. and TRAFFIK, LLC for Event Planning and Production Services, to Increase the Not-to-Exceed Compensation for Moveable, Inc. by $200,000 for a Total Not-to-Exceed Compensation of $550,000 and Increase the Not-to-Exceed Compensation for TRAFFIK, LLC by $100,000 for a Total Not-to-Exceed Compensation of $350,000

Recommendation:

1. Authorize the City Manager or designee to execute Amendment No. 2 with Moveable Inc. to increase the maximum compensation by $200,000 for event production services, for a revised not-to-exceed maximum compensation amount of $550,000, subject to appropriation of funds;
2. Authorize the City Manager or designee to execute Amendment No. 1 with TRAFFIK, LLC to increase the maximum compensation by $100,000 for event production services, for a revised not-to-exceed maximum compensation amount of $350,000, subject to appropriation of funds; and
3. Authorize the City Manager or designee to take all actions necessary to implement and administer the Agreements with Moveable, Inc. Walk Talkin International LLC, and TRAFFIK, LLC, including negotiating and executing future amendments to (i) add or delete related line item services; (ii) implement rate adjustments on the terms provided in Exhibit B, and (iii) make de minimis changes, provided that the total not-to-exceed maximum compensation is not exceeded, subject to the appropriation of funds and review and approval as to form by the City Attorney.

2.F 26-414 Action on Award of Public Works Contract for the Bowers Park Parking Lot Rehabilitation Project to O'Grady Paving, Inc. and Approval of Related Budget Amendments

Recommendation:

1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of California Code of Regulations;
2. Award the Public Works Contract for the Bowers Park Parking Lot Rehabilitation Project to the lowest responsive and responsible bidder, O'Grady Paving, Inc., in the amount of $1,641,081 and authorize the City Manager to execute any and all documents associated with and necessary for the award, completion, and acceptance of this Project, in final forms approved by the City Attorney;
3. Authorize the City Manager to execute change orders up to approximately 15 percent of the original contract price, or $246,163, for a total not-to-exceed amount of $1,887,244; and
4. Approve the following FY 2026/27 budget amendments:
   a. In the Electric Operating Grant Trust Fund, establish a transfer to the Storm Drain Capital Fund in the amount of $550,900 and reduce the Greenhouse Gas ending fund balance by $550,900 **(five affirmative Council votes required for the use of unused balances);**
   b. In the Parks and Recreation Capital Fund, establish a transfer to the Storm Drain Capital Fund in the amount of $1,169,100 and reduce the Mitigation Fee Act ending fund balance by $1,169,100 **(five affirmative Council votes required for the use of unused balances);** and
   c. In the Storm Drain Capital Fund, recognize transfers from the Electric Operating Grant Trust Fund in the amount of $550,900 and from the Parks and Recreation Capital Fund in the amount of $1,169,100, and increase the Bowers Park Parking Lot Rehabilitation project appropriation by $1,720,000 **(five affirmative Council votes required to appropriate additional revenue)**.

2.G **26-700** Action to Adopt a Resolution Amending the FY 2026/27 Municipal Fee Schedule to Adjust Rounding under the Community Development Department's Building Division and to Amend Fees under the Electric Utility Department

Recommendation: Adopt a Resolution Amending the FY 2026/27 Municipal Fee Schedule to Adjust Rounding under the Community Development Department's Building Division and to Amend Fees under the Electric Utility Department Effective Immediately

2.H **26-740** Action to Adopt a Resolution Approving and Adopting the Updated Unclassified Salary Plan for Various Positions including the Updated Salaries of the Mayor and Council Members and the City Clerk

Recommendation: Adopt a Resolution to approve the revised Unclassified/Elected Salary Plan for the positions of Mayor, City Council Member, and City Clerk which reflects the salary increase granted by the Salary Setting Commission, to satisfy the requirements of California Code of Regulations Section 570.5, effective July 1, 2026.

SANTA CLARA STADIUM AUTHORITY BOARD CONSENT CALENDAR

3. **26-702** Action on Stadium Authority Bills and Claims for the Month of May 2026

Recommendation: Approve the list of Stadium Authority Bills and Claims for May 2026.

PUBLIC PRESENTATIONS

[This item is reserved for persons to address the Council or authorities on any matter not on the agenda that is within the subject matter jurisdiction of the City or Authorities. The law does not permit action on, or extended discussion of, any item not on the agenda except under special circumstances. The governing body, or staff, may briefly respond to statements made or questions posed, and appropriate body may request staff to report back at a subsequent meeting. Although not required, please submit to the City Clerk your name and subject matter on the speaker card available in the Council Chambers.]

CONSENT ITEMS PULLED FOR DISCUSSION

PUBLIC HEARING/GENERAL BUSINESS

4. **26-352** Adoption of Resolution Approving the Execution, Delivery and Performance of a Revolving Credit Agreement with TD Public Finance, LLC for Capital Costs for the Electric System in the Amount Not-to-Exceed $350,000,000 and Authorizing the Execution, Delivery and Performance of Related Documents and Certain Other Actions in connection with this Financing

Recommendation:

1. That the City Council by Resolution authorize and approving the execution, delivery and performance of Revolving Credit Agreement with TD Public Finance, LLC in an amount not to exceed $350,000,000 to provide interim financing for capital costs of the Electric Utility consistent with the Capital Improvement Plan, approving the execution of financing documents and authorizing certain other related actions consistent with the financing; and
2. Authorize the City Manager, Director of Finance, Director of Silicon Valley Power, City Attorney, and Assistant City Clerk to execute all required agreements necessary to consummate any of the transactions contemplated by the agreements and documents approved under the Resolution and to make any changes necessary to complete the financing transaction.

5. **26-507** Public Hearing: Action to Waive First Reading and, Introduce an Ordinance Granting a Non-Exclusive Franchise to LS Power Grid California, LLC for the Power the South Bay and Power the Valley Connector Projects, and Adopt a Resolution Related to the Power the South Bay Project Environmental Impact Report.

Recommendation:

1. Adopt a resolution (1) adopting the Power the South Bay Project Environmental Impact Report, prepared by the California Public Utilities Commission (A.24-05-014; SCH NO. 2024071095); (2) making certain findings as the responsible agency for purposes of and pursuant to the provisions of the California Environmental Quality Act of 1970; and (3) adopting a related Mitigation Monitoring and Reporting Program and Construction Impact Mitigation Plan, in connection with the approval of discretionary actions by the city necessary for the construction and operation of the Power the South Bay Project; and
2. Hold a public hearing, waive first reading, and approve introduction of an ordinance granting a non-exclusive franchise to LS Power Grid California, LLC on terms and conditions set forth in the ordinance for the Power the South Bay and Power the Valley Connector Projects for the purpose of transmitting electric service in the City's public rights-of-way.

6. **26-722** Ongoing Consideration and Possible Action on the Charter Review Committee's Recommendation for Placement of a Comprehensive Charter Update Measure on the November 2026 Ballot, Including Consideration of a Possible Stand-Alone Measure that Would Update the City's Public Works Procurement Rules

Recommendation: Hear the presentation, pose questions, deliberate and provide direction to staff on desired next steps to prepare for City Council final action on the CRC's proposed Charter Project update at the City Council's July 14th meeting.

REPORTS OF MEMBERS, SPECIAL COMMITTEES AND COUNCILMEMBER 030 REQUESTS

CITY MANAGER/EXECUTIVE DIRECTOR REPORT

ADJOURNMENT

The next regular scheduled meeting is on Tuesday, July 14, 2026 in the City Hall Council Chambers.

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

California Government Code Section 84308, most recently amended by SB 1243, commonly referred to as the "Levine Act," prohibits a local elected official or quasi-judicial appointed official from participating in any action related to a contributor's contract, license, permit, or use entitlement if he/she/it receives any campaign contributions totaling more than $500 within the previous twelve months, and for twelve months following the date a final decision has been made, from the party, participants, or agents in the proceeding. Parties, Participants or Agents for a proceeding involving a license, permit, or other use entitlement pending before the City Council or a City quasi-judicial body must complete the California Levine Act Disclosure Statement prior to their proceeding.

STREAMING SERVICES: As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive $30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities. Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.

26-742 Agenda Date: 7/7/2026

SUBJECT
Conference with Labor Negotiators (CC)
Pursuant to Gov. Code § 54957.6

City representatives: Jovan D. Grogan, Aracely Azevedo, Marco Mercado, Ashley Lancaster, Glen Googins and Su Reuter

Employee Organization(s):
Unclassified Fire Management Employees - Unit #9B

26-750 Agenda Date: 7/7/2026

SUBJECT

Conference with Legal Counsel - Anticipated Litigation
Pursuant to Gov. Code § 54956.9(d)(2) - Exposure to litigation

Number of potential cases: 1

--Facts and circumstances: Builder’s remedy dispute relating to the property located at 4220 Network Circle, in the City of Santa Clara, as described in attached Tolling Agreement

CONFIDENTIAL SETTLEMENT COMMUNICATION. CALIFORNIA EVIDENCE CODE SECTION 1152
Docusign Envelope ID: F77859DF-8947-80A5-82B3-415E1314481E

EIGHTH AMENDMENT TO TOLLING AGREEMENT
4220 Network Circle

This Eighth Amendment to Tolling Agreement (the "**Eighth Amendment**"), dated as of the date all parties sign this Eighth Amendment, is entered into by and among Agnews VOP, LLC, a California limited liability company (the "**Applicant**") and the City of Santa Clara, a chartered California municipal corporation ("**City**"). Applicant and the City are individually referred to herein as a "**Party**", and collectively referred to as the "**Parties**".

RECITALS

WHEREAS, the Applicant owns and/or is authorized to submit a development application by the owner of those certain real properties totaling approximately 52.9 acres located at 4220 Network Circle, in Santa Clara, California as legally described on **Exhibit A** (the "**Property**");

WHEREAS, on September 20, 2023, the Applicant submitted a preliminary application and on September 25, 2023 paid the associated fees for the development of 594 multifamily residential project including 20% low income units (the "**Preliminary Application**") pursuant to the provision of the Housing Accountability Act (Gov. Code § 65589.5) (the "**HAA**") known as the Builder's Remedy (the "**BR Project**");

WHEREAS, on October 25, 2023, the City indicated its position that Government Code Section 65589.5, subdivision (d)(5) does not apply to the BR Project;

WHEREAS, the Applicant maintains the Preliminary Application vests the then-existing City housing element status, general plan, and code requirements pursuant to the Housing Crisis Act of 2019 ("**SB 330**"), and the Preliminary Application indicated the Applicant's intention to rely on the State Density Bonus Law (Gov. Code § 65915) ("**SDBL**");

WHEREAS, the Parties therefore dispute the applicability of Government Code Section 65589.5, subdivision (d)(5), to the BR Project (the "**Builder's Remedy Dispute**");

WHEREAS, on August 16, 2024, the Applicant requested a refund of fees associated with a General Plan amendment and rezoning previously paid under protest;

WHEREAS, on August 30, 2024, the City issued a letter stating that it "is not inclined at this time to refund the fees for the General Plan amendment or rezoning applications";

WHEREAS, on October 9, 2024 (the "**Effective Date of the Tolling Agreement**"), the Parties entered into a Tolling Agreement to toll the running of any and all litigation filing and/or service deadlines related to the Property and the BR Project;

WHEREAS, the Tolling Agreement provided a ninety (90) day term from the Effective Date of the Tolling Agreement, which would have elapsed on January 7, 2025;

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WHEREAS, on December 17, 2024, the Parties executed the First Amendment to Tolling Agreement, continuing the tolling of certain deadlines for an additional ninety (90) days, which will elapse on April 7, 2025;

WHEREAS, on March 28, 2025, the Parties executed the Second Amendment to Tolling Agreement, continuing the tolling of certain deadlines for an additional sixty (60) days, which will elapse on June 7, 2025;

WHEREAS, on June 6, 2025, the Parties executed the Third Amendment to Tolling Agreement, continuing the tolling of certain deadlines for an additional ninety (90) days, which will elapse on September 4, 2025;

WHEREAS, on August 28, 2025, the Parties executed the Fourth Amendment to Tolling Agreement, continuing the tolling of certain deadlines for an additional ninety (90) days, which will elapse on December 3, 2025;

WHEREAS, on November 15, 2025, the Parties executed the Fifth Amendment to Tolling Agreement, continuing the tolling of certain deadlines for an additional ninety (90) days, which will elapse on March 3, 2026;

WHEREAS, on February 13, 2026, the Parties executed the Sixth Amendment to Tolling Agreement, continuing the tolling of certain deadlines for an additional ninety (90) days, which will elapse on June 1, 2026;

WHEREAS, on May 27, 2026, the Parties executed the Seventh Amendment to Tolling Agreement, continuing the tolling of certain deadlines for an additional thirty (30) days, which will elapse on July 1, 2026;

WHEREAS, the Parties continue to engage in productive discussions regarding the Builder's Remedy Dispute and potential approaches for processing the BR Project while the Parties reserve all rights to their respective positions in the Builder's Remedy Dispute, and the Parties wish to continue to toll certain deadlines for an additional ninety (90) days;

WHEREAS, Section 11 of the Tolling Agreement provides that the Tolling Agreement may be modified pursuant to a written instrument duly executed by the Parties;

Now therefore, with reference to the foregoing recitals, which are incorporated into this Eighth Amendment, and for good and valuable consideration, sufficiency of which is hereby acknowledged, the Parties agree as follows:

TERMS AND CONDITIONS

1. **Term.** The final sentence of Section 1 of the Tolling Agreement is hereby amended and restated in its entirety as follows:

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The term of this Agreement shall be from the Effective Date until (i) seven hundred twenty (720) days after the Effective Date (October 1, 2026); or (ii) thirty (30) days following the written cancellation by one of the Parties.

2. **Status of the Tolling Agreement.** Except as modified by this Eighth Amendment, the terms and provisions of the Tolling Agreement, as amended through the Sixth Amendment, remain in full force and effect.

3. **Counterparts.** This Eighth Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Eighth Amendment. Signatures provided by facsimile or electronic image shall have the same force and effect as original signatures.

IN WITNESS WHEREOF, the Parties do hereby agree to the full performance of the terms set forth herein.

CITY OF SANTA CLARA,
a California Chartered Municipal Corporation

By: DocuSigned by: Alexander Abbe 3FEAC9DC77B14CA...
Name: Glen R. Googins
Title: City Attorney

Dated: 6/30/2026 | 2:23 PM PDT, 2026

Holland and Knight LLP on behalf of

Agnews VOP, LLC
a California limited liability company

By: Signed by: Tamsen Plume 8574A2F8E5A0428...
Name: Tamsen Plume
Holland & Knight LLP

Dated: 6/30/2026 | 5:19 PM EDT, 2026

26-757 Agenda Date: 7/7/2026

SUBJECT

Conference with Legal Counsel-Existing Litigation (CC)
Pursuant to Gov. Code § 54956.9(d)(1)
City of Fresno, et al. v. Turner, et al., United States District Court, Northern District of California Case No. 25-cv-07070-RS

26-758 Agenda Date: 7/7/2026

SUBJECT

Conference with Legal Counsel-Existing Litigation (CC)
Pursuant to Gov. Code § 54956.9(d)(1)
City of Fresno, et al. v. Noem, et al., United States District Court, Northern District of California Case No. 5:26-cv-01535

26-751 Agenda Date: 7/7/2026

REPORT TO COUNCIL

SUBJECT
Action on the June 9, 2026 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting and June 15, 2026 Special City Council Meeting Minutes.

RECOMMENDATION
Approve the June 9, 2026 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting and June 15, 2026 Special City Council Meeting Minutes.

City of Santa Clara

Meeting Minutes of the

Joint City Council and Authorities Concurrent &

Santa Clara Stadium Authority Board

06/09/2026 **5:30 PM** **Hybrid Meeting**
City Hall Council Chambers/Virtual
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Santa Clara, CA 95050

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Closed Session - 5:30 PM | Regular Meeting - 7:00 PM

5:30 PM STUDY SESSION

Call to Order in the Council Chambers

Mayor Gillmor called the Study Session to order at 5:34 PM.

Confirmation of Quorum

Assistant City Clerk Pimentel confirmed a quorum.

City Manager Grogan noted that Channel 15 broadcast is currently down and that staff is working to resolve it.

1. 26-660 Study Session: Initial Presentation of the Report to Council Regarding the Comprehensive Review and Proposed Update of the City Charter by the Charter Review Committee, commonly known as the "Charter Project," including the Charter Review Committee's Recommendation

Recommendation: Hear the presentation, pose questions and provide any initial feedback.

City Attorney Googins provided a Powerpoint presentation on the comprehensive review and proposed update of the City Charter by the Charter Review Committee.

Public Comment: None

Council questions and comments followed.

Mayor Gillmor called for a recess at 6:49 PM.

7:00 PM JOINT CITY COUNCIL/STADIUM AUTHORITY BOARD MEETING

Call to Order in the Council Chambers

Mayor/Chair Gillmor called the regular meeting to order at 7:07 PM.

Pledge of Allegiance and Statement of Values

Council/Board recited the Pledge of Allegiance.

Council/Boardmember Cox recited the Statement of Values.

Roll Call

Assistant City Clerk/Secretary Pimentel recited the AB23 announcement and Statement of Behavioral Standards.

Assistant City Clerk/Secretary Pimentel also noted that any registered Lobbyist speaking during the Public Meeting will need to identify themselves and whom they represent.

Present: 7 - Vice Mayor/Chair Albert Gonzalez, Council/Boardmember Raj Chahal, Council/Boardmember Karen Hardy, Council/Boardmember Kevin Park, Council/Boardmember Suds Jain, Council/Boardmember Kelly Cox, and Mayor/Chair Lisa M. Gillmor

CONTINUANCES/EXCEPTIONS/RECONSIDERATIONS

Councilmember Park requested that Item 11 be heard after Public Presentation.

Councilmember Jain requested to continue Item 3.F.

SPECIAL ORDER OF BUSINESS

2.A 26-432 Presentation from Caltrain

Jason Baker (Director of Government Relations and Community Affairs, Caltrain) provided a Powerpoint presentation on Caltrain's Budget.

Council questions and comments followed.

Jason Baker (Director of Government Relations and Community Affairs, Caltrain) addressed **Council** questions.

2.B 26-324 Proclamation of June 2026 as Pride Month

Mayor Gillmor, on behalf of the **Council**, proclaimed June 2026 as Pride Month.

Dr. Ken Yeager (Executive Director, of BAYMEC Community Foundation) accepted the proclamation and provided some remarks.

2.C 26-325 Proclamation of June 19, 2026 as Juneteenth in the City of Santa Clara

Mayor Gillmor, on behalf of the **Council**, proclaimed June 19, 2026 as Juneteenth in the City of Santa Clara.

Winston Ashby (Executive Director, PARTI Program) accepted the proclamation and provided some remarks.

Councilmember Park raised a Point of Order to allow comments from **Councilmember Jain** regarding Caltrain's presentation.

A motion was made by Councilmember Jain, seconded by Councilmember Chahal, to hear Councilmember Jain's comments regarding Caltrain's presentation.

By consensus, **Mayor Gillmor** permitted the action without a vote.

Councilmember Jain provided some remarks regarding Caltrain's presentation.

CONSENT CALENDAR

Councilmember Jain pulled Item 3.F.

A motion was made by Vice Mayor/Chair Gonzalez, seconded by Council/Boardmember Chahal, to approve the balance of the Consent Calendar (except Item 3.F).

Aye: 7 - Vice Mayor/Chair Gonzalez, Council/Boardmember Chahal, Council/Boardmember Hardy, Council/Boardmember Park, Council/Boardmember Jain, Council/Boardmember Cox, and Mayor/Chair Gillmor

3.A 26-11 Board, Commissions and Committee Minutes

Recommendation: Note and file the Minutes of:
Planning Commission - March 11, 2026
Planning Commission - April 8, 2026
Historical and Landmarks Commission - April 2, 2026
Neighborhood University Relations Committee - March 2, 2026
Station Area Task Force - March 19, 2026
Board of Library Trustees - February 2, 2026
Board of Library Trustees - February 12, 2026
Board of Library Trustees - March 2, 2026
Bond Compliance Oversight Committee - August 27, 2025
Stadium Neighborhood Relations Ad Hoc Subcommittee - May 4, 2026

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to Note and file the Minutes of: Planning Commission - March 11, 2026, Planning Commission - April 8, 2026, Historical and Landmarks Commission - April 2, 2026, Neighborhood University Relations Committee - March 2, 2026, Station Area Task Force - March 19, 2026, Board of Library Trustees - February 2, 2026, Board of Library Trustees - February 12, 2026, Board of Library Trustees - March 2, 2026, Bond Compliance Oversight Committee - August 27, 2025, and Stadium Neighborhood Relations Ad Hoc Subcommittee - May 4, 2026.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.B 26-521 Action on City Bills and Claims Report for the period April 4, 2026 - May 8, 2026

Recommendation: Approve the list of Bills and Claims for April 4, 2026 - May 8, 2026.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to approve the list of Bills and Claims for April 4, 2026 - May 8, 2026.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.C 26-376 Action on the Award of Purchase Orders with Technology, Engineering & Construction, Inc. DBA T.E.C. Accutite for Fuel Storage Tank Compliance Testing and Related Services

Recommendation:

1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of California Code of Regulations;
2. Authorize the City Manager or designee to issue Purchase Orders to Technology, Engineering & Construction, Inc., DBA T.E.C. Accutite for Fuel Storage Tank Compliance Testing and Related Services for a total maximum amount not-to-exceed $458,711, subject to the appropriation of funds and approval as to form by the City Attorney; and
3. Authorize the City Manager or designee to take any actions as necessary to implement and administer the Purchase Orders, and to (a) exercise up to four one-year options through June 30, 2031, (b) add or delete services consistent with the scope of services, (c) approve rate adjustments, and (e) make de minimis changes, provided that the total maximum amount is not exceeded, subject to the appropriation of funds and approval as to form by the City Attorney.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to (1) determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of California Code of Regulations; (2) authorize the City Manager or designee to issue Purchase Orders to Technology, Engineering & Construction, Inc., DBA T.E.C. Accutite for Fuel Storage Tank Compliance Testing and Related Services for a total maximum amount not-to-exceed $458,711, subject to the appropriation of funds and approval as to form by the City Attorney; and (3) authorize the City Manager or designee to take any actions as necessary to implement and administer the Purchase Orders, and to (a) exercise up to four one-year options through June 30, 2031; (b) add or delete services consistent with the scope of services; (c) approve rate adjustments; and (e) make de minimis changes, provided that the total maximum amount is not exceeded, subject to the appropriation of funds and approval as to form by the City Attorney.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.D 26-444 Action to Authorize the City Manager to Negotiate and Execute an Agreement with Lyngsoe Systems, Inc. for an Automated Materials Handling System and Related Services, Authorize the Use of City Public Works Forces at the Northside Branch Library for System Installation Improvements, and Approve Related Budget Amendments

Recommendation:

1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of California Code of Regulations;
2. Authorize the City Manager or designee to negotiate and execute the Agreement with Lyngsoe Systems, Inc. for the automated materials handling system (AHMS) at the Northside Branch Library, including design, installation, and ongoing maintenance and support services for a term of five years, starting on or around July 1, 2026 and ending on June 30, 2031, with a maximum compensation not-to-exceed $349,748, subject to the appropriation of funds and approval as to form by the City Attorney;
3. Authorize the City Manager or designee to take any actions as necessary to implement and administer the Agreement with Lyngsoe Systems, Inc. and negotiate and execute amendments to (a) add or delete services consistent with the scope of services, (b) extend the term for up to ten (10) additional years through June 30, 2041, in such increments as determined by the City to ensure continued access to ongoing maintenance and support services and c) increase the maximum compensation by up to $181,923 for a total maximum compensation of $531,671 for maintenance and support in the extended terms, subject to the appropriation of funds, and approval as to form by the City Attorney;
4. Based upon the facts presented in the staff Report, determine that the proposed alterations necessary for the installation of the AMHS at the Northside Branch Library, 695 Moreland Way, with an estimated value of $88,000 may be performed better and more economically by the City with its own employees and approve the use of City forces for this work; and
5. Approve the FY 2025/26 budget amendments in the Library Capital Fund to decrease the Central Park Library - Concrete Sidewalk Replacement project appropriation by $46,362 and increase the Northside Branch Library - Automated Materials Handling System project appropriation by $46,362 **(majority affirmative Council votes required).**

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to (1) determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of California Code of Regulations; (2) authorize the City Manager or designee to negotiate and execute the

Agreement with Lyngsoe Systems, Inc. for the automated materials handling system (AHMS) at the Northside Branch Library, including design, installation, and ongoing maintenance and support services for a term of five years, starting on or around July 1, 2026 and ending on June 30, 2031, with a maximum compensation not-to-exceed $349,748, subject to the appropriation of funds and approval as to form by the City Attorney; (3) authorize the City Manager or designee to take any actions as necessary to implement and administer the Agreement with Lyngsoe Systems, Inc. and negotiate and execute amendments to (a) add or delete services consistent with the scope of services; (b) extend the term for up to ten (10) additional years through June 30, 2041, in such increments as determined by the City to ensure continued access to ongoing maintenance and support services; and (c) increase the maximum compensation by up to $181,923 for a total maximum compensation of $531,671 for maintenance and support in the extended terms, subject to the appropriation of funds, and approval as to form by the City Attorney; (4) based upon the facts presented in the staff Report, determine that the proposed alterations necessary for the installation of the AMHS at the Northside Branch Library, 695 Moreland Way, with an estimated value of $88,000 may be performed better and more economically by the City with its own employees and approve the use of City forces for this work; and (5) approve the Fiscal Year 2025/26 budget amendments in the Library Capital Fund to decrease the Central Park Library - Concrete Sidewalk Replacement project appropriation by $46,362 and increase the Northside Branch Library - Automated Materials Handling System project appropriation by $46,362.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.E 26-469 Action to Approve Updated Contract Language for the First Amendment to the Contract Between the County of Santa Clara and the City of Santa Clara for the Senior Nutrition Program - Congregate Meals

Recommendation:

1. Approve and authorize the City Manager to execute Amendment No. 1 to the Contract between the County of Santa Clara and the City of Santa Clara for the provisions of the Senior Nutrition Congregate Meals Program for the Fiscal Year 2025/26, incorporating the updated contract language required by the County, and subject to approval as to form by the City Attorney;
2. Authorize the City Manager to execute a subsequent amendment, if offered by the County, to extend the term of the Agreement for Fiscal Year 2026/27, subject to approval as to form by the City Attorney and contingent upon the appropriation of sufficient funding; and
3. Authorize the City Manager to make minor modifications, including time extensions, to Amendment No. 1, if needed.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to (1) approve and authorize the City Manager to execute Amendment No. 1 to the Contract between the County of Santa Clara and the City of Santa Clara for the provisions of the Senior Nutrition Congregate Meals Program for the Fiscal Year 2025/26, incorporating the updated contract language required by the County, and subject to approval as to form by the City Attorney; (2) authorize the City Manager to execute a subsequent amendment, if offered by the County, to extend the term of the Agreement for Fiscal Year 2026/27, subject to approval as to form by the City Attorney and contingent upon the appropriation of sufficient funding; and (3) authorize the City Manager to make minor modifications, including time extensions, to Amendment No. 1, if needed.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.G 26-553 Action to Authorize the City Manager to Execute an Agreement with Groome Industrial Service Group, LLC for Professional Heat Recovery Steam Generator Cleaning Services for Silicon Valley Power, With a Total Maximum Compensation Not-to-Exceed $3,719,144, Inclusive of All Option Years

Recommendation:

1. Determine the proposed action is exempt from CEQA pursuant to Section 15301 (Class 1 - Existing Facilities) of Title 14 of the California Code of Regulations;
2. Authorize the City Manager or designee to execute an agreement with Groome Industrial Service Group, LLC for professional Heat Recovery Steam Generator (HRSG) cleaning services, with a term commencing on June 1, 2026, and ending on May 31, 2028, with up to three one-year options to extend the term through May 31, 2031, for a total maximum compensation of $3,719,144, inclusive of a 10% contingency, subject to the appropriation of funds and the review and approval as to form by the City Attorney; and
3. Authorize the City Manager or designee to take any actions necessary to implement and administer the agreement, and negotiate and execute future amendment(s) to (a) exercise the option years, (b) implement rate adjustments on the terms provided in Exhibit B, and (c) make de minimis changes, provided that the total maximum compensation is not exceeded, subject to the appropriation of funds and the review and approval as to form by the City Attorney.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to (1) determine the proposed action is exempt from CEQA pursuant to Section 15301 (Class 1 - Existing Facilities) of Title 14 of the California Code of Regulations; (2) authorize the City Manager or designee to execute an agreement with Groome Industrial Service Group, LLC for professional Heat Recovery Steam Generator (HRSG) cleaning services, with a term commencing on June 1, 2026, and ending on May 31, 2028, with up to three one-year options to extend the term through May 31, 2031, for a total maximum compensation of $3,719,144, inclusive of a 10% contingency, subject to the appropriation of funds and the review and approval as to form by the City Attorney; and (3) authorize the City Manager or designee to take any actions necessary to implement and administer the agreement, and negotiate and execute future amendment(s) to (a) exercise the option years, (b) implement rate adjustments on the terms provided in Exhibit B, and (c) make de minimis changes, provided that the total maximum compensation is not exceeded, subject to the appropriation of funds and the review and approval as to form by the City Attorney.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.H 26-545 Adoption of a Resolution Calling and Giving Notice of a General Municipal Election to be held on Tuesday, November 3, 2026 for the Election of one Mayor and two Councilmembers, one each for Council Districts 2 and 3; Requesting the Consolidation and Performance of Services from the County of Santa Clara Registrar of Voters of the Municipal Election with the Statewide Election; and Adopting Regulations for Candidate Statements of Qualifications Submitted to the Voters and Levying a Share of the Cost of the Candidates' Statements

Recommendation: Adopt a Resolution Calling and Giving Notice of a General Municipal Election to be held on Tuesday, November 3, 2026 for the Election of One Mayor and Two Councilmembers, one each for Council Districts 2 and 3; Requesting the Consolidation and Performance of Services from the County of Santa Clara Registrar of Voters of the Municipal Election with the Statewide Election; and Adopting Regulations for Candidate Statements of Qualifications Submitted to the Voters and Levying a Share of the Cost of the Candidates' Statements.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to adopt Resolution No. 26-9567 Calling and Giving Notice of a General Municipal Election to be held on Tuesday, November 3, 2026 for the Election of One Mayor and Two Councilmembers, one each for Council Districts 2 and 3; Requesting the Consolidation and Performance of Services from the County of Santa Clara Registrar of Voters of the Municipal Election with the Statewide Election; and Adopting Regulations for Candidate Statements of Qualifications Submitted to the Voters and Levying a Share of the Cost of the Candidates' Statements.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.I 26-456 Action on Resolution of Intention to Grant a Non-Exclusive Franchise to LS Power Grid California, LLC for the Power the South Bay and Power the Valley Connector Projects and Setting July 7, 2026 as the Public Hearing Date for City Council Action on the Proposed Non-Exclusive Franchise

Recommendation:

1. Adopt a Resolution of Intention to Grant a Non-Exclusive Franchise to LS Power Grid California, LLC for the Power the South Bay and Power the Valley Connector Projects;
2. Set a public hearing date of July 7, 2026 to Consider Granting a Non-Exclusive Franchise to LS Power Grid California, LLC for the Power the South Bay and Power the Valley Connector Projects; and
3. Direct the City Clerk to Publish the Notice Required for the Public Hearing.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to (1) adopt Resolution No. 26-9568 Granting a Non-Exclusive Franchise to LS Power Grid California, LLC for the Power the South Bay and Power the Valley Connector Projects; (2) set a public hearing date of July 7, 2026 to Consider Granting a Non-Exclusive Franchise to LS Power Grid California, LLC for the Power the South Bay and Power the Valley Connector Projects; and (3) direct the City Clerk to Publish the Notice Required for the Public Hearing.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.J 26-570 Action to Authorize the Use of City Electric Forces for Dark Fiber Work From 3031 Corvin Drive to 2401 Walsh Avenue, With an Estimated Cost of $1,169

Recommendation: 1. Determine the proposed action is exempt from CEQA pursuant to Section 15301 (Class 3 - Existing Facilities) of Title 14 of the California Code of Regulations; and
2. Declare and determine in accordance with Section 1310 of the City Charter that the public work with an estimated cost of $1,169, located from 3031 Corvin Drive to 2401 Walsh Avenue, is better performed by the City with its own employees based on the information set forth in this Report to Council and authorize the performance of this public work consistent with this authorization.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to (1) determine the proposed action is exempt from CEQA pursuant to Section 15301 (Class 3 - Existing Facilities) of Title 14 of the California Code of Regulations; and (2) declare and determine in accordance with Section 1310 of the City Charter that the public work with an estimated cost of $1,169, located from 3031 Corvin Drive to 2401 Walsh Avenue, is better performed by the City with its own employees and authorize the performance of this public work consistent with this authorization.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.K 26-371 Action on Final Map for Tract No. 10593 at 1530 and 1540 Pomeroy Avenue to Merge the Two Existing Parcels into One 0.48 Acre Lot for Condominium Purposes (11 townhomes)

Recommendation: 1. Approve the Final Map for Tract No. 10593;
2. Authorize the City Manager to make minor modifications, if necessary, prior to recordation; and
3. Authorize the recordation of the Final Map for Tract No. 10593, which merges two parcels into one lot for condominium purposes located at 1530 and 1540 Pomeroy Avenue [APN 290-02-097 & 290-02-096 (2025-26)].

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to (1) approve the Final Map for Tract No. 10593; (2) authorize the City Manager to make minor modifications, if necessary, prior to recordation; and (3) authorize the recordation of the Final Map for Tract No. 10593, which merges two parcels into one lot for condominium purposes located at 1530 and 1540 Pomeroy Avenue [APN 290-02-097 & 290-02-096 (2025-26)].

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.L 26-461 Action on a Letter of Support for AB 2231 (Ahrens): California Environmental Quality Act: Hospital Projects

Recommendation: Approve the request for a letter of support for AB 2231 (Ahrens): California Environmental Quality Act: hospital projects and authorize Mayor Gillmor to sign the letter on behalf of the City of Santa Clara.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to approve the request for a letter of support for AB 2231 (Ahrens): California Environmental Quality Act: hospital projects and authorize Mayor Gillmor to sign the letter on behalf of the City of Santa Clara.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

3.M 26-613 Action to Waive Second Reading and Adopt Ordinance No. 2086 amending the zoning code to create the El Camino Real Zoning districts.

Recommendation: Waive Second Reading and Adopt Ordinance No. 2086 amending the zoning code to create the El Camino Real Zoning districts.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to waive Second Reading and adopt Ordinance No. 2086 amending the zoning code to create the El Camino Real Zoning districts.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

SANTA CLARA STADIUM AUTHORITY BOARD CONSENT CALENDAR

4.A 26-522 Action on Stadium Authority Bills and Claims for the Month of April 2026

Recommendation: Approve the list of Stadium Authority Bills and Claims for April 2026.

A motion was made by Vice Chair Gonzalez, seconded by Boardmember Chahal, to approve the list of Stadium Authority Bills and Claims for April 2026.

Aye: 7 - Vice Chair Gonzalez, Boardmember Chahal, Boardmember Hardy, Boardmember Park, Boardmember Jain, Boardmember Cox, and Chair Gillmor

4.B 26-412 Action on a Change Order to the Agreement with Jones Sign Co. Inc. to Include Extended Warranty for the Levi's Naming Rights Signage Refurbishment/Replacement CapEx Project at Levi's Stadium, Budget Amendment in the Amount of $256,942, and Delegated Authority for Final Extended Warranty Amount

Recommendation:

1. Approve a budget amendment for the Levi's Naming Rights Signage Refurbishment line item in the Stadium Authority FY 2026/27 CapEx Budget to increase the budget by $256,942, for a total budget amount of $607,234 with an offsetting increase to Other Revenue ($77,083) and a decrease to the Capital Budget Ending Fund Balance ($179,859);
2. Authorize the Executive Director to approve the final change order amount upon determination on the applicable sales tax for the extended warranty; and
3. Authorize the Stadium Manager to execute a change order to the agreement with Jones Sign Co. Inc., in an amount up to $111,920 to extend the currently included one-year warranty by an additional two years for the Naming Rights Signage Refurbishment CapEx Project, for a total not to exceed agreement amount of up to $4,220,226, upon the Executive Director's determination on the applicable sales tax and approval of the final change order amount.

A motion was made by Vice Chair Gonzalez, seconded by Boardmember Chahal, to (1) approve a budget amendment for the Levi's Naming Rights Signage Refurbishment line item in the Stadium Authority FY 2026/27 CapEx Budget to increase the budget by $256,942, for a total budget amount of $607,234 with an offsetting increase to Other Revenue ($77,083) and a decrease to the Capital Budget Ending Fund Balance ($179,859); (2) authorize the Executive Director to approve the final change order amount upon determination on the applicable sales tax for the extended warranty; and (3) authorize the Stadium Manager to execute a change order to the agreement with Jones Sign Co. Inc., in an amount up to $111,920 to extend the currently included one-year warranty by an additional two years for the Naming Rights Signage Refurbishment CapEx Project, for a total not to exceed agreement amount of up to $4,220,226, upon the Executive Director's determination on the applicable sales tax and approval of the final change order amount.

Aye: 7 - Vice Chair Gonzalez, Boardmember Chahal, Boardmember Hardy, Boardmember Park, Boardmember Jain, Boardmember Cox, and Chair Gillmor

4.C 26-451 Action on the Agreement with James Nicholson Enterprises DBA Dinsmore Landscape Company for Landscaping Services at Levi's Stadium in a Total Not-To-Exceed Amount of $671,000, Inclusive of All Contract and Option Years and Contingency, and Delegated Authority for Approval of Option Years and Use of Contingency

Recommendation:

1. Approve and authorize the Stadium Manager to execute the Agreement with James Nicholson Enterprise DBA Dinsmore Landscape Company for landscape maintenance services at Levi's Stadium for an initial term of three (3) years commencing upon execution of the Agreement and expiring April 30, 2029, with two (2) optional one-year extensions through April 30, 2031. The total aggregate amount shall not exceed $376,000 over the initial three-year period, plus a $32,000 contingency that is subject to Executive Director approval. The term for each fiscal year is contingent on the Stadium Authority Board approving the applicable fiscal year's budget, including amounts due under the Agreements; and
2. Authorize the Executive Director to approve, in his sole discretion, requests from Stadium Manager to: (a) exercise the first one-year option for the fourth contract year and increase the not-to exceed amount by $129,500 to cover services from May 1, 2029 to April 30, 2030 and update the compensation and fee schedule to incorporate a maximum 3% increase, (b) exercise the second one-year option for the fifth contract year and increase the not-to exceed amount by $133,500 to cover services from May 1, 2030 to April 30, 2031 and update the compensation and fee schedule to incorporate a maximum 3% increase, and (c) utilize up to an additional $32,000 as contingency for additional unanticipated services, which may be utilized in any contract year, all subject to the same basic terms and conditions and budget appropriations. The total not-to-exceed maximum compensation for the Agreement, inclusive of contingency and all contract and option years, shall not exceed $671,000.

A motion was made by Vice Chair Gonzalez, seconded by Boardmember Chahal, to (1) approve and authorize the Stadium Manager to execute the Agreement with James Nicholson Enterprise DBA Dinsmore Landscape Company for landscape maintenance services at Levi's Stadium for an initial term of three (3) years commencing upon execution of the Agreement and expiring April 30, 2029, with two (2) optional one-year extensions through April 30, 2031. The total aggregate amount shall not exceed $376,000 over the initial three-year period, plus a $32,000 contingency that is subject to Executive Director approval. The term for each fiscal year is contingent on the Stadium Authority Board approving the applicable fiscal year's budget, including amounts

due under the Agreements; and (2) authorize the Executive Director to approve, in his sole discretion, requests from Stadium Manager to: (a) exercise the first one-year option for the fourth contract year and increase the not-to exceed amount by $129,500 to cover services from May 1, 2029 to April 30, 2030 and update the compensation and fee schedule to incorporate a maximum 3% increase, (b) exercise the second one-year option for the fifth contract year and increase the not-to exceed amount by $133,500 to cover services from May 1, 2030 to April 30, 2031 and update the compensation and fee schedule to incorporate a maximum 3% increase, and (c) utilize up to an additional $32,000 as contingency for additional unanticipated services, which may be utilized in any contract year, all subject to the same basic terms and conditions and budget appropriations. The total not-to-exceed maximum compensation for the Agreement, inclusive of contingency and all contract and option years, shall not exceed $671,000.

Aye: 7 - Vice Chair Gonzalez, Boardmember Chahal, Boardmember Hardy, Boardmember Park, Boardmember Jain, Boardmember Cox, and Chair Gillmor

PUBLIC PRESENTATIONS

Caroline Chen spoke regarding Police Department labor negotiations.

Wanda Buck spoke regarding senior services.

Rebecca spoke regarding senior services.

Barbara Estrada spoke regarding senior services.

Howard Gibbins spoke regarding the security zone around Levi's Stadium and illegal vending.

City Manager Grogan provided some remarks.

David Kertes spoke regarding Super Bowl LX financial update.

Monica Faria spoke regarding PG&E.

Betsy Megas spoke regarding Caltrain's presentation.

Chris Stampolis spoke regarding the Night Market, Super Bowl LX, and the Downtown Precise Plan.

Linda spoke regarding senior services.

Anthony Becker (time donated by Abel and Saskia) spoke regarding Pride Month, 2026 election, and made a Council Policy 030 request to investigate the disclosure of confidential information from Closed Session.

City Attorney Googins provided some remarks.

City Clerk O'Keefe provided some remarks.

Kirk Vartan spoke regarding affordable apartments.

Edward Strine spoke regarding Downtown.

Public Speaker expressed concerns regarding response to public comments and election signs.

Assistant City Clerk Pimentel provided some remarks.

City Manager Grogan noted that Channel 15 broadcast is up and running again.

PUBLIC HEARING/GENERAL BUSINESS

11. 26-533 Action on Council Request (Council Policy 030) for a Resolution in Support of Muwekma Ohlone Tribe being Recognized

Recommendation: Receive the report and provide input or further direction to staff on the adoption of a Resolution supporting Federal Recognition of the Muwekma Ohlone.

City Manager Grogan made some opening remarks and introduced **Assistant City Manager Morales** who provided a Powerpoint presentation on a resolution in support of federal recognition of the Muwekma Ohlone Tribe.

Council questions and comments followed.

Public Comment: Sudhanva Belur
Siddharth Vijay
Gavin Chang
Sansth Krishna
Joseph Torres
Gabriel Nijmeh
Charlene Nijmeh
Lee Panich
Gustavo Flores
Jalysa Torres
Bernadette Quiroz - Muwekma Ohlone
Julie Dominguez
Tadashi Fukami
Katelynn
Michael Wilcox
Jen

Council discussion followed.

City Attorney Googins addressed **Council** questions.

A motion was made by Councilmember Cox, seconded by Vice Mayor Gonzalez, to adopt Resolution No. 26-9569 supporting Federal Recognition of the Muwekma Ohlone Tribe.

Aye: 6 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

Abstained: 1 - Councilmember Hardy

7. 26-335 Public Meeting for the Renewal of the Santa Clara Tourism Improvement District (SCTID)

Recommendation: Hold Public Meeting to allow public testimony regarding the Renewal of the Santa Clara Tourism Improvement District (SCTID) and related assessments.

This item was heard after Item 11.

City Manager Grogan made some opening remarks and introduced **Christine Lawson (Chief Executive Officer, Discover Santa Clara)** and **Kelly Rankin (Senior Project Manager, Civitas)** who provided a Powerpoint presentation on the Santa Clara Tourism Improvement District (SCTID) Renewal.

Council questions followed.

Christine Lawson (Chief Executive Officer, Discover Santa Clara) and **Kelly Rankin (Senior Project Manager, Civitas)** addressed **Council** questions.

Public Comment: Farshad Mayelzadeh
Billy Mendez
Jack Bloom
Kevin Dominguez
Nany Fullmore
Scott Wintner
Lisa Baird
Catherine Lentz
Yuriko Kawaguchi
John Barros
Mario Lopez
Edward Strine

Council discussion followed.

5. 26-603 Public Hearing: Action on a Resolution Setting Rates for Overall Solid Waste Service and Annual Clean-up Campaign in the Exclusive Franchise Area Including Increases in Rates and other Adjustments
(Continued from May 19, 2026)

Recommendation: Conduct a public hearing, tabulate protest votes, and if less than a majority protest is tabulated, adopt a Resolution setting the overall rates to be charged to rate payers for the collection and disposal of garbage, refuse, yard trimmings, recycling, and annual Clean-up Campaign in the exclusive franchise area, including increases in rates and other adjustments effective for the utility bills issued for services rendered on and after July 1, 2026.

Mayor Gillmor opened the Public Hearing.

City Manger Grogan made some opening remarks and introduced **Director of Public Works Mobeck** who provided a Powerpoint presentation on the adoption of a resolution setting rates for overall solid waste services and annual clean up campaign in the exclusive franchise area.

Council questions and comments followed.

Director of Public Works Mobeck addressed **Council** questions.

Public Comment: None

A motion was made by Councilmember Jain, seconded by Councilmember Hardy, to close the Public Hearing.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

Assistant City Clerk Pimentel noted that the City Clerk's Office received thirteen (13) written protests which is not a majority of the identified parcel owners subject to the fee; therefore, the protest did not constitute a majority contest under Proposition 218.

Council discussion followed.

A motion was made by Councilmember Hardy, seconded by Vice Mayor Gonzalez, to adopt a Resolution setting the overall rates to be charged to rate payers for the collection and disposal of garbage, refuse, yard trimmings, recycling, and annual Clean-up Campaign in the exclusive franchise area, including increases in rates and other adjustments effective for the utility bills issued for services rendered on and after July 1, 2026.

Councilmember Chahal provided a Powerpoint presentation regarding garbage rates.

A substitute motion was made by Councilmember Chahal, seconded by Councilmember Park, to not adopt a resolution to increase the proposed rates to be charged to rate payers for collection and disposal of garbage, refuse, yard trimmings, recycling, and annual clean up campaign in the exclusive franchise area and subsidize Fiscal Year 2026/27 expenditures with funds in the amount of approx $2 million from the General Fund.

Council discussion followed.

Director of Public Works Mobeck addressed **Council** questions.

Council to consider the substitute motion. The motion failed.

Aye: 2 - Councilmember Chahal, and Councilmember Park

Nay: 5 - Vice Mayor Gonzalez, Councilmember Hardy, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

A motion was made by Councilmember Hardy, seconded by Vice Mayor Gonzalez, to adopt Resolution No. 26-9570 setting the overall rates to be charged to rate payers for the collection and disposal of garbage, refuse, yard trimmings, recycling, and annual Clean-up Campaign in the exclusive franchise area, including increases in rates and other adjustments effective for the utility bills issued for services rendered on and after July 1, 2026.

Aye: 5 - Vice Mayor Gonzalez, Councilmember Hardy, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

Nay: 2 - Councilmember Chahal, and Councilmember Park

6. 26-465 Public Hearing: Action on Adoption of Resolutions Amending Water, Sewer and Recycled Water Rate Schedules to be Effective July 1, 2026

Recommendation: Conduct a public hearing, tabulate protest votes, and if less than a majority protest is tabulated, Adopt Resolutions Amending the Water, Recycled Water, and Sewer Rate Schedules, Including Increases in Rates and Other Adjustments.

Mayor Gillmor opened the Public Hearing.

Director of Water and Sewer Ramirez provided a Powerpoint presentation on resolution approving water, sewer, and recycled water amended rates to be effective July 1, 2026.

Council questions followed.

Public Comment: None

Director of Water and Sewer Ramirez addressed **Council** questions.

A motion was made by Councilmember Jain, seconded by Councilmember Hardy, to close the Public Hearing.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

Assistant City Clerk Pimentel noted that the City Clerk's Office received twenty (20) written protests for water and recycled water rates and twenty two written protests for sewer rates which is not a majority of the identified parcel owners subject to the fee; therefore, the protest did not constitute a majority contest under Proposition 218.

A motion was made by Councilmember Jain, seconded by Councilmember Hardy, to adopt Resolution No. 26-9571 Amending the Water, Recycled Water, and Resolution No. 26-9572 Amending the Sewer Rate Schedules, Including Increases in Rates and Other Adjustments.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

8. FISCAL YEAR 2026/27 AND FY 2027/28 BUDGET ACTION ITEMS

8.A 26-534 Public Hearing: Action on Adoption of the Proposed FY 2026/27 & FY 2027/28 Biennial Capital Improvement Program Budget, Approval of FY 2026/27 Operating Budget Amendments, and Adoption of the FY 2026/2027 Housing Authority Budget, and Sports and Open Space Authority Budget

Recommendation: That the City Council, and the City Council acting as the Governing Boards of the Housing Authority and the Sports and Open Space Authority take the following actions:

1. Approve the Proposed FY 2026/27 and FY 2027/28 Biennial Capital Budget, including the recommended revisions, as detailed in Attachment 4 (Majority Affirmative Council Votes Required);
2. Approve the FY 2026/27 Operating Budget changes included in the recommended revisions, as detailed in Attachment 4 (Five Affirmative Council Votes Required);
3. Approve the Appropriation Schedule for capital funds totaling $840,899,634 in FY 2026/27 and $234,169,955 in FY 2027/28 and the FY 2026/27 Appropriation Schedule for operating funds totaling $1,766,093,782, as detailed in Attachment 5 (Majority Affirmative Council Votes Required);
4. Approve the Housing Authority FY 2026/27 expenditure budget of $474,519 as presented in the Proposed Budget (Majority Affirmative Council Votes Required);
5. Approve the Sports and Open Space Authority FY 2026/27 expenditure budget of $12,000 as presented in the Proposed Budget (Majority Affirmative Council Votes Required); and
6. Approve the FY 2026/27 Budget Principles and the revised Budget and Fiscal Policies (Majority Affirmative Council Votes Required).

Mayor Gillmor opened the Public Hearing.

Items 8.A and 8.B are taken concurrently.

City Manager Grogan made some opening remarks and introduced **Director of Finance Lee** who provided a Powerpoint presentation on Adoption of the Proposed Fiscal Year 2026/27 & Fiscal Year 2027/28 Biennial Capital Improvement Program Budget and Fiscal Year 2026/27 Operating Budget Changes and Establish the City's Fiscal Year 2026/27 Appropriations Limit.

Council questions and comments followed.

A motion was made by Councilmember Cox, seconded by Councilmember Hardy, to continue the meeting to 1 AM.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

Director of Finance Lee addressed **Council** questions.

Public Comment: None

A motion was made by Councilmember Park, seconded by Vice Mayor Gonzalez, to close the Public Hearing.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

Council discussion followed.

Director of Finance Lee addressed **Council** questions.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to (1) approve the Proposed Fiscal Year 2026/27 and Fiscal Year 2027/28 Biennial Capital Budget, including the recommended revisions; (2) approve the Fiscal Year 2026/27 Operating Budget changes included in the recommended revisions; (3) approve the Appropriation Schedule for capital funds totaling $840,899,634 in FY 2026/27 and $234,169,955 in Fiscal Year 2027/28 and the Fiscal Year 2026/27 Appropriation Schedule for operating funds totaling $1,766,093,782; and (4) approve the Housing Authority Fiscal Year 2026/27 expenditure budget of $474,519; (5) approve the Sports and Open Space Authority Fiscal Year 2026/27 expenditure budget of $12,000; and (6) approve the Fiscal Year 2026/27 Budget Principles and the revised Budget and Fiscal Policies.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

8.B 26-530 Action Establishing the City's Fiscal Year 2026/27 Appropriations Limit of $753,285,224 Pursuant to Article XIIIB of the California State Constitution

Recommendation: Adopt a Resolution Establishing the City's Fiscal Year 2026/27 Appropriations Limit of $753,285,224 Pursuant to Article XIIIB of the California State Constitution.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Chahal, to adopt Resolution No. 26-9573 Establishing the City's Fiscal Year 2026/27 Appropriations Limit of $753,285,224 Pursuant to Article XIIIB of the California State Constitution.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

9. 26-165 Public Hearing: Action on a Resolution Approving the Levy of Benefit Assessment upon the City of Santa Clara Parking Maintenance District No. 122 - Franklin Square

Recommendation: Adopt a Resolution approving the levy of benefit assessment upon the City of Santa Clara Parking Maintenance District No. 122 and approving, confirming, and adopting the Director's Report for FY 2026/27.

Mayor Gillmor recused herself from this item due to her office being located in the subject area and left the dais at 12:16 AM.

Vice Mayor Gonzalez presided over the item and opened the Public Hearing.

Director of Public Works Mobeck provided a verbal report on a resolution approving the levy of benefit assessment upon the City of Santa Clara Parking Maintenance District No. 122.

Council questions and comments followed.

Director of Public Works Mobeck and **City Manager Grogan** addressed **Council** questions.

Public Comment: None

A motion was made by Councilmember Chahal, seconded by Councilmember Jain, to close the Public Hearing.

Aye: 6 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, and Councilmember Cox

Recused: 1 - Mayor Gillmor

Council discussion followed.

City Manager Grogan addressed **Council** questions.

A motion was made by Councilmember Jain, seconded by Councilmember Hardy, to adopt Resolution No. 26-9574 approving the levy of benefit assessment upon the City of Santa Clara Parking Maintenance District No. 122 and approving, confirming, and adopting the Director's Report for Fiscal Year 2026/27, with provision to reserve the right to dissolve the district at any time.

Aye: 6 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, and Councilmember Cox

Recused: 1 - Mayor Gillmor

10. 26-166 Public Hearing: Action on a Resolution Approving the Levy of Benefit Assessment Upon Maintenance District No. 183 - Santa Clara Convention Center Complex

Recommendation:

1. Declare that all the ballots sent to property owners within Maintenance District No. 183 have been received and counted in accordance with Proposition 218, and declare the results of the election; and
2. If a majority of property owners have approved the proposed levy of benefit assessment, adopt a resolution approving the levy of benefit assessment upon the Santa Clara Convention Center Complex - Maintenance District No. 183, and approving, confirming, and adopting the Director's Report for FY 2026/27.

Mayor Gillmor returned to the meeting at 12:35 AM and opened the Public Hearing.

Director of Public Works Mobeck provided a verbal report on a resolution approving the levy of benefit assessment upon Maintenance District No. 183 - Santa Clara Convention Center.

Council questions and comments followed.

Director of Public Works Mobeck addressed **Council** questions.

Public Comment: None

A motion was made by Councilmember Jain, seconded by Vice Mayor Gonzalez, to close the Public Hearing.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

Assistant City Clerk Pimentel noted that the City Clerk's Office received three (3) votes in favor of the proposed rate assessment increase which is a majority of the identified parcel owners subject to the fee; therefore, there are enough votes under Proposition 218 for the **Council** to proceed with considering the resolution.

A motion was made by Councilmember Jain, seconded by Councilmember Hardy, to (1) declare that all the ballots sent to property owners within Maintenance District No. 183 have been received and counted in accordance with Proposition 218, and declare the results of the election; and (2) adopt Resolution No. 26-9575 approving the levy of benefit assessment upon the Santa Clara Convention Center Complex - Maintenance District No. 183, and approving, confirming, and adopting the Director's Report for Fiscal Year 2026/27.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

A motion was made by Councilmember Jain, seconded by Vice Mayor Gonzalez, to continue Items 3.F and 12 to the June 23, 2026 Joint City Council & Authorities Concurrent and Santa Clara Stadium Authority Board Meeting.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

12. 26-590 Action on Proposed FY 2027/28 Santa Clara Stadium Authority Capital Expense Projects

Recommendation: Approve staff's recommendation on the proposed Santa Clara Stadium Authority Fiscal Year 2027/28 Capital Expense Projects, totaling $11,080,731, as described in the report and "Recommendations for Stadium Manager's Proposed FY 2027/28 CapEx Projects" attachment, including funding levels and next steps.

This item was continued to the June 23, 2026 Joint City Council & Authorities Concurrent and Santa Clara Stadium Authority Board Meeting.

CONSENT ITEMS PULLED FOR DISCUSSION

3.F 26-261 Action on an Agreement with Blair, Church & Flynn Consulting Engineers for Design Professional Services for the Citywide Electric Vehicle Charging Stations Installation Project and Related Budget Amendments

Recommendation:

1. Approve and authorize the City Manager to execute an agreement with Blair, Church & Flynn Consulting Engineers for design professional services for the Citywide Electric Vehicle Charging Stations Installation Project with maximum compensation not-to-exceed $1,374,595 and a term through December 31, 2031, in a final form approved by the City Attorney;
2. Authorize the City Manager to negotiate and execute amendments to the agreement to make modifications as needed, including time extensions, subject to the compensation limit and appropriation of funds, in final forms approved by the City Attorney; and
3. Approve the following Fiscal Year 2025/26 budget amendments:
   A. In the Electric Operating Grant Trust Fund, decrease the Greenhouse Gas Program Ending Fund Balance and establish a transfer to the Public Buildings Capital Fund in the amount of $1,484,595 **(five affirmative Council votes required for the use of unused balances)**; and
   B. In the Public Buildings Capital Fund, establish the new Citywide Electric Vehicle Charging Stations Installation Project and recognize a transfer from the Electric Operating Grant Trust Fund and in the amount of $1,484,595 **(five affirmative Council votes required to appropriate additional revenue)**.

This item was continued to the June 23, 2026 Joint City Council & Authorities Concurrent and Santa Clara Stadium Authority Board Meeting.

REPORTS OF MEMBERS, SPECIAL COMMITTEES AND COUNCILMEMBER 030 REQUESTS

None.

CITY MANAGER/EXECUTIVE DIRECTOR REPORT

None.

ADJOURNMENT

The meeting was adjourned on June 10, 2026 at 12:49 AM.

The next scheduled special meeting is on Monday, June 15, 2026 in the City Hall Council Chambers.

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

California Government Code Section 84308, most recently amended by SB 1243, commonly referred to as the "Levine Act," prohibits a local elected official or quasi-judicial appointed official from participating in any action related to a contributor's contract, license, permit, or use entitlement if he/she/it receives any campaign contributions totaling more than $500 within the previous twelve months, and for twelve months following the date a final decision has been made, from the party, participants, or agents in the proceeding. Parties, Participants or Agents for a proceeding involving a license, permit, or other use entitlement pending before the City Council or a City quasi-judicial body must complete the California Levine Act Disclosure Statement prior to their proceeding.

STREAMING SERVICES: As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive $30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

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If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities. Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.

Draft

City of Santa Clara

Special Meeting Minutes

Call and Notice of Special Meeting of the City Council

06/15/2026 **6:00 PM** **Hybrid Meeting**
City Hall Council Chambers/Virtual
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
  - https://santaclaraca.zoom.us/j/99706759306
    Meeting ID: 997-0675-9306
  - Phone 1(669) 900-6833

How to Submit Written Public Comment Before City Council Meeting:

1. Use the eComment tab located on the City Council Agenda page https://santaclara.legistar.com/Calendar.aspx). eComments are directly sent to the iLegislate application used by City Council and staff, and become part of the public record. eComment closes 15 minutes before the start of a meeting.
2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email.
   NOTE: Please note eComments and Emails received as public comment **will not** be read aloud during the meeting.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at https://santaclara.legistar.com/Calendar.aspx

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or Clerk@santaclaraca.gov.

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of California Government Code §54956 ("The Brown Act") and Section 708 of the Santa Clara City Charter, the Mayor calls for a Special Meeting of the City Council of the City of Santa Clara, to commence and convene on June 15, 2026, at 6:00 PM to be held virtually and in the City Hall Council Chambers located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to them.

Closed Session - 6:00 PM | Special Meeting - 6:30 PM

6:00 PM CLOSED SESSION

Call to Order in the Council Chambers

Mayor Gillmor called the Closed Session to order at 6:00 PM.

Confirmation of Quorum

Assistant City Clerk Pimentel confirmed a quorum.

1. 26-664 Conference with Legal Counsel-Existing Litigation (CC, SA)
Pursuant to Gov. Code § 54956.9(d)(1)

Name of case: Juan Gutierrez-Sanchez, Sr. vs City of Santa Clara, Santa Clara Stadium Authority, et al, Santa Clara Superior Court, Case no. 22CV407284

Public Comment

None.

Convene to Closed Session (Sparacino Conference Room)

Mayor Gillmor adjourned into Closed Session at 6:01 PM.

6:30 PM SPECIAL CITY COUNCIL MEETING

Call to Order in the Council Chambers

Mayor Gillmor called the Special Meeting to order at 6:33 PM.

Pledge of Allegiance and Statement of Values

Council recited the Pledge of Allegiance.

Councilmember Cox recited the Statement of Values.

Roll Call

Assistant City Clerk Pimentel recited the AB23 announcement and Statement of Behavioral Standards.

Assistant City Clerk Pimentel also noted that any registered Lobbyist speaking during the Public Meeting will need to identify themselves and whom they represent.

Present: 7 - Vice Mayor Albert Gonzalez, Councilmember Raj Chahal, Councilmember Karen Hardy, Councilmember Kevin Park, Councilmember Suds Jain, Councilmember Kelly Cox, and Mayor Lisa M. Gillmor

City Attorney Googins reported that there was no reportable action from Closed Session.

PUBLIC HEARING/GENERAL BUSINESS

2. 26-701 Presentation on the Charter Review Committee Charter Project 2026 Final Report to Council, including the Charter Review Committee's Recommendation for Placement of a Comprehensive Charter Update Measure on the November 2026 Ballot and Possible Direction by the City Council on Next Steps

Recommendation: Hear the presentation, pose questions, deliberate and, if ready, provide direction on the CRC's proposed Charter Project recommendation and next steps.

City Attorney Googins and **Assistant City Attorney Reuter** provided a Powerpoint presentation on the Charter Review Committee Charter Project 2026 Final Report to Council.

Council questions and comments followed.

Public Comment: Eric Crutchlow
Howard Gibbons
Chris Stampolis
Wanda Buck

City Attorney Googins, **City Manager Grogan**, and **Director of Finance Lee** addressed **Council** questions.

Council discussion followed.

A motion was made by Vice Mayor Gonzalez, seconded by Councilmember Hardy, to direct staff to develop and prepare materials and return to the July 14, 2026 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting to take action on Level 1 and 2 recommendations for ballot measure placement for the November 3, 2026 election, including the civil service rules update to level 2 subject to union meet and confer resolutions.

Aye: 4 - Vice Mayor Gonzalez, Councilmember Hardy, Councilmember Jain, and Councilmember Cox

Nay: 3 - Councilmember Chahal, Councilmember Park, and Mayor Gillmor

Council discussion followed.

City Attorney Googins and **City Manager Grogan** addressed **Council** questions.

A motion was made by Councilmember Jain, seconded by Councilmember Hardy, to direct staff to prepare materials and return for Council discussion at the June 23, 2026 or July 7, 2026 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting to take action for a separate ballot measure for charter amendment on the Public Works procurement section of the Charter.

Aye: 7 - Vice Mayor Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Councilmember Cox, and Mayor Gillmor

ADJOURNMENT

The meeting was adjourned at 11:34 PM.

The next regular scheduled meeting is on Tuesday, June 15, 2026 in the City Hall Council Chambers.

MEETING DISCLOSURES

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26-13 Agenda Date: 7/7/2026

REPORT TO COUNCIL

SUBJECT
Board, Commissions and Committee Minutes

RECOMMENDATION
Note and file the Minutes of:

Parks & Recreation Commission - May 11, 2026
Cultural Commission - May 4, 2026

Draft

City of Santa Clara

Meeting Minutes

Parks & Recreation Commission

05/11/2026 **7:00 PM** **Hybrid Meeting**
Sparacino Conference Room - City Hall East Wing
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting the Parks & Recreation Commission meeting in a hybrid manner (in-person and a method for the public to participate remotely).

Join Zoom meeting
https://santaclaraca.zoom.us/j/89200857003

Webinar ID: 892 0085 7003

By consensus, the Commission agreed to hear agenda items out of order. Items were heard in the following order: Items 1.A.,3, 4 and 2.

CALL TO ORDER AND ROLL CALL

Chair Chu called the meeting to order at 7:00 PM.

Present 6 - Commissioner Dana Caldwell, Chair Maureen Chu, Commissioner Derek DeMarco, Commissioner Eversley Forte, Vice Chair Vikas Gupta, and Commissioner Edward A. Souza

CONSENT CALENDAR

1.A. 26-514 Action on the Parks & Recreation Commission Minutes of the April 13, 2026 Meeting

Recommendation: Approve the Parks & Recreation Commission Minutes of the April 13, 2026 Meeting.

Commissioner Forte made a motion, seconded by Commissioner DeMarco, to recommend approval of the April 13, 2026, Parks & Recreation Commission minutes. The motion carried by the following vote:

Aye: 6 - Commissioner Caldwell, Chair Chu, Commissioner DeMarco, Commissioner Forte, Vice Chair Gupta, and Commissioner Souza

PUBLIC PRESENTATIONS

Greg Sifferman spoke on the architectural style of the International Swim Center rebuild. He shared concept art and expressed interest in participating in the design selection process.

GENERAL BUSINESS

2. 26-513 Discuss and Develop Parks & Recreation Commission Work Plan Goals and Activities for FY 2026/27

Recommendation: Discuss and develop Parks & Recreation Commission Work Plan Goals and Activities for FY 2026/27.

The Commission discussed the item and, by consensus, moved on to the next item. No action was taken or required.

3. 26-517 Review of the Proposed FY 2026/27 & FY 2027/28 Biennial Capital Improvement Program Budget and FY 2026/27 Operating Budget Amendments

Recommendation: It is recommended that the Commission:

1. Review the report and presentation related to the Proposed FY 2026/27 & FY 2027/28 Biennial Capital Improvement Program Budget and FY 2026/27 Operating Budget Amendments; and
2. Provide feedback regarding the projects under the purview of the Parks & Recreation Department.

Staff presented the budget report, and the Commission received the report. No action was taken.

4. 26-518 Discuss and Update the Parks & Recreation Commission's FY 2025/26 Work Plan Goals and Activities

Recommendation: Discuss and update Parks & Recreation Commission Work Plan Goals and Activities for FY 2025/26.

The Commission discussed the item and, by consensus, moved on to the next item. No action was taken or required.

STAFF REPORT

Director Damon Sparacino highlighted the upcoming Juneteenth celebration hosted by the Library and encouraged Commissioners to sign up for the Library newsletter, noting that the Library has many enjoyable events taking place.

Recreation Manager Kimberly Castro provided an update on the Henry Schmidt construction project and the Central Park Access Project. She reported that the International Swim Center project is progressing smoothly and that the diving well is currently being dewatered. She also shared that the City is partnering with Mission College for the Summer Concert Series, highlighted the upcoming Health & Wellness Fair and its resources for caregivers and seniors, and noted the upcoming FIFA flag-raising event.

COMMISSIONERS REPORT

Commissioner Caldwell reported visiting the Night Market, Henry Schmidt Park, Central Park, and Maywood Park. He stated he was impressed with the additional staffing and the improvements it has made at the park.

Chair Chu reported attending her daughter's dance recital, noting that this was the 15th recital she has attended with her daughter. She also shared that she has now visited two-thirds of the City's parks.

Commissioner DeMarco reported visiting Bowers Park, Central Park, Warburton Park, and Eddie Souza Park. He noted that the grass maintenance at Bowers Park looked very good. He also shared his appreciation for the assigned seating at his daughter's dance recitals and inquired about the rates for Lifetime Tennis.

Commissioner Forte reported attending the STEM Zone event, the Night Market, and the Health & Wellness Fair.

Vice Chair Gupta reported attending the tree pruning presentation and stated that he learned a great deal. He also attended the Night Market with his family, visited Central Park, and viewed a video of the International Swim Center deconstruction.

Commissioner Souza reported listening to the May 5, 2026, City Council meeting. He stated he was pleased to hear the Council's comments regarding the Master Plan and requested advanced notice when significant Parks & Recreation items are scheduled to go before the Council so he can plan to listen in. Director Damon Sparacino and Recreation Manager Kimberly Castro acknowledged Commissioner Souza's request and agreed to provide advance notice of major Parks & Recreation items going to the City Council when possible.

ADJOURNMENT

Commissioner Caldwell made a motion, seconded by Vice Chair Gupta, to adjourn the Parks & Recreation Commission meeting at 8:30 PM until the next regular meeting on June 8, 2026, at 7:00 PM in the Sparacino Conference Room at City Hall.

Aye: 6 - Commissioner Caldwell, Chair Chu, Commissioner DeMarco, Commissioner Forte, Vice Chair Gupta, and Commissioner Souza

MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.

City of Santa Clara

Meeting Minutes

Cultural Commission

05/04/2026 **7:00 PM**

Hybrid Meeting
Santa Clara Senior Center
Room 205
1303 Fremont Street
Santa Clara, CA 95050

The City of Santa Clara is conducting the Cultural Commission meeting in a hybrid manner (in-person and a method for the public to participate remotely).

Via Zoom:
https://santaclaraca.zoom.us/j/82207705371

Webinar ID: 822 0770 5371
Or join by phone: 669-900-6833

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Vice Chair Diaz at 7:07 p.m.

Present 6 - Commissioner Abinas Roy, Vice Chair Candida Diaz, Commissioner Charles Pontious, Commissioner Kuku Das, Commissioner Louis Samara, and Commissioner Neetu Garg

Absent 1 - Chair Debra von Huene

A motion was made by Commissioner Samara and seconded by Commissioner Garg to excuse Chair von Huene from the meeting.

Aye: 6 - Commissioner Roy, Vice Chair Diaz, Commissioner Pontious, Commissioner Das, Commissioner Samara, and Commissioner Garg

Absent: 1 - Chair von Huene

CONSENT CALENDAR

1.A 26-471 Action on the Cultural Commission Regular Minutes of April 6, 2026

Recommendation: Approve the Cultural Commission Regular Meeting Minutes of April 6, 2026

A motion was made by Commissioner Samara and seconded by Commissioner Roy to approve the minutes from the April 6, 2026 meeting.

Aye: 6 - Commissioner Roy, Vice Chair Diaz, Commissioner Pontious, Commissioner Das, Commissioner Samara, and Commissioner Garg

Excused: 1 - Chair von Huene

PUBLIC PRESENTATIONS

None.

GENERAL BUSINESS

2. 26-478 Discussion and Potential Action on the Cultural Commission Work Plan and Activities for FY 2025/26

Recommendation: Discuss and potentially take action on the Cultural Commission Work Plan and Activities for FY 2025/26.

A motion was made by Commissioner Samara and seconded by Commissioner Pontious to approve the allocation of $2,800 to promote Cultural Commission activities, upcoming dates and events on a utility bill insert.

Aye: 6 - Commissioner Roy, Vice Chair Diaz, Commissioner Pontious, Commissioner Das, Commissioner Samara, and Commissioner Garg

Excused: 1 - Chair von Huene

A motion was made by Commissioner Samara and seconded by Commissioner Pontious to allocate $1,000 to Mission College to cosponsor a concert on June 3, 2026.

Aye: 6 - Commissioner Roy, Vice Chair Diaz, Commissioner Pontious, Commissioner Das, Commissioner Samara, and Commissioner Garg

Excused: 1 - Chair von Huene

3. 26-479 Discuss and Develop Cultural Commission Work Plan Goals and Activities for FY 2026/27

Recommendation: Discuss and Develop Cultural Commission Work Plan Goals and Objectives for FY 2026/27.

A motion was made by Commissioner Pontious and seconded by Commissioner Das to allocate $250 towards lawn signage to promote Street Dance and its new location.

Aye: 6 - Commissioner Roy, Vice Chair Diaz, Commissioner Pontious, Commissioner Das, Commissioner Samara, and Commissioner Garg

Excused: 1 - Chair von Huene

A motion was made by Commissioner Pontious and seconded by Commissioner Garg to allocate $1,200 in FY26/27 for the Halloween and Holiday Home Decorating Contests.

Aye: 6 - Commissioner Roy, Vice Chair Diaz, Commissioner Pontious, Commissioner Das, Commissioner Samara, and Commissioner Garg

Excused: 1 - Chair von Huene

STAFF REPORT

Supervisor Shaddle shared dates for upcoming events that the Commission would be interested in or is involved in. Nebula Rider, the outdoor temporary art piece, would be removed on May 27. The FIFA flag raising would be at City Hall on May 12. The Asian American Stories Video Contest was being held at the Mission City Center for Performing Arts on Saturday, May 9, and was a partnership between the Santa Clara City Library, Ding Ding TV, and the Silicon Valley Community Media. The City Council Special Order of Business, where the Commission will present their accomplishments for the previous year and what is upcoming, to Mayor and City Council is scheduled for Tuesday, July 7. The Cultural Commission dinner with City Council is scheduled for Tuesday, Aug. 25. The Juneteenth Concert, partnered with the Santa Clara Library, Parks & Recreation and Cultural Commission will be held Friday, June 19 behind the Library. The first Mission College concert, cosponsored by the Cultural Commission will be held Wednesday, June 3. Lastly, the June Celebrate Santa Clara: Night Market will be held on June 6 and 7 at 900-1000 Lafayette Street.

COMMISSIONERS REPORT

Commissioner Garg visited New Delhi, India.

Commissioner Das shared the success of the 26th Anniversary iGurukul Cultural Extravaganza event, which included over 250 artists and dancers from all different countries.

Commissioner Roy attended the Celebrate Santa Clara: Night Market, held the weekend of May 1 and 2.

Commissioner Pontious shared that he would be performing at a benefit for The Santa Clara Library Foundation & Friends at the Triton Museum of Art on Saturday, May 16.

ADJOURNMENT

A motion was made by Commissioner Samara and seconded by Commissioner Roy to adjourn the meeting at 8:14 p.m.

Aye: 6 - Commissioner Roy, Vice Chair Diaz, Commissioner Pontious, Commissioner Das, Commissioner Samara, and Commissioner Garg

Excused: 1 - Chair von Huene

The next regular meeting of the Cultural Commission will be held on Monday, June 1, 2026.

MEETING DISCLOSURES

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26-480 Agenda Date: 7/7/2026

REPORT TO COUNCIL

SUBJECT

Resolution Authorizing an Ad Valorem Tax Levy to Finance the City's 2026 General Obligation Bonds Debt Service for Fiscal Year 2026/27 In the Amount of $22.70 per $100,000 (0.0227%) of Assessed Value in FY 2026/27

BACKGROUND

Measure I, which passed with more than two-thirds approval of City of Santa Clara (the "City") voters at the November 5, 2024 General Election, authorizes the issuance of general obligation bonds by the City in the total principal amount of $400 million (the "Bonds") for the purpose of providing funds for the municipal capital improvements listed in the bond expenditure plan (Attachment 2) approved by City Council. The first series of Bonds, in the principal amount of $97.125 million, was issued in February 2026 (RTC 26-87). The initial debt service payment on the first series of bonds is due August 1, 2026 and will be paid with property taxes authorized by Resolution 25-9455 (RTC 25-722) and collected by Santa Clara County (the "County") in Fiscal Year 2025/26.

Staff is requesting City Council approval of the required property tax levy to be placed on the Fiscal Year 2026/27 County property tax roll to provide for debt service payments of principal and interest coming due on the Bonds in FY 2026/27 and first half of FY 2027/2028. Under the California Constitution and applicable provisions of the California Government Code, the City is required to annually levy an ad valorem property tax in an amount sufficient to pay principal and interest on voter-approved general obligation bonds as those payments become due. Once the Bonds have been issued, the City has an ongoing legal obligation to annually levy a property tax in an amount sufficient to pay debt service on the outstanding Bonds, requiring City Council approval each year of a tax levy resolution with the applicable tax rate until the final maturity of all issued Bonds.

DISCUSSION

City staff, working with the City's municipal advisor, PFM Financial Advisors, has estimated the required FY 2026/27 ad valorem property tax rate as $22.70 per $100,000 (0.0227%) of assessed value. PFM Financial Advisors performs the annual debt service tax rate calculation by reviewing the scheduled principal and interest payments due during the applicable tax collection period, projected assessed valuation provided by the County, estimated collection rates, and any available debt service fund balances. Based on these factors, PFM determines the tax levy necessary to generate sufficient revenues to meet the City's debt service obligations while avoiding over-collection.

This rate is below the $28.70 per $100,000 (0.0287%) of assessed value levied in FY 2025/26, which was based on debt service estimates at that time. The FY 2026/27 rate is based on the actual results from the February 2026 debt issuance for the first series of Bonds.

The attached resolution (Attachment 1) includes these figures and authorizes City staff to provide the

resolution and any related information to the appropriate County officials. Following City Council approval, the adopted levy will be certified to the County Controller-Treasurer, who is responsible for placing the tax on the annual property tax roll and collecting the levy from property owners.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of a California Environmental Quality Act (“CEQA”) pursuant to the CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Furthermore, the action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

The ad valorem property tax levy of $22.70 per $100,000 (0.0227%) of secured assessed value in FY 2026/27 is expected to generate approximately $13.8 million. This amount, combined with FY 2025/26 assessment (approximately $17.3 million), FY 2026/27 unsecured levy (approximately $2 million), and remaining Capitalized Interest resulting from bond sale premium (approximately $5.3 million, see RTC 26-87), is expected to be sufficient to make total debt service payment of $38.4 million for FY 2026/27 ($19.83 million) and the first payment of FY 2027/28 ($18.54 million due August 1, 2027) on the Bonds issued.

After unsecured tax roll collection and recording interest income earned on the funds are accounted for, staff will return to the City Council with budget amendments as part of the FY 2025/26 Budget Year End Report to reconcile revenue assumptions compared to actual receipts for the Measure I General Obligation Bond Debt Service Fund.

COORDINATION

This report has been coordinated with the City Attorney’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov <mailto:clerk@santaclaraca.gov> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Adopt a Resolution Authorizing an Ad Valorem Tax Levy Based on a Debt Service Estimate to be Provided to Santa Clara County Respecting Unsold General Obligation Bonds for Fiscal Year 2026/27 In the amount of $22.70 per $100,000 (0.0227%) of assessed value.

Reviewed by: Linh Lam, Acting Director of Finance
Approved by: Jovan D. Grogan, City Manager

ATTACHMENTS

1. Draft Resolution Authorizing an Ad Valorem Tax Levy Based on a Debt Service Estimate to be Provided to Santa Clara County Respecting Unsold General Obligation Bonds for Fiscal Year 2026/27
2. Bond Expenditure Plan

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA, AUTHORIZING AN AD VALOREM TAX LEVY BASED ON A DEBT SERVICE ESTIMATE TO BE PROVIDED TO SANTA CLARA COUNTY RESPECTING UNSOLD GENERAL OBLIGATION BONDS FOR FISCAL YEAR 2026-27

WHEREAS, the City of Santa Clara (the "City") is a municipal corporation and charter city duly organized and existing under the Constitution and laws of the State of California; and

WHEREAS, more than two-thirds of the electors voting at an election duly and regularly held in the City on November 5, 2024, voted in favor of a bond measure known as Measure I (the "Bond Measure"), authorizing the issuance by the City of general obligation bonds in the aggregate principal amount of $400,000,000 (the "Bonds") for the purpose of providing funds for certain municipal improvements; and

WHEREAS, the City must annually set ad valorem property tax, based on the assessed valuation subject to taxation, and must inform the County of Santa Clara (the "County") of these rates by July 21st for inclusion on that year's property tax bill; and

WHEREAS, passage of this resolution will permit the City to collect the Fiscal Year 2026-27 tax revenues for the payment of debt service on outstanding City general obligation bonds, as approved by the voters of the City; and

WHEREAS, the City Council wishes at this time to authorize the City Manager, the Director of Finance and the City Clerk to make certain communications with the County respecting the foregoing.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. Recitals Correct. The foregoing recitals are true and correct.

2. Information to County. The City Manager, the Director of Finance and the City Clerk are each hereby separately authorized to (a) file a certified copy of this Resolution with the Clerk of the Board of Supervisors and such other County officials as the County may require to facilitate such levy, and (b) provide, or cause to be provided, an estimate of debt service for the Bonds to

the Auditor-Controller of the County.

3. Request to County to Levy Tax. The Board of Supervisors of the County is hereby requested to adopt a tax rate of $22.70 per $100,000 assessed valuation with respect to the City, based upon estimated debt service schedules prepared by officers of the City, together with the City's municipal advisor, and to levy an ad valorem tax in fiscal year 2026-27 on all taxable property in the City sufficient to pay the estimated debt service.

4. Application of Tax. As provided in Section 43634 of the California Government Code, all taxes levied pursuant to this Resolution shall be used only for payment of the Bonds and the interest thereon.

5. Adoption; Effective Date. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 7th DAY OF JULY, 2026, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None

General Obligation Bond Expenditure Plan

$400 Million Bond Measure

Project Areas	Total
Streets and Transportation	**41,170,000**
Street Resurfacing and Rehabilitation	23,000,000
ADA Improvements	10,000,000
Creek Trail Rehabilitation	2,500,000
Bicycle Wayfinding	300,000
Contingency/Escalation/Administration	5,370,000
Fire Stations and Emergency Response	**142,235,450**
Fire Stations 5 Replacement	27,000,000
Fire Stations 7 Replacement	27,000,000
Fire Stations 9 Replacement/Renovations	9,000,000
Fire Station 1 Replacement/Renovations	58,000,000
Fire Training Tower Renovation	783,000
Various Fire Station Infrastructure Upgrades	1,900,000
Contingency/Escalation/Administration	18,552,450
Police Facilities	**43,987,500**
Police Department Drone First Responder Infrastructure	3,000,000
Emergency Operations Center Infrastructure	250,000
Police Training Facility	30,000,000
Police Department Facility and Real-Time Crime Center Infrastructure	5,000,000
Contingency/Escalation/Administration	5,737,500
Parks, Library, Senior Center, and Aquatics Facilities	**115,258,750**
Renovation/Expansion of 3 Public Libraries	9,000,000
Senior Center Expansion/Renovation	9,500,000
Community Aquatic Facility/ISC Renovation/Replacement	45,000,000
Bowers Park Renovations	4,400,000
Earl Carmichael Park Playground Renovations	2,900,000
Warburton Park Playground Renovations	3,000,000
Henry Schmidt Park Playground Renovations	4,325,000
Pickleball Court	1,600,000
Mary Gomez Park Renovations	2,500,000
Aged Parks & Buildings Infrastructure in Critical/Poor Condition	18,000,000
Contingency/Escalation/Administration	15,033,750
Stormdrain System Improvements	**46,000,000**
Stormdrain System Improvements	16,423,000
Storm Water Retention Basin Remediation	9,209,000
Green Stormwater Infrastructure Design & Construction	6,645,000
Lafayette St. Underpass at Subway Pump Station	4,946,000
Bowers Ave Underpass SDPS Rehabilitation	2,030,000
SDPS Motor and Control Replacement	347,000
Stormdrain Pump Station Outfall Reconstruction Program	250,000
Stormdrain Renovations	150,000
Contingency/Escalation/Administration	6,000,000
Historic Buildings and Beautification	**9,200,000**
Street/Median Beautification Improvements	4,000,000
Renovations to Historic Buildings	3,000,000
Triton Museum Improvements	1,000,000
Contingency/Escalation/Administration	1,200,000

Bond Issuance Costs	**2,000,000**

GRAND TOTAL	**$**	**399,851,700**

1. **In General.** This City of Santa Clara plan for the expenditure of bond proceeds ("Expenditure Plan") was adopted by the City Council on July 16, 2024, by Resolution No. 24-9346, to implement Section 6 of that certain Ordinance No. 2069 adopted concurrently herewith ("Ordinance"). The Ordinance calls for an election by City voters on a ballot measure to approve the issuance of up to $400,000,000 in bonds ("Infrastructure Bonds") for purposes of financing the acquisition and construction of public infrastructure on the terms set forth therein. To the extent of any conflict between this Expenditure Plan and the Ordinance, the terms of the Ordinance shall govern. The above chart summarizes the Expenditure Plan's "Project Categories" (as defined in Section 2, below), and "Infrastructure Projects" (as defined in Section

2. **Project Categories.** The Expenditure Plan includes the following infrastructure expenditure categories ("Project Categories"), each with a designated amount of allocated Infrastructure Bonds proceeds ("Designated Allocations"): Streets and Transportation ($41,170,000); Fire Stations and Emergency Response ($142,235,450); Police Facilities ($43,987,500); Parks, Library, Senior Center and Aquatic Facilities ($115,258,750); Storm Drain System Improvements (46,000,000); Historic Buildings and Beautification ($9,200,000); and Bond Issuance Costs ($2,000,000). Project Categories and/or their respective Designated Allocations may be amended, but only in accordance with the Expenditure Plan Amendment Process set forth in Section 6 of this Expenditure Plan, below. Notwithstanding the foregoing, the Designated Allocation for Bond Issuance Costs shall be treated as a "Budgeted Amount" under this plan, to be updated by staff without a formal Expenditure Plan amendment in accordance with the process set forth in Section 3, below.

3. **Designated Infrastructure Subcategories/Specific Projects.** Within each Project Category, there is a list of designated project subcategories and/or specific projects ("Infrastructure Projects"), including estimated amounts budgeted for each such project subcategory/specific project, and an overall estimate of the projected contingencies, cost escalations and administrative costs necessary for project implementation ("Budgeted Amounts"). Infrastructure Projects may be deleted or added, but only in accordance with the Expenditure Plan Amendment Process set forth in Section 6 of this Expenditure Plan, below. Budgeted Amounts represent City staff's best estimate of the projected costs for such Infrastructure Projects as of the date of the City's adoption of this Expenditure Plan. Throughout the duration of the Expenditure Plan staff will monitor the Budgeted Amounts for outstanding projects and, at least [annually], as necessary, staff will revise the Expenditure Plan to update the Budgeted Amounts to be consistent with then projected project implementation costs. Staff updates to Budgeted Amounts will not be considered amendments to the Expenditure Plan requiring the amendment process set forth in Section 6, below.

4. **Phased Implementation.** Infrastructure Projects identified within the Expenditure Plan will be implemented in phases (each a "Project Phase"). Consistent with priorities set by the City Council, staff will develop lists of proposed Infrastructure Projects to be included within each Project Phase. Each Project Phase will be presented for City Council and approval as part of the City's annual Capital Improvement Program budget process. Additional factors to be considered in the development and timing of each Project Phase, and the sequencing of projects within each Project Phase time period include: (a) the need to balance available staff and contractor resources; (b) the length of the planning, design, and construction phases of each project; (c) disruption to the public as City services and facilities are removed from service to undergo renovations; (d) legal requirements for the expenditure of Infrastructure Bond proceeds (in general, under current federal tax law, the City must expect to spend 85% of each series of Infrastructure Bond funds within three years of their date(s) of issuance); (e) the timing and availability of alternate and supplemental funding sources; (f) local, regional, state or federal permitting requirements; (g) the need to coordinate with outside agencies.

5. **Council Approval Required.** Council approval shall be required for (a) each and every proposed Project Phase for the implementation of the Expenditure Plan; (b) each and every issuance of Infrastructure Bonds to finance a Project Phase; and (c) any proposed amendment to the Expenditure Plan as provided in Section 6. Below.

6. **Amendment of the Plan.** Any proposed substantive amendment to this Expenditure Plan shall be subject to the requirements of Section 13(b)(ii) of the Ordinance. Such requirements shall include prior consideration and input from the "Bond Compliance COC" as provided therein.

7. **Legal Requirements for Capital Projects.** All Infrastructure Project costs paid from Infrastructure Bond proceeds shall consist of capital costs of the acquisition and improvement of real property within the meaning of California law. Any Infrastructure Project costs consisting of furnishings, furniture, equipment, software, ordinary maintenance (such as repairs, painting, resurfacing, striping or slurry seals), or other non-capital costs shall be paid by the City from other funds.

26-630 Agenda Date: 7/7/2026

REPORT TO COUNCIL

SUBJECT

Action to Approve and Authorize the City Manager to Execute Amendments to Reinstate and Extend Terms of Agreements with Raftelis Financial Consultants, Inc. and Baker Tilly Advisory Group for Organizational Assessment Services and Increase the Maximum Compensation Amounts to $500,000 and $347,000, Respectively

BACKGROUND

Within the last three years, the City has onboarded new executive leadership, including a new City Manager and several new Directors. As leadership evaluated City operations, service delivery expectations, and long-term organizational needs, it became increasingly important to assess whether existing departmental structures, staffing models, and functional alignments were positioned to support current priorities and future demands. Initiatives such as the creation of a new Economic Development and Sustainability Department, the continued expansion of Silicon Valley Power, and implementation of the Accela system further highlighted the need to evaluate the structure and effectiveness of City departments. Given the scope and significance of these efforts, the City required independent organizational assessment services to provide objective analysis, identify opportunities for improvement, and develop recommendations to ensure departments are structured and staffed to operate efficiently, effectively, and in alignment with the City's evolving strategic goals. Accordingly, staff initiated a Request For Proposals (RFP) for organizational assessment services.

Following the competitive RFP process and pursuant to City Code Section 2.105.300(a) which authorizes the City Manager to execute agreements up to $250,000, the City Manager executed agreements with Raftelis Financial Consultants, Inc. (Raftelis) and Baker Tilly Advisory Group (Baker Tilly) for organizational assessments services. The agreements were executed for initial one-year terms, ending October 31, 2025 for Raftelis, and December 31, 2025 for Baker Tilly, with options to renew for up to two additional one-year terms and maximum not-exceed-compensation amounts of $250,000 each.

The services under these agreements provide organizational assessment services, including but not limited to, evaluation of staffing levels, job roles, duties, and department organizational structures. Recommendations are then developed based on findings and may include organizational best practices, supervisory-to-staffing ratios, organizational needs, workflow improvements, and optimization of organizational and staffing models for each function.

Based on the proposals submitted during the solicitation process, Baker Tilly was assigned to complete the services for Silicon Valley Power (SVP) and the Department of Public Works (DPW). Raftelis was assigned to complete the services for the Community Development Department (CDD) and Parks and Recreation Department (PRD). The scopes permit the City to request additional organizational assessments be provided for other City departments, as-needed.

DISCUSSION

Since execution of the agreements, organizational assessment services for the departments have been completed or are underway for the departments originally identified in the scope of work. As the assessments progressed, additional opportunities were identified to evaluate cross-departmental business processes, support organizational restructuring efforts, and extend services to additional departments. The following summarizes the status of each assessment and the additional services recommended to support the City's organizational and operational objectives.

Community Development Department

The CDD organizational assessment, performed by Raftelis, provides a comprehensive evaluation of the department's organizational culture, business processes, and management systems. At the time the assessment was initiated, the CDD Director had only recently joined the City, and Raftelis relied primarily on the division managers for input and for identifying staff to participate in interviews.

To ensure broader representation across CDD, the assessment was expanded to include interviews with up to 40 staff members and a more focused review of cross-departmental processes. The expanded scope is intended to provide a more comprehensive assessment of how internal dynamics affect performance, service delivery, and staff engagement. The additional work includes business process mapping, benchmarking, and collaborative solution development to improve the delivery of planning, permitting, and related services, with participation from departments whose processes intersect with CDD, including Public Works, Fire, Water & Sewer Utilities, and Information Technology.

The additional interviews and cross-departmental process mapping are estimated to increase CDD's total cost by $159,834 from $88,058 for a revised total of $247,892.

Parks and Recreation Department

Raftelis has completed PRD's organizational assessment and provided recommendations to PRD leadership. This project remained within the initial estimated budget of $76,058.

Public Works

Baker Tilly has completed DPW's organizational assessment and provided recommendations to DPW leadership. This project remained within the initial estimated cost of $99,500.

Silicon Valley Power

The organizational assessment for SVP, performed by Baker Tilly, evaluated SVP's organizational structure, staffing levels and workflow processes in order to position SVP to meet current and future service demands.

Through stakeholder engagement and data analysis, Baker Tilly assessed that SVP's Business Services Division was facing several challenges affecting departmental efficiency and performance. To better align with citywide processes and improve operational efficiency, Baker Tilly recommended that the Business Services Division be reorganized under the City's Finance Department to provide stronger structural support, clearer accountability, and improved coordination with procurement and financial planning functions. With support of the City Manager, this organizational change was implemented in August 2025, resulting in an additional cost of $24,500.

To further support operational efficiency and business continuity while SVP Business Services Division move under the Finance Department, staff recommends Baker Tilly provide additional business process mapping and documentation for procurement and financial planning functions, for an anticipated additional cost of $50,000.

In late March 2026, Baker Tilly submitted an initial draft of SVP's full assessment. During the review of the draft, SVP proposed the creation of a new division that had not been previously evaluated as part of the original assessment. To further explore this option, staff recommends that Baker Tilly facilitate additional discussions with SVP and perform supplemental analysis to determine whether the proposed division should be incorporated into the final recommendations. This additional analysis is anticipated to cost $25,000.

In total, the additional assessments being provided to SVP are anticipated to increase SVP's total cost by $99,500 from $123,000 for a revised total of $222,500.

Water & Sewer Utilities

Water & Sewer Utilities is now interested in receiving Raftelis' organizational assessment services in an effort to improve organizational structure, clarify business processes, and add workflow efficiencies. The initial estimated cost for this assessment is $106,950.

Summary

The original maximum compensation amounts were established based on the estimated cost of organizational assessments for the Community Development, Parks and Recreation, Public Works, and Silicon Valley Power departments. Since execution of the agreements, the scope of services has expanded to include additional stakeholder engagement, cross-departmental business process mapping, and organizational assessment services for Water & Sewer Utilities.

To support the organizational assessment services completed, in process, and anticipated to begin, staff recommends increasing the maximum compensation amount for Raftelis by $250,000 for a revised maximum compensation amount of $500,000, and increasing the maximum compensation amount for Baker Tilly by $97,000 for a revised maximum compensation amount of $347,000. Raftelis also requested an approximate 3% increase in hourly rates as shown in the proposed Amendment No. 1.

Table 1 summarizes the original maximum compensation amounts as were specified in each Task Order. It also includes additional services utilizing contingency as needed, and details the proposed revised maximum compensation by consultant which will be documented in amended Task Orders. The contingency amounts are intended to provide flexibility to address organizational assessment needs identified through the course of the engagements. Such services may include additional stakeholder interviews, business process mapping, benchmarking, organization design support, evaluation of alternative organizational structures, and assessments for additional departments or functions, as authorized by the City.

Table 1 - Organizational Assessment Services Summary

Vendor/Department	Original Maximum Compensation	Additional Services	Revised Maximum Compensation
Raftelis			
Community Development	$88,058	$74,450	$162,508
Parks and Recreation	$76,058	$0	$76,058
Water and Sewer	N/A	$106,950	$106,950
Contingency	$85,884	$68,600	$154,484
Maximum Compensation	$250,000	$250,000	$500,000
Baker Tilly			
Public Works	$99,500	$0	$99,500
SVP	$123,000	$99,500	$222,500
Contingency	$27,500	-$2,500	$25,000
Maximum Compensation	$250,000	$97,000	$347,000

Request to Reinstate and Retroactively Exercise Option
Although each agreement provides the City with up to two additional one-year option terms, the administrative actions required to formally exercise the first option were not completed before the agreements expired, while services continued without interruption.

To accurately account for completed and ongoing work and allow for the continuation of services in support of the objectives described above, staff recommends approving the proposed amendments which reinstate the Agreements and approve the City's retroactive exercise of the first of the two option terms for each agreement, extending the Raftelis agreement through October 31, 2026, and the Baker Tilly agreement through December 31, 2026. The City may exercise the second option term in accordance with the terms and conditions set forth in each agreement.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

Funding has been set aside in the City Manager's Office for the organizational review assessments. The additional work outside of the initial scope of work for the assessments (process mapping and assessment of proposed new division) would be funded by each respective department and existing funds would be used to cover this cost.

COORDINATION

This report was coordinated with the City Manager's Office, City Attorney's Office, and Finance Department.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Approve and authorize the City Manager or designee to execute Amendment No. 1 to the agreement with Raftelis Financial Consultants to reinstate the agreement, exercise the first of two one-year options to extend the term through October 31, 2026, increase the Consultant's standard hourly rates, and increase the maximum compensation by $250,000 for a revised maximum compensation amount of $500,000, subject to the appropriation of funds and review and approval as to form by the City Attorney;
2. Approve and authorize the City Manager or designee to execute Amendment No. 1 to the agreement with Baker Tilly Advisory Group to reinstate the agreement, exercise the first of two one-year options to extend the term through December 31, 2026, and increase the maximum compensation by $97,000 for a revised maximum compensation amount of $347,000, subject to the appropriation of funds and review and approval as to form by the City Attorney; and
3. Authorize the City Manager or designee to take any actions necessary to implement and administer the agreements, including exercising options to extend, and to negotiate and execute future amendments to (a) add or delete services associated with the services, (b) adjust rates in accordance with the rate schedule provisions, and (c) make de minimis changes, provided that the maximum compensation amounts are not exceeded and subject to the appropriation of funds and review and approval as to form by the City Attorney.

Reviewed by: Aracely Azevedo, Assistant City Manager
Approved by: Jovan D. Grogan, City Manager

ATTACHMENTS

1. Baker Tilly Agreement
2. Raftelis Agreement
3. Baker Tilly Amendment No. 1
4. Raftelis Amendment No. 1

AGREEMENT FOR SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND BAKER TILLY ADVISORY GROUP, LP

PREAMBLE

This Agreement is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Baker Tilly Advisory Group, LP, a Delaware limited partnership, (Consultant). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. City desires to secure the services more fully described in this Agreement, at Exhibits A1 and A2, entitled "Scope of Services";

B. Consultant represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,

C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

The documents forming the entire Agreement between City and Consultant shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A1 – Scope of Services

Exhibit A2 – Overview of Initial Departments for Assessment

Exhibit B1 – Compensation

Exhibit B2 – Schedule of Fees

Exhibit C – Insurance Requirements

Exhibit D – Task Order Form

Exhibit E – Notice of Exercise of Option to Extend Agreement Form

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings, whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

2. TERM OF AGREEMENT

A. Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the initial term of this Agreement shall begin on December 20, 2024 and terminate on December 31, 2025.

B. After the initial term, the City reserves the right, at its sole discretion, to extend the term of this Agreement for up to two (2) additional one-year terms through December 31, 2027 ("Option Periods"), subject to the appropriation of funds. See Exhibit E for Notice of Exercise of Option to Extend Agreement Form.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

A. **General**: The Consultant will provide services to the City as set forth in Exhibits A1 and A2 as further described pursuant to individual task orders (Exhibit D). Each Task Order will describe the services and deliverables (collectively "Work") the Consultant must provide, the time limit within which the Consultant must complete the Work and the compensation for the Work.

B. **Approved Task Order:** The City will not compensate the Consultant for any Work until the City has executed the task order for such Work ("Approved Task Order").

C. **Obligation to Issue:** The City has no obligation to issue any Approved Task Orders under this Agreement.

D. Each Approved Task Order shall be subject to the terms and conditions of this Agreement.

4. WARRANTY

Consultant expressly warrants that all materials and services covered by this Agreement shall be fit for the purpose intended, shall be free from defect and shall conform to the specifications, requirements and instructions upon which this Agreement is based. Consultant agrees to promptly replace or correct any incomplete, inaccurate or defective Services at no further cost to City when

defects are due to the negligence, errors or omissions of Consultant. If Consultant fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Consultant for the cost incurred by City.

5. QUALIFICATIONS OF CONSULTANT - STANDARD OF CARE

Consultant represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Consultant's representations regarding its skills and knowledge. Consultant shall perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

6. COMPENSATION AND PAYMENT

Consultant shall be paid in accordance with Exhibits B1 (Compensation) and B2 (Fee Schedule). The maximum compensation of this Agreement is specified in Exhibit B1, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Contractor's expense. Contractor shall not be entitled to any payment above the maximum compensation under any circumstance.

7. TERMINATION

A. Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Consultant.

B. Termination for Default. If Consultant fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Consultant.

C. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Consultant will deliver to City all City information or material that Consultant has in its possession.

8. ASSIGNMENT AND SUBCONTRACTING

City and Consultant bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Consultant shall not hire subcontractors without express written permission from City.

Consultant shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Consultant is for the acts and omissions of persons directly employed by it.

9. NO THIRD PARTY BENEFICIARY

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

10. INDEPENDENT CONSULTANT

Consultant and all person(s) employed by or contracted with Consultant to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Consultant has full rights to manage its employees in their performance of Services under this Agreement.

11. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information received by or for Consultant and all other written information submitted to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Consultant which is otherwise known to Consultant or becomes generally known to the related industry shall be deemed confidential.

12. OWNERSHIP OF MATERIAL

Subject to Consultant's Knowledge (as defined below) all material, which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement ("Deliverables") shall be the property of City but Consultant may retain and use copies thereof. Notwithstanding the foregoing, Consultant will maintain all ownership right, title and interest to all of Consultant's Knowledge. For purposes of this Agreement "Consultant's Knowledge" means Consultant's proprietary programs, modules, products, inventions, designs, data,

or other information, including all copyright, patent, trademark and other intellectual property rights related thereto, that are (1) owned or developed by Consultant prior to the Effective Date of this Agreement ("Consultant's Preexisting Knowledge") (2) developed or obtained by Consultant after the Effective Date, including during the course of providing services under this Agreement, but: (i) which are developed or obtained without using City's Confidential Information, or (ii) which City has not paid for such development; and (3) extensions, enhancements, or modifications of Consultant's Preexisting Knowledge which do not include or incorporate City's Confidential Information. To the extent that any Consultant's Knowledge is incorporated into the Deliverables, Consultant grants to City a non-exclusive, paid up, perpetual royalty-free worldwide license to use such Contractor Knowledge in connection with the Deliverables, and for no other purpose without the prior written consent of Consultant. City shall not be limited in any way or at any time in its use of said material. However, Consultant shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties.

13. RIGHT OF CITY TO INSPECT RECORDS OF CONSULTANT

City, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Consultant for the purpose of verifying any and all charges made by Consultant in connection with Consultant compensation under this Agreement, including termination of Consultant. Consultant agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City. Consultant shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Consultant shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Consultant agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Consultant's Services hereunder.

14. HOLD HARMLESS/INDEMNIFICATION

A. To the extent permitted by law, Consultant agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any third party claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the gross negligence, willful misconduct or fraudulent

behavior of Consultant in performing the Services pursuant to this Agreement – including claims of any kind by Consultant's employees or persons contracting with Consultant to perform any portion of the Scope of Services – and shall expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited.

B. Consultant's obligation to protect, defend, indemnify, and hold harmless in full City and City's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors or other agents of Consultant, against City (either alone, or jointly with Consultant), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.

C. To the extent Consultant is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Consultant warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Consultant's responsibilities under the Act.

D. The liability (including attorney's fees and all other costs) of either Party and its present or former partners, principals, agents or employees related to any claim for damages relating to the Services performed under this Agreement shall not exceed a multiple of three-times (3X) the fees paid to Consultant under this Agreement, except to the extent finally determined to have resulted from the gross negligence, willful misconduct or fraudulent behavior of the liable Party relating to such Services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays, interruptions or viruses arising out of or related to this Agreement even if the other party has been advised of the possibility of such damages.

15. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit C, Consultant shall provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

16. WAIVER

Consultant agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

17. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: Human Resources Department
1500 Warburton Avenue
Santa Clara, CA 95050
and by e-mail at aazevedo@santaclaraca.gov

And to Consultant addressed as follows:

Baker Tilly Advisory Group, LLC
Attention: Caitlin Humrickhouse
205 Michigan Ave
Chicago, IL 60601
and by e-mail at caitlin.humrickhouse@bakertilly.com

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

18. COMPLIANCE WITH LAWS

Consultant shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, Consultant's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.060), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally Consultant has read and agrees to comply with City's Ethical Standards (http://santaclaraca.gov/home/showdocument?id=58299).

19. CONFLICTS OF INTEREST

Consultant certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Consultant and that no person associated with Consultant has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Consultant is familiar with the provisions of California Government Code section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Consultant will advise City if a conflict arises.

20. FAIR EMPLOYMENT

Consultant shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

21. NO USE OF CITY NAME OR EMBLEM

Consultant shall not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

22. GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

23. SEVERABILITY CLAUSE

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

24. AMENDMENTS

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

25. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

GLEN R. GOOGINS
City Attorney

Dated: 1/13/25

JOVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

BAKER TILLY ADVISORY GROUP, LP
a Delaware limited partnership

Dated: 12/18/2024
By (Signature): _____
Name: Caitilin Humrickhouse
Title: Principal
Principal Place of Business Address: 205 N. Michigan Avenue, Chicago, IL 60601
Email Address: caitlin.humrickhouse@bakertilly.com
Telephone: (312) 729-8098
Fax: N/A

"CONSULTANT"

EXHIBIT A1
SCOPE OF SERVICES

The following Scope of Services defines the services and responsibilities of Consultant and City for professional services to evaluate staffing levels, job roles, and duties assess the organization of the City Manager's Office, Silicon Valley Power, and the Department of Public Works. Additional organizational assessments may be required for other City departments.

The Scope of Services, including Exhibits A1, A2, and Consultant's proposal response dated April 5, 2024 provide context, supplemental information, and are incorporated by reference to the extent not inconsistent with the Agreement.

1. GENERAL

1.1. The organizational assessments shall include:

1.1.1. current roles and responsibilities and staffing complements for the City Manager's Office,

1.1.2. current roles and responsibilities and staffing complements for Silicon Valley Power;

1.1.3. current roles and responsibilities and staffing complements for the Department of Public Works; and

1.1.4. other departments as determined by the City Manager.

1.2. Consultant shall provide services for other potential studies as required by the City Manager's Office.

1.3. The City Manager's Office is the final approver for all work provided under this agreement and shall be part of all project kick off meetings, deliverable reviews, and any other pertinent project meetings.

2. SCOPE DETAILS FOR ORGANIZATIONAL AND STAFFING REVIEWS

Consultant shall provide the following services:

2.1. Organizational Analysis

2.1.1. Conduct an examination of the organizational structure of the City Manager's Office, which includes the Mayor & Council and City Clerk's Office, as well as Silicon Valley Power, the Department of Public Works, and other City departments as needed.

2.1.2. Assess the functional assignments and human resources required to perform current duties in each Office and Department;

2.1.3. Interview staff members in the City Manager's Office, Silicon Valley Power, the Department of Public Works to understand their roles and responsibilities; and

2.1.4. Assess administrative strengths and opportunities.

2.2. Operational Analysis

2.2.1. Review each Office's operational functions and workflow process;

2.2.2. Analyze reporting relationships to ensure adequate span of control; and

2.2.3. Analyze staffing levels based on current and projected workloads.

2.3. Recommendations Based on Findings

2.3.1. Identify and recommend best practices, supervisory to staffing ratios, and organizational needs;

2.3.2. Recommend an optimal model and staff levels as appropriate for each function; and

2.3.3. Identify an optimal organizational structure and appropriate staffing levels for each function.

2.4. Upcoming Organizational Structure and Process Review

2.4.1. The City may have other reviews of certain organizational structures or processes upcoming and requests an hourly rate for potential future projects.

2.5. Deliverables

At the conclusion of an operational and organizational review Consultant shall:

2.5.1. Provide a summary of findings that effectively summarizes and communicates the information analyzed;

2.5.2. Identify key issues and opportunities;

2.5.3. Formulate recommendations for the City Manager's Office, Mayor & Council Office, City Clerk's Office, Community Development Department, and Park and Recreation Department; and

2.5.4. Create two optimal organizational charts: one for the City Manager's Office, and one for the City Manager to Department Head organizational chart.

2.6. As-Needed Services

2.6.1. The City may request additional work products and studies at a later time.

3. ASSIGNING WORK AND COORDINATION WITH CITY MANAGER'S OFFICE AND CITY DEPARTMENTS

3.1. The City Manager's Office (CMO) is the final approver for all Task Orders, Deliverables, and any other final approvals that arise during the project. The City Manager's Office and City Departments will work in collaboration on each project.

3.2. Consultant shall coordinate all project kickoff meetings with the CMO.

3.3. Prior to deliverable completion Consultant shall schedule a meeting with the CMO for review and approval of deliverable.

3.4. Consultant acknowledges that Consultant is one of multiple firms selected to provide the services outlined in this Agreement. The City reserves the right in its sole discretion to determine which firm's qualifications, experience, available resources, ability to perform according to the required schedule, and hourly rates/fee best suit each project.

3.5. In addition, the City reserves the right to issue a mini-Request for Qualifications or mini-Request for Proposal (mini-RFQ or mini-RFP) prior to task order award. The mini-RFQ or mini-RFP award will be made based on the evaluation factors listed in the mini-RFQ or mini-RFP.

3.6. A Task Order must be issued and signed by the CMO prior to a project beginning.

EXHIBIT A2
OVERVIEW OF INITIAL DEPARTMENTS FOR ASSESSMENT

The City has identified the following departments as a priority for assessment but the City reserves the right to change this priority and have a different department assessed prior. In addition, projects will be assigned based on process identified in Exhibit A1 (Scope of Services).

1. CITY MANAGER'S OFFICE OVERVIEW

1.1. As a Council/Manager form of government, the City Manager is the Chief Executive Officer and head of the administrative branch of City government, as prescribed by the City Charter.

1.2. The City Manager's Office is responsible for providing strategic direction and support to all City departments for day-to-day operations and planning, as well as support to the City Council on policymaking. In addition to the oversight of City Departments, the City Manager oversees Silicon Valley Power, the City's electric utility, and the Santa Clara Convention Center, as well as serves as the Executive Director for the Santa Clara Stadium Authority. The City Manager's Office by extension includes offices such as the Mayor & Council Office and the City Clerk's Office.

1.3. The City Manager's Office has a corporate structure, in which City Departmental heads report to the City Manager's Office through Assistant City Managers.

1.4. More information on the City Manager's Office can be found starting on page 361 of the Fiscal Year (FY) 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

1.5. Mayor & Council Office

1.5.1. As an extension of the City Manager's Office, the Mayor & Council Office supports the City Manager's Office on items that support the City Council. The City Council is a body of six Councilmembers and one Mayor, all elected to four-year terms.

1.5.2. More information on the Mayor & Council Office can be found starting on page 313 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

1.6. City Clerk's Office

1.6.1. The City Clerk's Office works hand-in-hand with the City Manager's Office, overseeing daily operations of the City Clerk's Office, processing the agendas for and attending all meetings of the Council and Authorities Concurrent and Stadium Authority meetings, maintaining accurate and up-to-date records of these meetings and making the records available for public inspection.

1.6.2. Additionally, the City Clerk's Office manages and compiles City records in accordance with the Records Retention Schedule and in response to Public Records Act requests, and administers campaign and disclosure laws and programs.

1.6.3. More information on the City Clerk's Office can be found starting on page 342 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

1.7. The City Manager's Office includes a Non-Departmental component as well. Staff budgeted here work on citywide strategic planning initiatives and stadium operations.

1.7.1. More information on the Non-Departmental staff can be found starting on page 633 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: .santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

2. SILICON VALLEY POWER OVERVIEW

2.1. Since 1896, Silicon Valley Power (SVP) has provided electricity for residents and businesses in Santa Clara. SVP has a budgeted staff of 222 employees who provide diverse services such as operating, maintaining and dispatching electric service including power plants, substations, transmission and distribution lines, engineering, system planning, administrative and financial management, marketing, customer services, power trading, outdoor Wi-Fi services, and dark fiber leasing services. All of these critical services work together to make SVP successful for the City and its businesses and residents.

2.2. Functionally, SVP is organized into four Divisions: Administrative & Business Services, Customer Development and Project Management, Resource Planning and Engagement, and Utility Operations. For budget tracking purposes, SVP has one additional division, Revenue and Resources. Beginning in FY 2023/24, the Administrative Services and the Business Services Divisions were combined into one division to better reflect the organizational structure.

2.3. More information on Silicon Valley Power can be found starting on page 403 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

3. DEPARTMENT OF PUBLIC WORKS OVERVIEW

3.1. The Department of Public Works (DPW) constructs, maintains and improves various components of the City's infrastructure and provides quality, cost-effective, timely services to the residents and businesses of Santa Clara.

3.2. DPW is responsible for a wide variety of programs throughout the City which include design, construction management, stormwater pollution prevention, inspection and maintenance of City streets, bridges, traffic signal systems, building facilities, street trees, landscaping, sidewalks, and the closed landfill. These responsibilities include the engineering aspects of the sanitary sewer system, which is maintained by the Water and Sewer Utilities Department, and maintenance of storm drain pipelines and trash racks for pump stations which are maintained and operated by the Water and Sewer Utilities Department. DPW also oversees the coordination and management support for the Convention Center Maintenance District, manages solid waste contracts and oversees the procurement and maintenance of the City's fleet of vehicles and equipment.

3.3. DPW's focus areas include Engineering Services and Operations and Maintenance. Engineering is comprised of five divisions: Administration, Traffic, Design, Land and Property Development, and Field Services. Operations and Maintenance is comprised of three divisions: Facility Services, Streets, and Fleet Management. The Streets Division is further subdivided to operate in the following areas: Administration, Traffic Maintenance, Street Maintenance (streets and storm drains), Environmental Programs, Solid Waste, Landscape, and Code Enforcement. The Facility Services Division manages the Convention Center Maintenance District, the Street Division manages the Downtown Parking Maintenance District, and the Fleet Management Division manages the Vehicle Replacement and Fleet Operations Funds.

3.4. More information on the Department of Public Works can be found starting on page 573 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

EXHIBIT B1
COMPENSATION

1. MAXIMUM COMPENSATION

1.1. The maximum amount payable for all services provided under this Agreement shall not exceed **Two Hundred Fifty Thousand Dollars ($250,000)**, during the Initial Term of the Agreement.

1.2. No services will be performed unless both Parties execute an Approved Task Order outlining the services requested and compensation agreed for such services.

1.3. Consultant shall fully complete all work required by the Approved Task Order for no more than the maximum task order compensation.

1.4. City shall be liable for charges expressly authorized in the Approved Task Order.

2. FEES

2.1. All hourly rates/fees are fixed for the Initial Term of the Agreement

2.2. The hourly rates for Consultant's Personnel and fees are listed in Exhibit B2 herein.

3. PRICING AND OPTIONAL RENEWALS

3.1. Pricing is fixed for the Initial Term of the Agreement. During this period the price may not change.

3.2. Price adjustments may be requested prior to any one-year option to renew the agreement after the initial term. Price increase requests must be tied to CPI, PPI, or relevant industry specific index. Price adjustments are subject to City's approval.

4. INVOICING REQUIREMENTS

4.1. Consultant shall render invoices in accordance with fees, payment scheduled and other terms and conditions specified in the applicable Approved Task Order.

4.2. City shall pay Consultant within thirty (30) days of City's receipt of an approved invoice.

EXHIBIT B2
FEES

The following identifies the fees and hourly rates pursuant to this agreement. Any Approved Task Order shall be aligned with the fees and hourly rates specified herein.

IDENTIFIED DEPARTMENT ASSESSMENTS	
Service	**Fee**
City Manager's Office Assessment	
Phase 1: Project Planning and Management	$13,500
Phase 2: Assessment of Current Operations	$39,500
Phase 3: Future State Analysis and Reporting	$29,000
Travel	$10,000
Total for City Manager's Office Assessment	**$92,000**
Silicon Valley Power Assessment	
Phase 1: Project Planning and Management	$13,800
Phase 2: Assessment of Current Operations	$58,200
Phase 3: Future State Analysis and Reporting	$40,700
Travel	$10,300
Total for Silicon Valley Power Assessment	**$123,000**
Public Works Assessment	
Phase 1: Project Planning and Management	$11,800
Phase 2: Assessment of Current Operations	$50,400
Phase 3: Future State Analysis and Reporting	$27,000
Travel	$10,300
Total for Public Works Assessment	**$99,500**
STANDARD HOURLY RATES	
Staff Level	**Hourly Rate**
Partner/Director	$575
Managing Director/Director	$475
Senior Manager	$385
Manager	$295
Special Advisor	$230
Senior Consultant	$230
Staff Level	$185
Administration	$125

EXHIBIT C
INSURANCE REQUIREMENTS

Without limiting the Consultant's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Consultant shall provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to the City of Santa Clara so that any other coverage held by the City shall not contribute to any loss under Consultant's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

   $1,000,000 Each Occurrence
   $2,000,000 General Aggregate
   $2,000,000 Products/Completed Operations Aggregate
   $1,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Consultant; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.

3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Consultant to comply with the insurance requirements of this Agreement:

   a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;

   b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and

   c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars ($1,000,000) each accident using, or providing coverage at

least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars ($1,000,000) policy limit Bodily Injury by disease, one million dollars ($1,000,000) each accident/Bodily Injury and one million dollars ($1,000,000) each employee Bodily Injury by disease.

2. The indemnification and hold harmless obligations of Consultant included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Consultant or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).

3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Consultant. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than one million dollars ($1,000,000) per claim or two million dollars ($2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Consultant's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.

2. Primary and non-contributing. Each insurance policy provided by Consultant shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution

from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Consultant's insurance.

3. Cancellation.

   a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.

   b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Consultant and City agree as follows:

1. Consultant agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Consultant, provide the same minimum insurance coverage required of Consultant, except as with respect to limits. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Consultant agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.

2. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge

City or Consultant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Consultant in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Consultant, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Consultant shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Consultant or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Consultant shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be emailed to:

ctsantaclara@ebix.com

Or mailed to:

EBIX Inc.
City of Santa Clara Human Resources
P.O. Box 100085 – S2
Duluth, GA 30096

Telephone number: 951-766-2280
Fax number: 770-325-0409

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Consultant shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.

EXHIBIT D
TASK ORDER FORM

Cover Page

1.	Approved Task Order No.:			
2.	Consultant's Name:			
3.	Project Name:			
4.	Project Location:			
5.	The Consultant and the City will implement this Approved Task Order in accordance with the executed Agreement, this cover page and Attachments "A" (Tasks), "B" (Project Staffing), and "C" (Compensation Table), which are incorporated herein by references.			
6.	Budget/Fiscal:			
	a. Previously Approved Compensation for Task Orders XX-XX:		$	
	b. Maximum Task Order Compensation for this Approved Task Order:		$	
	c. Total Approved Compensation for Task Orders (XX-XX) (6.a + 6.b):		$	
7.	**Department Director Approval:**	_____	Date:	_____
8.	**Consultant Approval:**	_____	Date:	_____
9.	**City Manager Approval:**	_____	Date:	_____

ATTACHMENT A: TASKS

The Consultant shall provide the services and deliverables set forth in this **Attachment A**. The Consultant shall provide all services and deliverables required by this **Attachment A** to the satisfaction of the City's contract administrator.

General Description of Project for which Consultant will Provide Services:

Task No. 1:
Consultant will complete the tasks below including Consultant attendance at one meeting with City staff.

A. **Services:**

B. **Deliverable:**

C. **Completion Time:** The Consultant must complete the services and deliverables for this task in accordance with whichever one of the following time is marked:

☐ On or before the following date:

☐ On or before ____ Business Days from _____.

Task No. 2:
Consultant will complete the subtasks outlined below.

A. **Services:**

B. **Deliverable:**

C. **Completion Time:** The Consultant must complete the services and deliverables for this task in accordance with whichever one of the following time is marked:

☐ On or before the following date:

☐ On or before ____ Business Days from _____.

ATTACHMENT B: STAFFING

1. **City's Contract Manager:** The City's contract manager for this Approved Task Order is:

Name:	Phone No.:
Department:	E-mail:
Address:	

2. **Consultant's Contract Manager and Other Staffing:** Identified below are the following: (a) the Consultant's contract manager for this Approved Task Order, and (b) the Consultant(s) and/or employee(s) of the Consultant who will be principally responsible for providing the services and deliverables. ***If an individual identified below does not have a current Form 700 on file with the City Clerk for a separate agreement with the City, and is required to file a Form 700, the Consultant must submit the required Form 700 in accordance with California Political Reform Act (Government Code Section 81000 et seq.).***

		Required to File Form 700?		
Consultant's Contract Manager		**Yes Already Filed (Date Filed)**	**Yes Need to File**	**No**
Name:	Phone No.:	X (01/09/19)		
Address:	E-mail:			
Other Staffing				
Name:	Assignment:			
1.				
2.				

3. **Subconsultants:** Whichever of the following is marked applies to this Approved Task Order:

☐ The Consultant cannot use any subconsultants.

☒ The Consultant can use the following subconsultants to assist in providing the required services and deliverables:

Subconsultant's Name	Area of Work
1.	
2.	
3.	

ATTACHMENT C: COMPENSATION TABLE

The City will compensate the Consultant for providing the services and deliverables set forth in **Attachment A** in accordance this Compensation Table.

Part 1 – Compensation for Services and Deliverables								
Column 1	**Column 2**		**Column 3**				**Column 4**	
Task Nos. from Attachment A	**Basis of Compensation**		**Invoice Period**				**Compensation**	
1	☐ Time & Materials	☐ Fixed Fee	☐ Monthly	☐ Completion of Task(s)	☐ Completion of Work		$	
2	☐ Time & Materials	☐ Fixed Fee	☐ Monthly	☐ Completion of Task(s)	☐ Completion of Work		$	
3	☐ Time & Materials	☐ Fixed Fee	☐ Monthly	☐ Completion of Task(s)	☐ Completion of Work		$	
4	☐ Time & Materials	☐ Fixed Fee	☐ Monthly	☐ Completion of Task(s)	☐ Completion of Work		$	
Part 2 – Reimbursable Expenses								
☐ No expenses are separately reimbursable. The amount(s) in Column 4 of Part 1 include(s) payment for all expenses.			☐ Expenses are separately reimbursable in the maximum amount of:				$	
Part 3 – Subconsultant Costs								
☐ Subconsultant costs are ***not*** separately compensable. The amount(s) in Column 4 of Part 1 include(s) subconsultant costs.			☐ Subconsultant costs are separately compensable in the maximum amount of:				$	
						Maximum Task Order Compensation (sum of Parts 1 through 3):	$	

EXHIBIT E
NOTICE OF EXERCISE OF OPTION TO EXTEND AGREEMENT

AGREEMENT TITLE:	
CONSULTANT:	
DATE:	

Pursuant to Section ___ of the Agreement referenced above, the City of Santa Clara hereby exercises its option to extend the term under the following provisions:

OPTION NO.	# of #

NEW OPTION TERM

Begin date:	
End date:	

☐ **CHANGES IN RATE OF COMPENSATION**

Percentage change in CPI upon which adjustment is based:	

Pursuant to Section ___ of the Agreement the rates of compensation are hereby adjusted as follows:
(use attachment if necessary)

MAXIMUM COMPENSATION for New Option Term:	

For the option term exercised by this Notice, City shall pay Consultant an amount not to exceed the amount set forth above for Consultant's services and reimbursable expenses, if any. The undersigned signing on behalf of the City of Santa Clara hereby certifies that an unexpended appropriation is available for the term exercised by this Notice, and that funds are available as of the date of this signature.

Dated:

Approved as to Form:

GLEN R. GOOGINS
City Attorney

JŌVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

513 110

Search

Insured

Insured Name

Baker Tilly US, LLP & Baker Tilly Advisory

Baker Tilly US, LLP & Baker Tilly

Active Records Only

Advance Search

Insured Tasks **Admin Tools**

View

- Insured
- Notes
- History
- Deficiencies
- Coverages
- Requirements
- Contract Screen

Add

Edit

Help

Video Tutorials

Name:	Baker Tilly US, LLP & Baker Tilly Advisory Group,
Account Number:	S200005491
Address:	P.O. Box 7398, 4807 Innovate Lane, Madison, WI, 53707-7398
Status:	Compliant with Waived Deficiencies.

Insured

Business Unit(s) | Insured History | Print Insured Info

Account Information

Account Number:	S200005491	
Risk Type:	Exhibit C6 - Professional Svc Contract(any amount)	
Do Not Call:		Address Updated:

Address Information

Mailing Address	**Physical Address**
Insured:	Baker Tilly US, LLP & Baker Tilly Advisory Group,
Address 1:	P.O. Box 7398
Address 2:	4807 Innovate Lane

City:	Madison	
State:	WI	
Zip:	53707-7398	
Country:		
Contract Information		
Contract Number:		
Contract Start Date:		Contract End Date:
Contract Effective Date:		Contract Expiration Date:
Description of Services:	Professional Services for Organizational Assessments and PRA Process Assessment	Safety Form II:
Contact Information		
Contact Name:	Jeri Beckstedt	Misc:
Phone Number:		Alt Phone Number:
Fax Number:		
E-Mail Address:	jeri.beckstedt@bakertilly.com	
Approval Date:		
Rush:	Yes	
Contract on File:	No	
Certificate Received:	Yes	
Indemnification Agreement:	No	
Tax Id:		

This Account created by d69 on 09/17/2024.

EBIX Insurance No. S200005293

AGREEMENT FOR SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND RAFTELIS FINANCIAL CONSULTANTS, INC.

PREAMBLE

This Agreement is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Raftelis Financial Consultants, Inc., a California corporation, (Consultant). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. City desires to secure the services more fully described in this Agreement, at Exhibits A1 and A2, entitled "Scope of Services";

B. Consultant represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,

C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

The documents forming the entire Agreement between City and Consultant shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A1 – Scope of Services

Exhibit A2 – Overview of Initial Departments for Assessment

Exhibit B1 – Compensation

Exhibit B2 – Schedule of Fees

Exhibit C – Insurance Requirements

Exhibit D – Task Order Form

Exhibit E – Notice of Exercise of Option to Extend Agreement Form

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings, whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

2. TERM OF AGREEMENT

A. Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the initial term of this Agreement shall begin on November 1, 2024 and terminate on October 31, 2025.

B. After the initial term, the City reserves the right, at its sole discretion, to extend the term of this Agreement for up to two (2) additional one-year terms through October 31, 2027 ("Option Periods"), subject to the appropriation of funds. See Exhibit E for Notice of Exercise of Option to Extend Agreement Form.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

A. **General**: The Consultant will provide services to the City as set forth in Exhibits A1, A2, and as further described pursuant to individual task orders (Exhibit D). Each Task Order will describe the services and deliverables (collectively "Work") the Consultant must provide, the time limit within which the Consultant must complete the Work and the compensation for the Work.

B. **Approved Task Order:** The City will not compensate the Consultant for any Work until the City has executed the task order for such Work ("Approved Task Order").

C. **Obligation to Issue:** The City has no obligation to issue any Approved Task Orders under this Agreement.

D. Each Approved Task Order shall be subject to the terms and conditions of this Agreement.

4. WARRANTY

Consultant expressly warrants that all materials and services covered by this Agreement shall be fit for the purpose intended, shall be free from defect and shall conform to the specifications, requirements and instructions upon which this Agreement is based. Consultant agrees to promptly replace or correct any incomplete, inaccurate or defective Services at no further cost to City when

defects are due to the negligence, errors or omissions of Consultant. If Consultant fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Consultant for the reasonable cost incurred by City.

5. QUALIFICATIONS OF CONSULTANT - STANDARD OF CARE

Consultant represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Consultant's representations regarding its skills and knowledge. Consultant shall perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California, as of the time and at the location the Services are provided. In providing the Services, Consultant may rely on all data and information provided by or on behalf of City without additional investigation.

6. COMPENSATION AND PAYMENT

Consultant shall be paid in accordance with Exhibits B1 (Compensation) and B2 (Fee Schedule).

7. TERMINATION

A. Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Consultant.

B. Termination for Default. If Consultant fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Consultant.

C. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Consultant will deliver to City all City information or material that Consultant has in its possession.

8. ASSIGNMENT AND SUBCONTRACTING

City and Consultant bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Consultant shall not hire subcontractors without express written permission from City.

Consultant shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Consultant is for the acts and omissions of persons directly employed by it.

9. NO THIRD PARTY BENEFICIARY

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

10. INDEPENDENT CONSULTANT

Consultant and all person(s) employed by or contracted with Consultant to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Consultant has full rights to manage its employees in their performance of Services under this Agreement.

11. CONFIDENTIALITY OF MATERIAL

Except as required by subpoena, court order, legal process or applicable law, all deliverables developed by or for Consultant in connection with the performance of this Agreement shall be held confidential by Consultant and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Consultant which is otherwise known to Consultant or becomes generally known to the related industry shall be deemed confidential.

12. OWNERSHIP OF MATERIAL

All deliverables prepared or caused to be prepared under this Agreement shall be the property of City but Consultant may retain and use copies thereof. City shall not be limited in any way or at any time in its use of said material. However, Consultant shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties. Nothing contained herein shall be deemed a transfer, assignment or divestiture by Consultant of its trade secrets, know-how or intellectual property.

13. RIGHT OF CITY TO INSPECT RECORDS OF CONSULTANT

City, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Consultant for the purpose of verifying any and all charges made by Consultant in connection with Consultant compensation under this Agreement, including termination of Consultant. Consultant agrees to maintain sufficient books and records in accordance with generally accepted accounting

principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City. Consultant shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Consultant shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Consultant agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Consultant's Services hereunder.

14. HOLD HARMLESS/INDEMNIFICATION

A. To the extent permitted by law, Consultant agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the Services performed by Consultant pursuant to this Agreement – including claims of any kind by Consultant's employees or persons contracting with Consultant to perform any portion of the Scope of Services – and shall expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited.

B. Consultant's obligation to protect, defend, indemnify, and hold harmless in full City and City's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors or other agents of Consultant, against City (either alone, or jointly with Consultant), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.

C. To the extent Consultant is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Consultant warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Consultant's responsibilities under the Act.

15. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit C, Consultant shall provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

16. WAIVER

Consultant agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

17. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: Human Resources Department
1500 Warburton Avenue
Santa Clara, CA 95050
and by e-mail at aazevedo@santaclaraca.gov

And to Consultant addressed as follows:

Raftelis Financial Consultants, Inc.
Attn: Julia Novak
445 S. Figueroa Street, Suite 1925
Los Angeles, CA 9007
and by e-mail at jnovak@raftelis.com

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

18. COMPLIANCE WITH LAWS

Consultant shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, Consultant's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.060), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally Consultant has read and agrees to comply with City's Ethical Standards (http://santaclaraca.gov/home/showdocument?id=58299).

19. CONFLICTS OF INTEREST

Consultant certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Consultant and that no person associated with Consultant has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Consultant is familiar with the provisions of California Government Code section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Consultant will advise City if a conflict arises.

20. FAIR EMPLOYMENT

Consultant shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

21. NO USE OF CITY NAME OR EMBLEM

Consultant shall not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

22. GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

23. SEVERABILITY CLAUSE

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

24. AMENDMENTS

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

25. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

per

GLEN R. GOOGINS
City Attorney

Dated: 11/6/24

JOVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

RAFTELIS FINANCIAL CONSULTANTS, INC.
a California corporation

Dated: October 31, 2024
By (Signature):
Name: Julia Novak
Title: Executive Vice President
Principal Place of Business Address: 445 S. Figueroa Street, Suite 1925 Los Angeles, CA 90071
Email Address: jnovak@raftelis.com
Telephone: (513) 221-0500
Fax: (828) 484-2442

"CONSULTANT"

EXHIBIT A1
SCOPE OF SERVICES

The following Scope of Services defines the services and responsibilities of Consultant and City for professional services to evaluate staffing levels, job roles, and duties assess the organization of the City Manager's Office, Silicon Valley Power, and the Department of Public Works. Additional organizational assessments may be required for other City departments.

The Scope of Services, including Exhibits A1, A2, and Consultant's proposal response dated April 5, 2024 provide context, supplemental information, and are incorporated by reference to the extent not inconsistent with the Agreement.

1. GENERAL

1.1. The organizational assessments shall include:

1.1.1. current roles and responsibilities and staffing complements for the City Manager's Office,

1.1.2. current roles and responsibilities and staffing complements for Silicon Valley Power;

1.1.3. current roles and responsibilities and staffing complements for the Department of Public Works; and

1.1.4. other departments as determined by the City Manager.

1.2. Consultant shall provide Services for other potential studies as required by the City Manager's Office.

1.3. The City Manager's Office is the final approver for all work provided under this agreement and shall be part of all project kick off meetings, deliverable reviews, and any other pertinent project meetings.

2. SCOPE DETAILS FOR ORGANIZATIONAL AND STAFFING REVIEWS

Consultant shall provide the following Services:

2.1. Organizational Analysis

2.1.1. Conduct an examination of the organizational structure of the City Manager's Office, which includes the Mayor & Council and City Clerk's Office, as well as Silicon Valley Power, the Department of Public Works, and other City departments as needed.

2.1.2. Assess the functional assignments and human resources required to perform current duties in each Office and Department;

2.1.3. Interview staff members in the City Manager's Office, Silicon Valley Power, the Department of Public Works to understand their roles and responsibilities; and

2.1.4. Assess administrative strengths and opportunities.

2.2. Operational Analysis

2.2.1. Review each Office's operational functions and workflow process;

2.2.2. Analyze reporting relationships to ensure adequate span of control; and

2.2.3. Analyze staffing levels based on current and projected workloads.

2.3. Recommendations Based on Findings

2.3.1. Identify and recommend best practices, supervisory to staffing ratios, and organizational needs;

2.3.2. Recommend an optimal model and staff levels as appropriate for each function; and

2.3.3. Identify an optimal organizational structure and appropriate staffing levels for each function.

2.4. Upcoming Organizational Structure and Process Review

2.4.1. The City may have other reviews of certain organizational structures or processes upcoming and requests an hourly rate for potential future projects.

2.5. Deliverables

At the conclusion of an operational and organizational review Consultant shall:

2.5.1. Provide a summary of findings that effectively summarizes and communicates the information analyzed;

2.5.2. Identify key issues and opportunities;

2.5.3. Formulate recommendations for the City Manager's Office, Mayor & Council Office, City Clerk's Office, Community Development Department, and Park and Recreation Department; and

2.5.4. Create two optimal organizational charts: one for the City Manager's Office, and one for the City Manager to Department Head organizational chart.

2.6. As-Needed Services

2.6.1. The City may request additional work products and studies at a later time.

3. ASSIGNING WORK AND COORDINATION WITH CITY MANAGER'S OFFICE AND CITY DEPARTMENTS

3.1. The City Manager's Office (CMO) is the final approver for all Task Orders, Deliverables, and any other final approvals that arise during the project. The City Manager's Office and City Departments will work in collaboration on each project.

3.2. Consultant shall coordinate all project kickoff meetings with the CMO.

3.3. Prior to deliverable completion Consultant shall schedule a meeting with the CMO for review and approval of deliverable.

3.4. Consultant acknowledges that Consultant is one of multiple firms selected to provide the Services outlined in this Agreement. The City reserves the right in its sole discretion to determine which firm's qualifications, experience, available resources, ability to perform according to the required schedule, and hourly rates/fee best suit each project.

3.5. In addition, the City reserves the right to issue a mini-Request for Qualifications or mini-Request for Proposal (mini-RFQ or mini-RFP) prior to task order award. The mini-RFQ or mini-RFP award will be made based on the evaluation factors listed in the mini-RFQ or mini-RFP.

3.6. A Task Order must be issued and signed by the CMO prior to a project beginning.

EXHIBIT A2
OVERVIEW OF INITIAL DEPARTMENTS FOR ASSESSMENT

The City has identified the following departments as a priority for assessment but the City reserves the right to change this priority and have a different department assessed prior. In addition, projects will be assigned based on process identified in Exhibit A1 (Scope of Services).

1. CITY MANAGER'S OFFICE OVERVIEW

1.1. As a Council/Manager form of government, the City Manager is the Chief Executive Officer and head of the administrative branch of City government, as prescribed by the City Charter.

1.2. The City Manager's Office is responsible for providing strategic direction and support to all City departments for day-to-day operations and planning, as well as support to the City Council on policymaking. In addition to the oversight of City Departments, the City Manager oversees Silicon Valley Power, the City's electric utility, and the Santa Clara Convention Center, as well as serves as the Executive Director for the Santa Clara Stadium Authority. The City Manager's Office by extension includes offices such as the Mayor & Council Office and the City Clerk's Office.

1.3. The City Manager's Office has a corporate structure, in which City Departmental heads report to the City Manager's Office through Assistant City Managers.

1.4. More information on the City Manager's Office can be found starting on page 361 of the Fiscal Year (FY) 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

1.5. Mayor & Council Office

1.5.1. As an extension of the City Manager's Office, the Mayor & Council Office supports the City Manager's Office on items that support the City Council. The City Council is a body of six Councilmembers and one Mayor, all elected to four-year terms.

1.5.2. More information on the Mayor & Council Office can be found starting on page 313 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

1.6. City Clerk's Office

1.6.1. The City Clerk's Office works hand-in-hand with the City Manager's Office, overseeing daily operations of the City Clerk's Office, processing the agendas for and attending all meetings of the Council and Authorities Concurrent and Stadium Authority meetings, maintaining accurate and up-to-date records of these meetings and making the records available for public inspection.

1.6.2. Additionally, the City Clerk's Office manages and compiles City records in accordance with the Records Retention Schedule and in response to Public Records Act requests, and administers campaign and disclosure laws and programs.

1.6.3. More information on the City Clerk's Office can be found starting on page 342 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

1.7. The City Manager's Office includes a Non-Departmental component as well. Staff budgeted here work on citywide strategic planning initiatives and stadium operations.

1.7.1. More information on the Non-Departmental staff can be found starting on page 633 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: .santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

2. SILICON VALLEY POWER OVERVIEW

2.1. Since 1896, Silicon Valley Power (SVP) has provided electricity for residents and businesses in Santa Clara. SVP has a budgeted staff of 222 employees who provide diverse services such as operating, maintaining and dispatching electric service including power plants, substations, transmission and distribution lines, engineering, system planning, administrative and financial management, marketing, customer services, power trading, outdoor Wi-Fi services, and dark fiber leasing services. All of these critical services work together to make SVP successful for the City and its businesses and residents.

2.2. Functionally, SVP is organized into four Divisions: Administrative & Business Services, Customer Development and Project Management, Resource Planning and Engagement, and Utility Operations. For budget tracking purposes, SVP has one additional division, Revenue and Resources. Beginning in FY 2023/24, the Administrative Services and the Business Services Divisions were combined into one division to better reflect the organizational structure.

2.3. More information on Silicon Valley Power can be found starting on page 403 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

3. DEPARTMENT OF PUBLIC WORKS OVERVIEW

3.1. The Department of Public Works (DPW) constructs, maintains and improves various components of the City's infrastructure and provides quality, cost-effective, timely services to the residents and businesses of Santa Clara.

3.2. DPW is responsible for a wide variety of programs throughout the City which include design, construction management, stormwater pollution prevention, inspection and maintenance of City streets, bridges, traffic signal systems, building facilities, street trees, landscaping, sidewalks, and the closed landfill. These responsibilities include the engineering aspects of the sanitary sewer system, which is maintained by the Water and Sewer Utilities Department, and maintenance of storm drain pipelines and trash racks for pump stations which are maintained and operated by the Water and Sewer Utilities Department. DPW also oversees the coordination and management support for the Convention Center Maintenance District, manages solid waste contracts and oversees the procurement and maintenance of the City's fleet of vehicles and equipment.

3.3. DPW's focus areas include Engineering Services and Operations and Maintenance. Engineering is comprised of five divisions: Administration, Traffic, Design, Land and Property Development, and Field Services. Operations and Maintenance is comprised of three divisions: Facility Services, Streets, and Fleet Management. The Streets Division is further subdivided to operate in the following areas: Administration, Traffic Maintenance, Street Maintenance (streets and storm drains), Environmental Programs, Solid Waste, Landscape, and Code Enforcement. The Facility Services Division manages the Convention Center Maintenance District, the Street Division manages the Downtown Parking Maintenance District, and the Fleet Management Division manages the Vehicle Replacement and Fleet Operations Funds.

3.4. More information on the Department of Public Works can be found starting on page 573 of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, located here: santaclaraca.gov/home/showpublisheddocument/81751/638309975531200000

EXHIBIT B1
COMPENSATION

1. MAXIMUM COMPENSATION

1.1. The maximum amount payable for all Services provided under this Agreement shall not exceed **Two Hundred Fifty Thousand Dollars ($250,000)**, during the Initial Term of the Agreement.

1.2. No Services will be performed unless both Parties execute an Approved Task Order outlining the Services requested and compensation agreed for such Services.

1.3. Consultant shall fully complete all work required by the Approved Task Order for no more than the maximum task order compensation.

1.4. City shall be liable for charges expressly authorized in the Approved Task Order.

2. FEES

2.1. All hourly rates/fees are fixed for the Initial Term of the Agreement

2.2. The hourly rates for Consultant's Personnel and fees are listed in Exhibit B2 herein.

3. PRICING AND OPTIONAL RENEWALS

3.1. Pricing is fixed for the Initial Term of the Agreement. During this period the price may not change.

3.2. Price adjustments may be requested prior to any one-year option to renew the agreement after the initial term. Price increase requests must be tied to CPI, PPI, or relevant industry specific index. Price adjustments are subject to City's approval.

4. INVOICING REQUIREMENTS

4.1. Consultant shall render invoices in accordance with fees, payment scheduled and other terms and conditions specified in the applicable Approved Task Order.

4.2. City shall pay Consultant within thirty (30) days of City's receipt of an approved invoice.

EXHIBIT B2

FEES

The following identifies the fees and hourly rates pursuant to this agreement. Any Approved Task Order shall be aligned with the fees and hourly rates specified herein.

IDENTIFIED DEPARTMENT ASSESSMENTS		
Service	**Hours**	**Fee**
City Manager's Office Assessment		
Phase 1: Begin and Manage Engagement	13	$6,375
Phase 2: Learning and Assessment	202	$57,725
Phase 3: Prepare Project Deliverables	71	$21,283
Total for City Manager's Office Assessment	**286**	**$85,383**
Silicon Valley Power Assessment		
Phase 1: Begin and Manage Engagement	13	$6,375
Phase 2: Learning and Assessment	196	$60,400
Phase 3: Prepare Project Deliverables	71	$21,283
Total for Silicon Valley Power Assessment	**280**	**$88,058**
Public Works Assessment		
Phase 1: Begin and Manage Engagement	13	$6,375
Phase 2: Learning and Assessment	144	$48,400
Phase 3: Prepare Project Deliverables	71	$21,283
Total for Public Works Assessment	**228**	**$76,058**

STANDARD HOURLY RATES	
Staff Level	Hourly Rate
Executive Vice President	$400
Vice President	$360
Senior Manager	$320
Manager	$285
Senior Consultant	$255
Associate Consultant	$190

EXHIBIT C
INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to the City of Santa Clara so that any other coverage held by the City shall not contribute to any loss under Contractor's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

   $1,000,000 Each Occurrence
   $2,000,000 General Aggregate
   $2,000,000 Products/Completed Operations Aggregate
   $1,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.

3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:

   a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;

   b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and

   c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars ($1,000,000) each accident using, or providing coverage at

least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars ($1,000,000) policy limit Bodily Injury by disease, one million dollars ($1,000,000) each accident/Bodily Injury and one million dollars ($1,000,000) each employee Bodily Injury by disease.

2. The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).

3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Contractor. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than one million dollars ($1,000,000) per claim or two million dollars ($2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.

2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution

from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.

3. Cancellation.

   a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.

   b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.

2. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contractor for the cost of additional insurance coverage required

by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Contractor shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Contractor shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be emailed to:

ctsantaclara@ebix.com

Or mailed to:

EBIX Inc.
City of Santa Clara City Manager's Office
P.O. Box 100085 – S2
Duluth, GA 30096

Telephone number: 951-766-2280
Fax number: 770-325-0409

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.

EXHIBIT D

TASK ORDER FORM

Cover Page

1.	Approved Task Order No.:			
2.	Consultant's Name:			
3.	Project Name:			
4.	Project Location:			
5.	The Consultant and the City will implement this Approved Task Order in accordance with the executed Agreement, this cover page and Attachments "A" (Tasks), "B" (Project Staffing), and "C" (Compensation Table), which are incorporated herein by references.			
6.	Budget/Fiscal:			
	a. Previously Approved Compensation for Task Orders XX-XX:		$	
	b. Maximum Task Order Compensation for this Approved Task Order:		$	
	c. Total Approved Compensation for Task Orders (XX-XX) (6.a + 6.b):		$	
7.	**Department Director Approval:**	_____	Date:	_____
8.	**Consultant Approval:**	_____	Date:	_____
9.	**City Manager Approval:**	_____	Date:	_____

ATTACHMENT A: TASKS

The Consultant shall provide the services and deliverables set forth in this **Attachment A**. The Consultant shall provide all services and deliverables required by this **Attachment A** to the satisfaction of the City's contract administrator.

General Description of Project for which Consultant will Provide Services:

Task No. 1:
Consultant will complete the tasks below including Consultant attendance at one meeting with City staff.

A. **Services:**

B. **Deliverable:**

C. **Completion Time:** The Consultant must complete the services and deliverables for this task in accordance with whichever one of the following time is marked:

☐ On or before the following date:

☐ On or before ____ Business Days from

_____.

Task No. 2:
Consultant will complete the subtasks outlined below.

A. **Services:**

B. **Deliverable:**

C. **Completion Time:** The Consultant must complete the services and deliverables for this task in accordance with whichever one of the following time is marked:

☐ On or before the following date:

☐ On or before ____ Business Days from

_____.

ATTACHMENT B: STAFFING

1. **City's Contract Manager:** The City's contract manager for this Approved Task Order is:

Name:	Phone No.:
Department:	E-mail:
Address:	

2. **Consultant's Contract Manager and Other Staffing:** Identified below are the following: (a) the Consultant's contract manager for this Approved Task Order, and (b) the Consultant(s) and/or employee(s) of the Consultant who will be principally responsible for providing the services and deliverables. ***If an individual identified below does not have a current Form 700 on file with the City Clerk for a separate agreement with the City, and is required to file a Form 700, the Consultant must submit the required Form 700 in accordance with California Political Reform Act (Government Code Section 81000 et seq.).***

		Required to File Form 700?		
Consultant's Contract Manager		**Yes Already Filed (Date Filed)**	**Yes Need to File**	**No**
Name:	Phone No.:	**X (01/09/19)**		
Address:	E-mail:			
Other Staffing				
Name:	Assignment:			
1.				
2.				

3. **Subconsultants:** Whichever of the following is marked applies to this Approved Task Order:

☐ The Consultant cannot use any subconsultants.

☐ The Consultant can use the following subconsultants to assist in providing the required services and deliverables:

Subconsultant's Name	Area of Work
1.	
2.	
3.	

Consultant:
Task Order No.:

ATTACHMENT C: COMPENSATION TABLE

The City will compensate the Consultant for providing the services and deliverables set forth in **Attachment A** in accordance this Compensation Table.

Part 1 – Compensation for Services and Deliverables			
Column 1	**Column 2**	**Column 3**	**Column 4**
Task Nos. from Attachment A	**Basis of Compensation**	**Invoice Period**	**Compensation**
1	☐ Time & Materials ☐ Fixed Fee	☐ Monthly ☐ Completion of Task(s) ☐ Completion of Work	$
2	☐ Time & Materials ☐ Fixed Fee	☐ Monthly ☐ Completion of Task(s) ☐ Completion of Work	$
3	☐ Time & Materials ☐ Fixed Fee	☐ Monthly ☐ Completion of Task(s) ☐ Completion of Work	$
4	☐ Time & Materials ☐ Fixed Fee	☐ Monthly ☐ Completion of Task(s) ☐ Completion of Work	$
Part 2 – Reimbursable Expenses			
☐ No expenses are separately reimbursable. The amount(s) in Column 4 of Part 1 include(s) payment for all expenses.		☐ Expenses are separately reimbursable in the maximum amount of:	$
Part 3 – Subconsultant Costs			
☐ Subconsultant costs are ***not*** separately compensable. The amount(s) in Column 4 of Part 1 include(s) subconsultant costs.		☐ Subconsultant costs are separately compensable in the maximum amount of:	$
		Maximum Task Order Compensation (sum of Parts 1 through 3):	$

EXHIBIT E
NOTICE OF EXERCISE OF OPTION TO EXTEND AGREEMENT

AGREEMENT TITLE:	
CONTRACTOR:	
DATE:	

Pursuant to Section __ of the Agreement referenced above, the City of Santa Clara hereby exercises its option to extend the term under the following provisions:

OPTION NO.	# of #

NEW OPTION TERM

Begin date:	
End date:	

☐ **CHANGES IN RATE OF COMPENSATION**

Percentage change in CPI upon which adjustment is based:	

Pursuant to Section ___ of the Agreement the rates of compensation are hereby adjusted as follows:
(use attachment if necessary)

MAXIMUM COMPENSATION for New Option Term:	

For the option term exercised by this Notice, City shall pay Contractor an amount not to exceed the amount set forth above for Contractor's services and reimbursable expenses, if any. The undersigned signing on behalf of the City of Santa Clara hereby certifies that an unexpended appropriation is available for the term exercised by this Notice, and that funds are available as of the date of this signature.

Dated:

Approved as to Form:

GLEN R. GOOGINS
City Attorney

JŌVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

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Insured

Insured Name

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- Coverages
- Requirements
- Contract Screen

Add

Edit

Help

Video Tutorials

Name:	Raftelis Financial Consultants, Inc.
Account Number:	S200005293
Address:	227 West Trade Street Ste. 1400, Charlotte, NC, 28202
Status:	Compliant with Waived Deficiencies.

Insured

Business Unit(s) | Insured History | Print Insured Info

Account Information

Account Number:	S200005293
Risk Type:	Exhibit C6 - Professional Svc Contract(any amount)
Do Not Call:	Address Updated:

Address Information

Mailing Address	**Physical Address**
Insured:	Raftelis Financial Consultants, Inc.
Address 1:	227 West Trade Street Ste. 1400
Address 2:	

City:	Charlotte	
State:	NC	
Zip:	28202	
Country:		
Contract Information		
Contract Number:		
Contract Start Date:		Contract End Date:
Contract Effective Date:		Contract Expiration Date:
Description of Services:	Professional Services	Safety Form II:
Contact Information		
Contact Name:	Michelle Ferguson	Misc:
Phone Number:		Alt Phone Number:
Fax Number:		
E-Mail Address:	mferguson@raftelis.com	
Approval Date:		
Rush:	Yes	
Contract on File:	No	
Certificate Received:	Yes	
Indemnification Agreement:	No	
Tax Id:		

This Account created by WTH on 12/18/2023.

Ebix Insurance No. S200005491

AMENDMENT NO. 1
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
BAKER TILLY ADVISORY GROUP, LP

PREAMBLE

This amendment ("Amendment No. 1") is entered into on _____ ("Execution Date") between the City of Santa Clara, California, a chartered California municipal corporation ("City") and Baker Tilly Advisory Group, LP, a Delaware limited partnership ("Consultant"). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. The Parties previously entered into an agreement entitled "Agreement For Services Between The City Of Santa Clara, California and Baker Tilly Advisory Group, LP, dated January 13, 2025 (the "Agreement");

B. The initial term of the Agreement began on December 20, 2024, and terminated on December 31, 2025, with a reservation of the City's right to extend the term for up to two additional one-year terms through December 31, 2027; and

C. Consultant has continued to provide Services, as defined in the Agreement, from December 2025 through the Execution Date of this Amendment No. 1, and under the same terms and conditions of the Agreement; and,

D. The Parties now wish to amend the Agreement to reinstate the Agreement and authorize the City to retroactively exercise its first option period to extend the term of the Agreement through October 31, 2026, modify the rates, and increase compensation.

NOW, THEREFORE, in consideration of and reliance on the above-reference Recitals, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

1. REINSTATEMENT

   The Parties agree to reinstate the Agreement, effective as of December 31, 2025. All rights and obligations shall continue in full force and effect from December 31, 2025, through the term set forth in this Amendment, unless otherwise terminated in accordance with the Agreement. By way of this Amendment No. 1, the Parties agree to ratify the term extension.

2. EXERCISE OF OPTION TO EXTEND

   Consultant agrees to accept and retroactively apply the City's exercise of Option 1 of 2 to extend the term of the Agreement through December 31, 2026, as authorized in Section 2 of the Original Agreement by and through the completed "Notice of Exercise of Option To Extend" attached hereto and as Exhibit A, and incorporated by this reference.

3. Section 6 of the Agreement, entitled "COMPENSATION AND PAYMENT" is amended to read as follows:

   In consideration for Consultant's complete performance of Services, City shall pay Consultant for all materials provided and Services rendered by Consultant in accordance with Exhibit B1, entitled "COMPENSATION" and the Exhibit B2, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement shall not exceed **Three Hundred Forty-Seven Thousand Dollars ($347,000),** subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials, and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Consultant's expense. Consultant shall not be entitled to any payment above the maximum compensation under any circumstance.

4. Section 1.1 of Exhibit B1 (COMPENSATION) is hereby deleted in its entirety. The parties agree that the section number shall be marked "RESERVED" for the purpose of preserving the numbering continuity of this Agreement.

5. Consultant acknowledges and agrees that for the entire Term of the Agreement, it has maintained and shall continue to maintain the insurance coverage required by Section 15 of the Agreement.

6. Except as set forth herein, all other terms and conditions of the Agreement will remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 will control.

Signatures on next page

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form: Dated: _____

GLEN R. GOOGINS
City Attorney

JŌVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

BAKER TILLY ADVISORY GROUP, LP
A Delaware limited partnership

Dated: 6/24/2026

By (Signature): Caitlin Humrickhouse

Name: Caitlin Humrickhouse

Title: Principal

Principal Place of Business Address: 205 N. Michigan Avenue
Chicago, IL 60601

Email Address: caitlin.humrickhouse@bakertilly.com

Telephone: 312-729-8098

Fax:

"CONTRACTOR"

EXHIBIT A TO AMENDMENT NO. 1
NOTICE OF EXERCISE OF OPTION TO EXTEND AGREEMENT

AGREEMENT TITLE:	Amendment No. 1 to the Agreement for Services Between the City of Santa Clara, California, and Baker Tilly Advisory Group, LP, dated January 13, 2025
CONTRACTOR:	Baker Tilly Advisory Group, LP

Pursuant to Section 2 of the Agreement referenced above, the City of Santa Clara hereby exercises its option to extend the term under the following provisions:

OPTION NO.	1 of 2

NEW OPTION TERM

Begin date:	January 1, 2026 (Retroactive)
End date:	December 31, 2026

Dated: _____

Approved as to Form:

GLEN R. GOOGINS
City Attorney

JŌVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

Ebix Insurance No. S200005293

AMENDMENT NO. 1
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
RAFTELIS FINANCIAL CONSULTANTS, INC.

PREAMBLE

This amendment ("Amendment No. 1") is entered into on _____ ("Execution Date") between the City of Santa Clara, California, a chartered California municipal corporation ("City") and Raftelis Financial Consultants, Inc., a California corporation ("Consultant"). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. The Parties previously entered into an agreement entitled "Agreement For Services Between The City Of Santa Clara, California and Raftelis Financial Consultants, Inc". dated November 8, 2024 (the "Agreement"); and

B. The initial term of the Agreement began on November 1, 2024, and terminated on October 31, 2025, with a reservation of the City's right to extend the term for up to two additional one-year terms; and

C. Consultant has continued to provide Services, as defined in the Agreement, from October 2025 through the Execution Date of this Amendment No. 1, and under the same terms and conditions of the Agreement; and,

D. The Parties now wish to amend the Agreement to reinstate the Agreement and authorize the City to retroactively exercise its first option period to extend the term of the Agreement through October 31, 2026, modify the rates, and increase compensation.

NOW, THEREFORE, in consideration of and reliance on the above-referenced Recitals, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

1. REINSTATEMENT

   The Parties agree to reinstate the Agreement, effective as of October 31, 2025. All rights and obligations shall continue in full force and effect from October 31, 2025, through the term set forth in this Amendment, unless otherwise terminated in accordance with the Agreement. By way of this Amendment No. 1, the Parties agree to ratify the term extension.

2. EXERCISE OF OPTION TO EXTEND

   Consultant agrees to accept and retroactively apply the City's exercise of Option 1 of 2 to extend the term of the Agreement through October 31, 2026, as authorized in Section 2 of the Original Agreement by and through the completed "Notice of Exercise of Option To Extend" attached hereto and as Exhibit A, and incorporated by this reference.

3. Section 6 of the Agreement, entitled "COMPENSATION AND PAYMENT" is amended to read as follows:

   In consideration for Consultant's complete performance of Services, City shall pay Consultant for all materials provided and Services rendered by Consultant in accordance with Exhibit B1, entitled "COMPENSATION" and the Exhibit B2, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement shall not exceed **Five Hundred Thousand Dollars ($500,000)**, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials, and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Consultant's expense. Consultant shall not be entitled to any payment above the maximum compensation under any circumstance.

4. Section 1.1 of Exhibit B1 (COMPENSATION), is hereby deleted in its entirety. The parties agree that the section number shall be marked "RESERVED" for the purpose of preserving the numbering continuity of the Agreement.

5. Exhibit B2 (FEES) is hereby modified to replace the Standard Hourly Rates with those identified in the table below:

Staff Level	Hourly Rate
Executive Vice President	$412
Vice President	$371
Principal Consultant/SME	$320
Senior Manager	$330
Manager	$293
Sr. Consultant	$263
Consultant	$230
Associate Consultant	$196
Administrative	$100

6. Consultant acknowledges and agrees that for the entire Term of the Agreement, it has maintained and shall continue to maintain the insurance coverage required by Section 15 of the Agreement.

7. Except as set forth herein, all other terms and conditions of the Agreement will remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 will control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form: Dated: _____

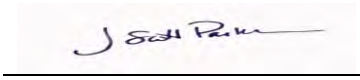
GLEN R. GOOGINS
City Attorney

JŌVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

RAFTELIS FINANCIAL CONSULTANTS, INC.
A California corporation

Dated: 6/24/2026

By (Signature): 

Name: J. Scott Parker

Title: Vice President

Principal Place of Business Address: 445 S. Figueroa Street, Suite 1925, Los Angeles, CA 90071

Email Address: sparker@raftelis.com

Telephone: 408-674-3369

Fax:

"CONTRACTOR"

EXHIBIT A
NOTICE OF EXERCISE OF OPTION TO EXTEND AGREEMENT

AGREEMENT TITLE:	Agreement for Services Between the City of Santa Clara, California, and Raftelis Financial Consultants, Inc., dated November 8, 2024
CONTRACTOR:	Raftelis Financial Consultants, Inc.

Pursuant to Section 2 of the Agreement referenced above, the City of Santa Clara hereby exercises its option to extend the term under the following provisions:

OPTION NO.	1 of 2

NEW OPTION TERM

Begin date:	November 1, 2025 (Retroactive)
End date:	October 31, 2026

Dated: _____

Approved as to Form:

_____

GLEN R. GOOGINS
City Attorney

_____

JŌVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

26-725 Agenda Date: 7/7/2026

REPORT TO COUNCIL

SUBJECT

Action to Authorize the City Manager to Execute Amendments to Agreements with Moveable, Inc. and TRAFFIK, LLC for Event Planning and Production Services, to Increase the Not-to-Exceed Compensation for Moveable, Inc. by $200,000 for a Total Not-to-Exceed Compensation of $550,000 and Increase the Not-to-Exceed Compensation for TRAFFIK, LLC by $100,000 for a Total Not-to-Exceed Compensation of $350,000

BACKGROUND

In January 2025, in preparation for the City of Santa Clara (City) hosting both Super Bowl LX and six Fédération Internationale de Football Association (FIFA) World Cup matches in 2026 (collectively, the "2026 Major Events"), the City transitioned the Economic Development and Communications Committee into a temporary ad hoc Economic Development and Marketing Committee (Committee). The Committee's purpose is to advance economic development, marketing, and community engagement initiatives associated with the 2026 Major Events.

The Committee began campaign planning and community engagement activities in April 2025, resulting in the launch of the City's official "Where the Mission Meets the Moment" campaign (WTMMTM Campaign) in October 2025. At that time, the City Council (Council) also allocated $1,000,000 to support campaign-related events and activations, including a Community Stadium Event, STEM Bowl, Night Markets & Festivals, and FIFA Watch Parties.

Following a competitive Request For Proposals process, and pursuant to City Code Section 2.105.300(a), the City Manager executed agreements for as-needed event planning and production services with Moveable, Inc (Moveable) Walk Talkin International LLC (Walk Talkin) and TRAFFIK LLC (TRAFFIK). Each agreement authorized a maximum compensation of $250,000 and includes an initial one-year term through March 1, 2027, with options to renew for up to four (4) additional one-year terms..

On May 26, 2026 (RTC# 26-383), the City Council amended the contract to increase the maximum compensation for Moveable and Walk Talkin by $100,000 each, for revised not-to-exceed maximum compensation amounts of $350,000 each. The original $250,000 maximum compensation amounts were based on preliminary estimates of event costs developed prior to completion of full creative conceptualization and detailed event scoping. The additional $100,000 per Agreement was authorized to support continued planning and successful implementation of WTMMTM Campaign events, upon finalization of creative conceptualization and detailed event scoping.

DISCUSSION

On June 12, 2026, FIFA approved the City's Public Viewing License applications for the WTMMTM Campaign which authorized the City to host a series of official FIFA World Cup watch parties. The approval significantly expanded the scope of the campaign and increased the level of event production, operational coordination, and public safety support necessary to successfully deliver these community events.

In July 2026, the City will host nine (9) FIFA World Cup watch parties across three venues: Alamo Drafthouse at Westfield Valley Fair Mall, the Santa Clara Convention Center, and the City's July Night Markets. These events are designed to provide residents and visitors with unique, family-friendly viewing experiences while ensuring compliance with FIFA's Public Viewing License requirements.

Alamo Drafthouse Watch Party

The City is set host three Round of 32 watch parties at Alamo Drafthouse Valley Fair on July 2, 2026, for matches scheduled for 12:00 p.m., 4:00 p.m., and 8:00 p.m. The venue is expected to accommodate more than 3,300 attendees throughout the day and will provide a premium cinema viewing experience, reserved seating, and integrated food and beverage service.

Convention Center Watch Party and Activity Zone

From July 9, 2026 through July 11, 2026, the City will host a three-day public viewing event at the Santa Clara Convention Center. The activation will include five Quarterfinal matches and will serve as the City's flagship public viewing hub and fan engagement zone. Each match is expected to accommodate up to 3,000 viewers, with the associated activity zone anticipated to attract approximately 10,000 attendees.

Night Market Watch Parties

On July 18, 2026 and July 19, 2026, the City will incorporate one watch party each day into its WTMMTM Campaign Night Market, creating a two-day outdoor community celebration. These events are expected to attract approximately 3,000 match viewers and more than 25,000 Night Market attendees.

Collectively, these events will provide residents and visitors with a range of indoor and outdoor viewing opportunities while furthering the City's goals of community engagement, tourism, economic activity, and celebration of the FIFA World Cup.

To date, $950,000 has been allocated among the event production agreements, as shown in Table 1. To date, the City has approved payment of $448,828 in invoices. These invoices represent direct production costs and do not include all authorized third-party expenses, such as talent, food and beverage, hospitality, and other related services. Final total event costs will be reconciled as remaining vendor invoices are received and approved.

Table 1: Contract Expenditures

Vendor	Event	Current NTE	Amount Invoiced	Remaining Balance

powered by Legistar™

Moveable	STEM Bowl Night Markets Alamo Drafthouse	$350,000	$294,623	$55,377
Walk Talkin	Stadium Community Event	$350,000	$150,924	$199,076
TRAFFIK	Stadium Site Visit	$250,000	$3,281*	$246,719
TOTALS		**$950,000**	**$448,828**	**$501,172**

*This cost was incurred for a site visit and consultation services related to the Stadium Community Event, which was later assigned to Walk Talkin.

It is important to note that the City received $500,000 in sponsorship funding from Devcon Construction Inc. (Devcon) to support the WTMMTM Campaign. On June 23, 2026, the City Council authorized acceptance of the Devcon sponsorship (RTC# 26-511). These sponsorship funds, together with the total WTMMTM Campaign budget of $1,000,000, will support the remaining campaign events and related community activities.

Moveable was selected to produce the watch parties at the July Night Markets and Alamo Drafthouse based on its role as the current producer of the Night Markets and its experience delivering pop-up community events for the WTMMTM Campaign. To support the planning and production needs of these watch parties, and to ensure sufficient funding is available to reconcile the final costs of the STEM Bowl and Night Markets upon receipt of all third-party invoices, staff recommends increasing Moveable's maximum compensation amount by $200,000 for a revised not-to-exceed amount of $550,000.

TRAFFIK was previously identified as the best-qualified firm to produce the Convention Center Watch Party and Activity Zone, pending approval of the City's FIFA Public Viewing License applications. While current estimates indicate that the Convention Center event will not exceed the agreement's current maximum compensation amount of $250,000, staff recommends increasing maximum compensation by $100,000 for a revised not-to-exceed amount of $350,000 to provide flexibility for additional production or operational needs that may arise, without interrupting event delivery.

ENVIRONMENTAL REVIEW

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

FISCAL IMPACT

In October 2025, City Council allocated $1,000,000 to the City Manager's Office to support the planning and implementation of the WTMMTM Campaign. On June 23, 2026, City Council also authorized the City to accept $500,000 in WTMMTM Campaign sponsorship funding. These funds will be used to support the proposed $200,000 increase to Moveable's agreement and $100,000 increase to TRAFFIK's agreement.

COORDINATION

This report was coordinated with the City Manager's Office, Finance Department, and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager or designee to execute Amendment No. 2 with Moveable Inc. to increase the maximum compensation by $200,000 for event production services, for a revised not-to-exceed maximum compensation amount of $550,000, subject to appropriation of funds;
2. Authorize the City Manager or designee to execute Amendment No. 1 with TRAFFIK, LLC to increase the maximum compensation by $100,000 for event production services, for a revised not-to-exceed maximum compensation amount of $350,000, subject to appropriation of funds; and
3. Authorize the City Manager or designee to take all actions necessary to implement and administer the Agreements with Moveable, Inc. Walk Talkin International LLC, and TRAFFIK, LLC, including negotiating and executing future amendments to (i) add or delete related line item services; (ii) implement rate adjustments on the terms provided in Exhibit B, and (iii) make de minimis changes, provided that the total not-to-exceed maximum compensation is not exceeded, subject to the appropriation of funds and review and approval as to form by the City Attorney.

Reviewed by: Elycia Knight, Assistant to the City Manager
Approved by: Jovan Grogan, City Manager

ATTACHMENTS

1. Agreement - TRAFFIK, LLC
2. Amendment No. 1 - TRAFFIK, LLC
3. Agreement - Moveable, Inc.
4. Amendment No. 1 - Moveable, Inc.
5. DRAFT Amendment No. 2 - Moveable, Inc.

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EBIX Insurance No. S200005816

AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
TRAFFIK, LLC

PREAMBLE

This Agreement is entered into as of 097@B6@DĀ*ÀĀ$"$(("Execution Date"), is entered into between the City of Santa Clara, California, a chartered California municipal corporation ("City") and TRAFFIK, LLC a California corporation, ("Consultant"). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. City desires to secure the services ("Services") more fully described in this Agreement, at Exhibit A, entitled "Scope of Services";

B. Consultant represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,

C. The Parties have specified herein the terms and conditions under which such Services will be provided and paid for.

In consideration of the above Recitals and the mutual covenants contained herein, the Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

The documents forming the entire Agreement between City and Contractor will consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit A-1 – Standard Indemnification

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings, whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions will govern and control.

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2. TERM OF AGREEMENT

A. Term: Nothwithstanding the date this Agreement is executed by the Parties (the "Execution Date"), the Parties agree that this Agreement will be deemed effective for all purposes, including the commencement of rights, obligations, and performance, as of January 23, 2026 ("Effective Date"). Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement will begin as of the Effective Date and terminate on March 1, 2027.

After the initial term, the City reserves the right to extend the term of the agreement by up to four (4) additional terms of one-year each in such increments as determined by the City. Any such extension will be formalized through a formal written amendment to this Agreement.

B. Retroactive Effect: The Parties acknowledge and agree that all rights, obligations, and activities undertaken furtherance of the purpose of this Agreement between the Effective Date and the Execution Date will be governed by the terms and conditions set forth herein as if this Agreement had been fully executed on the Effective Date.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

Consultant will perform those Services specified in Exhibit A within the time stated in Exhibit A. Time is of the essence.

4. WARRANTY

Consultant expressly warrants that all materials and services covered by this Agreement will be fit for the purpose intended, will be free from defect and will conform to the specifications, requirements and instructions upon which this Agreement is based. Consultant agrees to promptly replace or correct any incomplete, inaccurate or defective Services at no further cost to City when defects are due to the negligence, errors or omissions of Consultant. If Consultant fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Consultant for the cost incurred by City.

5. QUALIFICATIONS OF CONSULTANT - STANDARD OF CARE

Consultant represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Consultant's representations regarding its skills and knowledge. Consultant will perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

6. COMPENSATION AND PAYMENT

In consideration for Consultant's complete performance of Services, City will pay Consultant for all materials provided and Services rendered by Consultant in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this

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Agreement is **Two Hundred Fifty Thousand Dollars ($250,000)**, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation will be at Consultant's expense. Consultant will not be entitled to any payment above the maximum compensation under any circumstance.

7. TERMINATION

A. Termination for Convenience. City will have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Consultant.

B. Termination for Default. If Consultant fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Consultant.

C. Upon termination, each Party will assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Consultant will deliver to City all City information or material that Consultant has in its possession.

8. ASSIGNMENT AND SUBCONTRACTING

City and Consultant bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement will not be assigned or transferred without the prior written approval of City. Consultant will not hire subcontractors without express written permission from City.

Consultant will be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Consultant is for the acts and omissions of persons directly employed by it.

9. NO THIRD PARTY BENEFICIARY

This Agreement will not be construed to be an agreement for the benefit of any third party or parties and no third party or parties will have any claim or right of action under this Agreement for any cause whatsoever.

10. INDEPENDENT CONTRACTOR

Consultant and all person(s) employed by or contracted with Consultant to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Consultant has full rights to manage its employees in their performance of Services under this Agreement.

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11. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Consultant and all other written information submitted to Consultant in connection with the performance of this Agreement will be held confidential by Consultant and will not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Consultant which is otherwise known to Consultant or becomes generally known to the related industry will be deemed confidential.

12. OWNERSHIP OF MATERIAL

All material, which will include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement will be the property of City but Consultant may retain and use copies thereof. City will not be limited in any way or at any time in its use of said material. However, Consultant will not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties.

13. RIGHT OF CITY TO INSPECT RECORDS OF CONSULTANT

City, through its authorized employees, representatives or agents will have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Consultant for the purpose of verifying any and all charges made by Consultant in connection with Consultant compensation under this Agreement, including termination of Consultant. Consultant agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded will be disallowed by City. Consultant will bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Consultant will submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Consultant agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Consultant's Services hereunder.

14. HOLD HARMLESS/INDEMNIFICATION

A. To the extent permitted by law, Consultant agrees to protect, defend, hold harmless and indemnify (collectively "Indemnify") City, its City Council, commissions, officers, employees, volunteers and agents (collectively "Indemnitees") from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action (collectively "Losses"), and whether sounding in law, contract, tort, or equity, arising out of the performance of the

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Services, that are caused or claimed to be caused by the acts, errors and/or omissions of Consultant, its employees, its subconsultants, or anyone for whose acts any of them may be liable (collectively "Responsible Parties"). Consultant's responsibilities under this Section 14 (HOLD HARMLESS/INDEMNIFICATION) include liability arising from, connective with, caused by, or claimed to be caused by the active or passive negligent acts or omissions of City, which may be in combination with the acts or omissions of any Responsible Party, provided that Consultant's duty to Indemnify will not include any Losses arising from the sole negligence or willful misconduct of Indemnitees. Notwithstanding, Consultant's duty to defend is not so limited.

B. Consultant's obligation to Indemnify, will specifically extend to any and all employment-related claims of any type brought by employees, consultants, subconsultants or other agents of Consultant, against City (either alone, or jointly with Consultant), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.

C. To the extent Consultant is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Consultant warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Consultant's responsibilities under the Act.

D. The Parties expressly agree that this Section 14 (HOLD HARMLESS/INDEMNIFICATION) will survive the expiration or early termination of the Agreement.

15. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit C, Consultant will provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

16. WAIVER

Consultant agrees that waiver by City of any one or more of the conditions of performance under this Agreement will not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement will be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

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17. NOTICES

All notices to the Parties will, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: Elycia Knight, City Manager's Office
1500 Warburton Avenue
Santa Clara, CA 95050
and by e-mail at EKnight@santaclaraca.gov

And to Consultant addressed as follows:

TRAFFIK, LLC
Attention: Brent Shoji
874 Spectrum Center Drive
Irvine, CA 92618
and by e-mail at brent.shoji@traffikonline.com

The workday the e-mail was sent will control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday will be deemed to have been transmitted on the following business day.

18. COMPLIANCE WITH LAWS

Consultant will comply with all applicable laws and regulations of the federal, state and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, Consultant's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.070), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally, Consultant has read and agrees to comply with City's Ethical Standards (http://santaclaraca.gov/home/showdocument?id=58299).

19. CONFLICTS OF INTEREST

Consultant certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Consultant and that no person associated with Consultant has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Consultant is familiar with the provisions of California Government Code section 87100 and following and certifies that it does not know of any facts which would violate these code provisions. Consultant will advise City if a conflict arises.

20. FAIR EMPLOYMENT

Consultant will not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic

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information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

21. NO USE OF CITY NAME OR EMBLEM

Consultant will not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

22. GOVERNING LAW AND VENUE

This Agreement will be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party will be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

23. SEVERABILITY CLAUSE

In case any one or more of the provisions in this Agreement will, for any reason, be held invalid, illegal or unenforceable in any respect, it will not affect the validity of the other provisions, which will remain in full force and effect.

24. AMENDMENTS

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

25. COUNTERPARTS

This Agreement may be executed in counterparts, each of which will be deemed to be an original, but both of which will constitute one and the same instrument.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Signed by:
Jennifer Beyers
75A18AF02BF64F1...
GLEN R. GOOGINS
City Attorney

Dated: $!*!$"$(ĀEĀ'+#'Ā32Ā345

Signed by:
Jovan D. Grogan
5EAD88DED5C343A...
JOVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

TRAFFIK, LLC
a California corporation

Dated: $!(!$"$(ĀEĀ%+&&Ā32Ā345

By (Signature): DocuSigned by:
Brent Shoji
66437E9843DA498...

Name: Brent Shoji

Title: Executive Director

Principal Place of Business Address: 874 Spectrum Center Drive
Irvine, CA 92618

Email Address: brent.shoji@traffikonline.com

Telephone: 949-679-6820

Fax:

"CONSULTANT"

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EXHIBIT A
SCOPE OF SERVICES

This Scope of Services outlines the requirements for Consultant to provide as-needed event planning and production services ("Services") for the City. The Consultant is responsible for providing all labor, equipment, materials and project management necessary to produce the event(s) as directed by the City.

1. PROJECT APPROVAL PROCESS

1.1. Consultant will provide the Services on an as-needed basis and as directed, in writing, by the City Manager's Office ("CMO") or designee. The CMO will provide Consultant with a written request ("Event Request") detailing the initial event concept, objectives, timeline and any other information needed to formulate the event scope.

1.2. For each Event Request, Consultant will prepare an initial scope of work ("Event SOW"). The Event SOW will detail the tasks anticipated to be required to achieve event goals, phases and timelines, and the estimated budget, to include Consultant's anticipated labor and management fees, third party vendor fees, and any other costs that may be associated with producing the event. Event budgets will be calculated according to the rates listed in Exhibit B (Fee Schedule).

1.3. If CMO elects, in its sole discretion to proceed with an Event SOW, CMO will give final authorization, in writing, to proceed with an Event SOW prior to Consultant providing any services related to the event.

1.4. The project approval process is a collaborative process between City and Consultant. Regular meetings, emails, and telephone calls will all be accepted forms of communication throughout the process. Authorization to prepare an Event SOW and final approval of the Event SOW must be documented in writing (email acceptable).

2. GENERAL ADMINISTRATIVE REQUIREMENTS

Consultant will provide administrative and project management oversight for each event. Key responsibilities include, but are not limited to:

2.1. Collaboration: Attendance at regular meetings with City staff and partners to ensure alignment across teams on event plans and goals.

2.2. Approvals: Ensure explicit prior approval by the City is received before moving forward with any irrevocable plans or purchases.

2.3. Budget Development and Management. Create detailed cost estimates and recommend cost-savings strategies.

2.4. Project Tracking: Maintain a centralized project timeline, deliverables tracker, and budget tracker at all times.

2.5. Evaluation. Deliver a post-event evaluation report within 30 days of each event to analyze outcomes and recommend future improvements.

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3. EVENT STRATEGY & DESIGN

In coordination with the City, Consultant is responsible for leading the conceptualization, artistic curation and blueprint development for each event. Key responsibilities include, but are not limited to:

3.1. Creative Concepting: Collaborate with City staff to develop creative themes, formats, and desired outcomes.

3.2. Venue Management: Identify suitable City-owned or non-City-owned venues and coordinate all scheduling, permitting and logistics directly with the venue.

3.3. Technical Design: Create blueprint designs of the entire event grounds and present production elements through CAD-Specific drawings for City review.

4. LOGISTICS, TALENT, AND VENDOR MANAGEMENT

Consultant is responsible for the comprehensive planning, execution and oversight of all operational elements of each event. Key responsibilities include, but are not limited to:

4.1. Operational Planning & Logistics

4.1.1. Work Plans: Create a detailed work plan for each event to include the following elements, at a minimum:

- Production Plans
- Timelines
- Equipment Lists
- Staffing and Volunteer Plans
- Event Day Operations Plan
- Contingency Plans/Escalation Trees
- Emergency Action Plans

4.1.2. Permitting: Secure all required permits and ensure all vendors and contracted talent comply with City permit requirements and ordinances.

4.1.3. Production Elements. Source and manage all required equipment and supplies such as audio/visual lighting, furniture, perimeter fencing, portable toilets, tents, and any other equipment and supplies identified as being required.

4.1.4. Event Set-Up. Manage the entire load-in and load-out process and oversee all coordination with the venue.

4.1.5. Ancillary Services. Oversee ticketing procedures, signage design/placement, and concessions/hospitality for patrons and staff.

4.2. Talent and Vendor Oversight

4.2.1. Talent Acquisition. Identify, book, and contract performers (for example musicians, artists, DJs, cultural partners) following City approval of the performer, performer's rates, contractual terms, and rider provisions, at a minimum.

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4.2.2. Talent Contract Management. Fulfill all talent rider provisions.

4.2.3. Vendor Management. Identify, vet, and contract with all third-party vendors required for each event (catering, security, décor, etc.) Consultant will serve as the single point-of-contact for all external partners and will manage their schedules and deliverables. The City reserves the right to reject any of Consultant's selected vendors at their sole discretion.

5. RISK AND SAFETY MANAGEMENT

Consultant is responsible for identifying risks associated with the event and ensuring a secure environment. Key responsibilities include, but are not limited to:

5.1. Identify potential logistical, financial, reputational, and safety-related risks and develop risk mitigation strategies and contingency plans.

5.2. Comply with direction from City departments (Police, Fire, Public Works, Risk Management) and stakeholders to establish necessary security measures and staffing.

5.3. Ensure compliance with safety protocols and Emergency Action Plans.

5.4. Ensure external partners such as third-party vendors and booked talent indemnify the City using the City's standard indemnity language, a copy of which is attached as Exhibit A-1, maintain insurance coverages and levels as required by the City, including at a minimum that policies identify the City as a third-party beneficiary and additional insured. Additionally, Consultant will collect evidence of insurance coverage by all external partners and show proof of coverage upon the request of the City.

6. EVENT DAY STAFFING AND OPERATIONS

Consultant is responsible for overseeing all elements of event day activities in coordination with the City. Key responsibilities include, but are not limited to:

6.1. Provide real-time, onsite oversight and general management of the entire event and ensure all issues are addressed immediately and according to established plans.

6.2. Ensure adequate supervision of all vendors, staffing and volunteers at all times.

7. DELIVERABLES

The specific deliverables Consultant may be requested to provide for any event may include but is not limited to, the following:

7.1. Event permit packets (applications and approvals for City sign-off)
7.2. Staffing & Volunteer plan utilizing the City's Volunteer Program
7.3. Day-of event operations plan and escalation tree
7.4. Emergency Action Plans (EAPs)
7.5. Documentation of vendor compliance (licenses, insurance, permits)
7.6. Talent contracts & promotional review signoffs
7.7. Detailed budgets with monthly updates
7.8. Production schedules, run-of-shows, and site maps
7.9. Post-event evaluation reports (within 30 days of each event).

EXHIBIT A-1
STANDARD INDEMNIFICATION

A. To the extent permitted by law, Consultant agrees to protect, defend, hold harmless and indemnify (collectively "Indemnify") City, its City Council, commissions, officers, employees, volunteers and agents (collectively "Indemnitees") from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action (collectively "Losses"), and whether sounding in law, contract, tort, or equity, arising out of the performance of the Services, that are caused or claimed to be caused by the acts, errors and/or omissions of Consultant, its employees, its subconsultants, or anyone for whose acts any of them may be liable (collectively "Responsible Parties"). Consultant's responsibilities under this Section (HOLD HARMLESS/INDEMNIFICATION) include liability arising from, connective with, caused by, or claimed to be caused by the active or passive negligent acts or omissions of City, which may be in combination with the acts or omissions of any Responsible Party, provided that Consultant's duty to Indemnify will not include any Losses arising from the sole negligence or willful misconduct of Indemnitees. Notwithstanding, Consultant's duty to defend is not so limited.

B. Consultant's obligation to Indemnify, will specifically extend to any and all employment-related claims of any type brought by employees, consultants, subconsultants or other agents of Consultant, against City (either alone, or jointly with Consultant), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.

C. To the extent Consultant is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Consultant warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Consultant's responsibilities under the Act.

D. The Parties expressly agree that this Section (HOLD HARMLESS/INDEMNIFICATION) will survive the expiration or early termination of the Agreement.

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EXHIBIT B
SCHEDULE OF FEES

1. EVENT BUDGETS

1.1. For each Event SOW, Consultant will submit a proposed budget calculated based on 1) Consultant's estimated production fees, 2) Consultant's estimated labor fees, and 3) the estimated third-party production expenses. Third party production expenses will be based on actual vendor quotes and/or labor models tied to the Event SOW. All budgets must include category contingencies sized to risk and shown explicitly.

1.2. Event Budgets may be modified throughout the event planning and production process, upon written approval by the CMO. City will not pay or be liable for any Event Budget increases that result in the maximum compensation of this Agreement being exceeded without first entering into a formal written amendment to this Agreement, which may be approved or denied in the City's sole discretion and is subject to City Council authorization.

2. FEE SCHEDULE

2.1. PRODUCTION FEES. Production fees consist of the Consultant's overall event management services and agency overhead costs associated with producing the event. Production fees for each event will be agreed upon by City and Consultant during the Event SOW approval process, based on one of the following two options:

2.1.1. One-Time Production Fee: A fixed management fee per event based on final scope and budget, to be agreed upon by City and Consultant.

2.1.2. Percentage Based Production Fee: A fee of up to 15% of direct production spend, capped by a mutually agreed not-to-exceed amount per event.

2.2. Sponsorship Management Fee: In the event the City requests Consultant's support in soliciting and managing sponsors for City events, Consultant will receive a fee of up to 25% of gross sponsorship value, capped by a mutually agreed not-to-exceed amount per event.

2.3. ON SITE LABOR FEES. Consultant will be compensated for staff time spent on location during event load-in, event execution, and load-out phases. Consultant will bill the City only for actual hours worked by staff to support the event, according to the hourly rates listed below, which constitute the maximum rate that the City can be charged for a particular role. Exact rates not to exceed the rates listed below will be established during the Event SOW approval process.

Table 1 – Hourly Rate Ceilings

Role	Max Rate	Role	Max Rate
Executive Operations	$195	PA or Runner	$55
Primary City Contact	$175	Marketing/Public Information Lead	$150
Production Director	$180	Strategy and Research	$145

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Technical and Compliance Lead	$165	Digital Media	$135
Sponsorships Director	$155	Content and Social	$95
Senior Producer	$150	Creative Director	$150
Site Operations Manager	$120	Art Director	$135
Stage Manager	$110	Designer	$95
Permitting Coordinator	$115	Copywriter	$110
Safety Officer	$120	Media Planner or Buyer	$120
Production Coordinator	$85	Data and Reporting	$125

3. THIRD PARTY FEES

3.1. Consultant will pay for all third-party production costs after pre-approval by the City. The City will reimburse Consultant for approved third-party production expenses at actual cost. Expenses are reimbursable only if they are not already included in hourly rates, were approved in advance by the City, and are supported by itemized receipts.

4. TRAVEL COSTS

4.1. Travel will be reimbursed as listed below.

- Airfare/Rental Car – At economy rates
- Lodging - According to the rates outlined by the United States General Services Administration (GSA) https://www.gsa.gov/travel-resources.

4.2. If third-party vendors require travel, Consultant will pay for all third-party travel costs and request reimbursement from the City during the invoice process. Consultant will make every effort to minimize travel costs by using local labor/vendors whenever possible.

4.3. All travel must receive prior authorization by the city.

4. REMITTANCE OF REVENUE TO THE CITY

4.1. In the event Consultant collects revenue on behalf of the City, (for example through collection of retailer application fees, concessions fees, or other fees where Consultant facilitates payment collection for City revenue), in which all or a portion of those fees belong to the City, Consultant will remit the fees to the City within thirty days of the completion of the event. Alternatively, Consultant may subtract the revenue collected on behalf of the City from the total budget for the event. City and Consultant's portion of any revenue generated and the method for remitting payment to the City will be established during the Event SOW approval process.

4.2. In the event of a dispute regarding payments due to the City, Consultant will, within five (5) business days of a written request, provide the City or its authorized representative with full access to all books, invoices, receipts, and financial records related to the Event.

5. INVOICE AND PAYMENT

5.1. Consultant will bill the City on a monthly basis for the Services actually provided or expenses actually incurred during the preceding month, on an invoice and in a format approved by the City and subject to verification and approval by the City. As an alternative to monthly invoices, Consultant may invoice the City according to the deliverable of key payment milestones, if established in the Event SOW.

5.2. The City will not pay any advance deposits or pre-payments. Invoices will only be issued after services or deliverables are provided.

5.3. A full reconciliation with invoices and variance analysis must be delivered within thirty days of event completion.

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EXHIBIT C
INSURANCE REQUIREMENTS

Without limiting the Consultant's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Consultant will provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies will be primary insurance as to the City of Santa Clara so that any other coverage held by the City will not contribute to any loss under Consultant's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but will in no event be less than, the following:

   $1,000,000 Each Occurrence
   $2,000,000 General Aggregate
   $2,000,000 Products/Completed Operations Aggregate
   $1,000,000 Personal Injury

2. Exact structure and layering of the coverage will be left to the discretion of Consultant; however, any excess or umbrella policies used to meet the required limits will be at least as broad as the underlying coverage and will otherwise follow form.

3. The following provisions will apply to the Commercial Liability policy as well as any umbrella policy maintained by the Consultant to comply with the insurance requirements of this Agreement:

   a. Coverage will be on a "pay on behalf" basis with defense costs payable in addition to policy limits;

   b. There will be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and

   c. Coverage will apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars ($1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage will apply to all owned (if any), non-owned and hired autos.

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C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars ($1,000,000) policy limit Bodily Injury by disease, one million dollars ($1,000,000) each accident/Bodily Injury and one million dollars ($1,000,000) each employee Bodily Injury by disease.

2. The indemnification and hold harmless obligations of Consultant included in this Agreement will not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Consultant or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).

3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate will be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Consultant. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage will be in an amount of not less than one million dollars ($1,000,000) per claim or two million dollars ($2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Consultant's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.

2. Primary and non-contributing. Each insurance policy provided by Consultant will contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess will be considered excess insurance only and will not be called upon to contribute with Consultant's insurance.

3. Cancellation.

   a. Each insurance policy will contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums will be effective until written notice has been given to City at least ten (10) days prior to the effective date of such

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modification or cancellation. In the event of non-renewal, written notice will be given at least ten (10) days prior to the effective date of non-renewal.

b. Each insurance policy will contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums will be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice will be given at least thirty (30) days prior to the effective date of non-renewal.

4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Consultant and City agree as follows:

1. Consultant agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Consultant, provide the same minimum insurance coverage required of Consultant, except as with respect to limits. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Consultant agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.

2. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There will be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Consultant in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Consultant, and each and every subcontractor (of every tier) will, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage will be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Consultant will file with the City all certificates and endorsements for the

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required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Consultant or its insurance broker will provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage will be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Consultant will submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement will be mailed to:

EBIX Inc.
City of Santa Clara City Manager's Office
P.O. Box 100085 – S2 or 1 Ebix Way
Duluth, GA 30096 John's Creek, GA 30097

Telephone number: 951-766-2280
Fax number: 770-325-0409
Email address: ctsantaclara@ebix.com

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Consultant will have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or will be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.

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This agreement (“Amendment No. &”)!Ā JUGXMĀEVĀSJĀDDDDDDDDDDDDDDDD_____(“Effective Date”)!ĀWĀMRXVHĀRXSĀFIX[IIRĀXLIĀ2M]XSJĀ@ERĀEPEVĀERHĀ? 0558 9!Ā: 2!ĀĀEPSVRMĀEĀGLEVXVIHĀ 2EPSVRMEĀYRMXEĀRMXERĀSVTSVEXMSĀ2M]XĀERHĀ? 0558 9!Ā: 2!ĀĀEPSVRMĀGSVTSVEXMSĀ Ā2SRWYPEXX#Ā2M]XĀERHĀSRWYPEXĀmay be referred to individually as a “Party” or collectively as the “Parties” or the “Parties to this Agreement.”Ā

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EBIX Insurance No. S200005818

AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
MOVEABLE, INC.

PREAMBLE

This Agreement, effective as of " #) #!#& _____ ("Effective Date"), is entered into between the City of Santa Clara, California, a chartered California municipal corporation ("City") and Moveable, Inc. a California corporation, ("Consultant"). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. City desires to secure the services ("Services") more fully described in this Agreement, at Exhibit A, entitled "Scope of Services";

B. Consultant represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,

C. The Parties have specified herein the terms and conditions under which such Services will be provided and paid for.

In consideration of the above Recitals and the mutual covenants contained herein, the Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

The documents forming the entire Agreement between City and Contractor shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit A-1 – Standard Indemnification

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings, whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

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2. TERM OF AGREEMENT

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin as of the Effective Date and terminate on March 1, 2027.

After the initial term, the City reserves the right to extend the term of the agreement by up to four (4) additional terms of one-year each in such increments as determined by the City. Any such extension shall be formalized through a formal written amendment to this Agreement.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

Consultant shall perform those Services specified in Exhibit A within the time stated in Exhibit A. Time is of the essence.

4. WARRANTY

Consultant expressly warrants that all materials and services covered by this Agreement shall be fit for the purpose intended, shall be free from defect and shall conform to the specifications, requirements and instructions upon which this Agreement is based. Consultant agrees to promptly replace or correct any incomplete, inaccurate or defective Services at no further cost to City when defects are due to the negligence, errors or omissions of Consultant. If Consultant fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Consultant for the cost incurred by City.

5. QUALIFICATIONS OF CONSULTANT - STANDARD OF CARE

Consultant represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Consultant's representations regarding its skills and knowledge. Consultant shall perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

6. COMPENSATION AND PAYMENT

In consideration for Consultant's complete performance of Services, City shall pay Consultant for all materials provided and Services rendered by Consultant in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is **Two Hundred Fifty Thousand Dollars ($250,000)**, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Consultant's expense. Consultant shall not be entitled to any payment above the maximum compensation under any circumstance.

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7. TERMINATION

A. Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Consultant.

B. Termination for Default. If Consultant fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Consultant.

C. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Consultant will deliver to City all City information or material that Consultant has in its possession.

8. ASSIGNMENT AND SUBCONTRACTING

City and Consultant bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Consultant shall not hire subcontractors without express written permission from City.

Consultant shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Consultant is for the acts and omissions of persons directly employed by it.

9. NO THIRD PARTY BENEFICIARY

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

10. INDEPENDENT CONTRACTOR

Consultant and all person(s) employed by or contracted with Consultant to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Consultant has full rights to manage its employees in their performance of Services under this Agreement.

11. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Consultant and all other written information submitted to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Consultant which is otherwise known

to Consultant or becomes generally known to the related industry shall be deemed confidential.

12. OWNERSHIP OF MATERIAL

All material, which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement shall be the property of City but Consultant may retain and use copies thereof. City shall not be limited in any way or at any time in its use of said material. However, Consultant shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties.

13. RIGHT OF CITY TO INSPECT RECORDS OF CONSULTANT

City, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Consultant for the purpose of verifying any and all charges made by Consultant in connection with Consultant compensation under this Agreement, including termination of Consultant. Consultant agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City. Consultant shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Consultant shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Consultant agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Consultant's Services hereunder.

14. HOLD HARMLESS/INDEMNIFICATION

A. To the extent permitted by law, Consultant agrees to protect, defend, hold harmless and indemnify (collectively "Indemnify") City, its City Council, commissions, officers, employees, volunteers and agents (collectively "Indemnitees") from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action (collectively "Losses"), and whether sounding in law, contract, tort, or equity, arising out of the performance of the Services, that are caused or claimed to be caused by the acts, errors and/or omissions of Consultant, its employees, its subconsultants, or anyone for whose acts any of them may be liable (collectively "Responsible Parties"). Consultant's responsibilities under this Section 14 (HOLD HARMLESS/INDEMNIFICATION) include liability arising from, connective with, caused by, or claimed to be caused by the active or passive negligent acts or omissions of City, which may be in combination with the acts or omissions of any Responsible Party, provided that Consultant's duty to Indemnify will not include any Losses arising from the sole

negligence or willful misconduct of Indemnitees. Notwithstanding, Consultant's duty to defend is not so limited.

B. Consultant's obligation to Indemnify, will specifically extend to any and all employment-related claims of any type brought by employees, consultants, subconsultants or other agents of Consultant, against City (either alone, or jointly with Consultant), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.

C. To the extent Consultant is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Consultant warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Consultant's responsibilities under the Act.

D. The Parties expressly agree that this Section 14 (HOLD HARMLESS/INDEMNIFICATION) will survive the expiration or early termination of the Agreement.

15. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit C, Consultant shall provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

16. WAIVER

Consultant agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

17. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: Elycia Knight, City Manager's Office
1500 Warburton Avenue
Santa Clara, CA 95050
and by e-mail at EKnight@santaclaraca.gov

And to Consultant addressed as follows:

Moveable, Inc.
Attention: Thomas Ryan Sebastian
2160 Tully Road

San Jose, CA 95122
and by e-mail at ryan@mvbl.co

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

18. COMPLIANCE WITH LAWS

Consultant shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, Consultant's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.070), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally, Consultant has read and agrees to comply with City's Ethical Standards (http://santaclaraca.gov/home/showdocument?id=58299).

19. CONFLICTS OF INTEREST

Consultant certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Consultant and that no person associated with Consultant has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Consultant is familiar with the provisions of California Government Code section 87100 and following and certifies that it does not know of any facts which would violate these code provisions. Consultant will advise City if a conflict arises.

20. FAIR EMPLOYMENT

Consultant shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

21. NO USE OF CITY NAME OR EMBLEM

Consultant shall not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

22. GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

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23. SEVERABILITY CLAUSE

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

24. AMENDMENTS

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

25. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

Signatures on next page

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Signed by:
Jennifer Beyers for
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GLEN R. GOOGINS
City Attorney

Dated: " #) #!#&Ā@Ā)*%"Ā+1Ā234

Signed by:
Jovan D. Grogan
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JOVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

MOVEABLE, INC.
a California corporation

Dated: " #(#!#&Ā@Ā""*$"Ā+1Ā234

By (Signature): DocuSigned by:
Thomas Ryan Sebastian
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Name: Thomas Ryan Sebastian

Title: Chief Executive Officer

Principal Place of Business Address: 2160 Tully Road
San Jose, CA 95122

Email Address: ryan@mvbl.co

Telephone: 408-425-3136

Fax:

"CONSULTANT"

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EXHIBIT A
SCOPE OF SERVICES

This Scope of Services outlines the requirements for Consultant to provide as-needed event planning and production services ("Services") for the City. The Consultant is responsible for providing all labor, equipment, materials and project management necessary to produce the event(s) as directed by the City.

1. PROJECT APPROVAL PROCESS

1.1. Consultant will provide the Services on an as-needed basis and as directed, in writing, by the City Manager's Office ("CMO") or designee. The CMO will provide Consultant with a written request ("Event Request") detailing the initial event concept, objectives, timeline and any other information needed to formulate the event scope.

1.2. For each Event Request, Consultant will prepare an initial scope of work ("Event SOW"). The Event SOW will detail the tasks anticipated to be required to achieve event goals, phases and timelines, and the estimated budget, to include Consultant's anticipated labor and management fees, third party vendor fees, and any other costs that may be associated with producing the event. Event budgets will be calculated according to the rates listed in Exhibit B (Fee Schedule).

1.3. If CMO elects, in its sole discretion to proceed with an Event SOW, CMO will give final authorization, in writing, to proceed with an Event SOW prior to Consultant providing any services related to the event.

1.4. The project approval process is a collaborative process between City and Consultant. Regular meetings, emails, and telephone calls will all be accepted forms of communication throughout the process. Authorization to prepare an Event SOW and final approval of the Event SOW must be documented in writing (email acceptable).

2. GENERAL ADMINISTRATIVE REQUIREMENTS

Consultant will provide administrative and project management oversight for each event. Key responsibilities include, but are not limited to:

2.1. Collaboration: Attendance at regular meetings with City staff and partners to ensure alignment across teams on event plans and goals.

2.2. Approvals: Ensure explicit prior approval by the City is received before moving forward with any irrevocable plans or purchases.

2.3. Budget Development and Management. Create detailed cost estimates and recommend cost-savings strategies.

2.4. Project Tracking: Maintain a centralized project timeline, deliverables tracker, and budget tracker at all times.

2.5. Evaluation. Deliver a post-event evaluation report within 30 days of each event to analyze outcomes and recommend future improvements.

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3. EVENT STRATEGY & DESIGN

In coordination with the City, Consultant is responsible for leading the conceptualization, artistic curation and blueprint development for each event. Key responsibilities include, but are not limited to:

3.1 Creative Concepting: Collaborate with City staff to develop creative themes, formats, and desired outcomes.

3.2 Venue Management: Identify suitable City-owned or non-City-owned venues and coordinate all scheduling, permitting and logistics directly with the venue.

3.3 Technical Design: Create blueprint designs of the entire event grounds and present production elements through CAD-Specific drawings for City review.

4. LOGISTICS, TALENT, AND VENDOR MANAGEMENT

Consultant is responsible for the comprehensive planning, execution and oversight of all operational elements of each event. Key responsibilities include, but are not limited to:

4.1. Operational Planning & Logistics

4.1.1. Work Plans: Create a detailed work plan for each event to include the following elements, at a minimum:

- Production Plans
- Timelines
- Equipment Lists
- Staffing and Volunteer Plans
- Event Day Operations Plan
- Contingency Plans/Escalation Trees
- Emergency Action Plans

4.1.2. Permitting: Secure all required permits and ensure all vendors and contracted talent comply with City permit requirements and ordinances.

4.1.3. Production Elements. Source and manage all required equipment and supplies such as audio/visual lighting, furniture, perimeter fencing, portable toilets, tents, and any other equipment and supplies identified as being required.

4.1.4. Event Set-Up. Manage the entire load-in and load-out process and oversee all coordination with the venue.

4.1.5. Ancillary Services. Oversee ticketing procedures, signage design/placement, and concessions/hospitality for patrons and staff.

4.2. Talent and Vendor Oversight

4.2.1. Talent Acquisition. Identify, book, and contract performers (for example musicians, artists, DJs, cultural partners) following City approval of the performer, performer's rates, contractual terms, and rider provisions, at a minimum.

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4.2.2. Talent Contract Management. Fulfill all talent rider provisions.

4.2.3. Vendor Management. Identify, vet and contract with all third-party vendors required for each event (catering, security, décor, etc.) Consultant will serve as the single point-of-contact for all external partners and will manage their schedules and deliverables. The City reserves the right to reject any of Consultant's selected vendors at their sole discretion.

5. RISK AND SAFETY MANAGEMENT

Consultant is responsible for identifying risks associated with the event and ensuring a secure environment. Key responsibilities include, but are not limited to:

5.1. Identify potential logistical, financial, reputational, and safety-related risks and develop risk mitigation strategies and contingency plans.

5.2. Comply with direction from City departments (Police, Fire, Public Works, Risk Management) and stakeholders to establish necessary security measures and staffing.

5.3. Ensure compliance with safety protocols and Emergency Action Plans.

5.4. Ensure external partners such as third-party vendors and booked talent indemnify the City using the City's standard indemnity language, a copy of which is attached as Exhibit A-1, maintain insurance coverages and levels as required by the City, including at a minimum that policies identify the City as a third-party beneficiary and additional insured. Additionally, Consultant will collect evidence of insurance coverage by all external partners and show proof of coverage upon the request of the City.

6. EVENT DAY STAFFING AND OPERATIONS

Consultant is responsible for overseeing all elements of event day activities in coordination with the City. Key responsibilities include, but are not limited to:

6.1. Provide real-time, onsite oversight and general management of the entire event and ensure all issues are addressed immediately and according to established plans.

6.2. Ensure adequate supervision of all vendors, staffing and volunteers at all times.

7. DELIVERABLES

The specific deliverables Consultant may be requested to provide for any event may include but is not limited to, the following:

7.1. Event permit packets (applications and approvals for City sign-off)
7.2. Staffing & Volunteer plan utilizing the City's Volunteer Program
7.3. Day-of event operations plan and escalation tree
7.4. Emergency Action Plans (EAPs)
7.5. Documentation of vendor compliance (licenses, insurance, permits)
7.6. Talent contracts & promotional review signoffs
7.7. Detailed budgets with monthly updates
7.8. Production schedules, run-of-shows, and site maps
7.9. Post-event evaluation reports (within 30 days of each event).

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EXHIBIT A-1
STANDARD INDEMNIFICATION

A. To the extent permitted by law, Consultant agrees to protect, defend, hold harmless and indemnify (collectively "Indemnify") City, its City Council, commissions, officers, employees, volunteers and agents (collectively "Indemnitees") from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action (collectively "Losses"), and whether sounding in law, contract, tort, or equity, arising out of the performance of the Services, that are caused or claimed to be caused by the acts, errors and/or omissions of Consultant, its employees, its subconsultants, or anyone for whose acts any of them may be liable (collectively "Responsible Parties"). Consultant's responsibilities under this Section (HOLD HARMLESS/INDEMNIFICATION) include liability arising from, connective with, caused by, or claimed to be caused by the active or passive negligent acts or omissions of City, which may be in combination with the acts or omissions of any Responsible Party, provided that Consultant's duty to Indemnify will not include any Losses arising from the sole negligence or willful misconduct of Indemnitees. Notwithstanding, Consultant's duty to defend is not so limited.

B. Consultant's obligation to Indemnify, will specifically extend to any and all employment-related claims of any type brought by employees, consultants, subconsultants or other agents of Consultant, against City (either alone, or jointly with Consultant), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.

C. To the extent Consultant is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Consultant warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Consultant's responsibilities under the Act.

D. The Parties expressly agree that this Section (HOLD HARMLESS/INDEMNIFICATION) will survive the expiration or early termination of the Agreement.

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EXHIBIT B
SCHEDULE OF FEES

1. EVENT BUDGETS

1.1. For each Event SOW, Consultant will submit a proposed budget calculated based on 1) Consultant's estimated hourly production costs and a final "not-to-exceed" total and, 2) the estimated third-party production expenses. Third party production expenses will be based on actual vendor quotes and/or labor models tied to the Event SOW. All budgets must include category contingencies sized to risk and shown explicitly.

1.2. Event Budgets may be modified throughout the event planning and production process, upon written approval by the CMO. City will not pay or be liable for any Event Budget increases that result in the maximum compensation of this Agreement being exceeded without first entering into a formal written amendment to this Agreement, which may be approved or denied in the City's sole discretion and is subject to City Council authorization.

2. PRODUCTION FEES

2.1. Consultant's Production Costs consist of all event planning, pre-production coordination, and on-site day-of-event services provided by Consultant. Production Costs for each event will be calculated based on the hourly rates listed below. Consultant will only bill for the actual hours completed, even if the total hours worked does not reach the "not-to-exceed" maximum.

Position	Hourly Rate
Senior Leadership	$200
Project Lead	$160
Project Coordinator/Project Specialist	$120
On-Site Event Staff	$70

3. THIRD PARTY FEES

3.1. Consultant will pay for all third-party production costs after pre-approval by the City. The City will reimburse Consultant for approved third-party production expenses at actual cost. Expenses are reimbursable only if they are not already included in hourly rates, were approved in advance by the City, and are supported by itemized receipts.

4. TRAVEL COSTS

4.1. All travel will be reimbursed as listed below.

- Airfare/Rental Car – At economy rates
- Lodging - According to the rates outlined by the United States General Services Administration (GSA) https://www.gsa.gov/travel-resources.

4.2. If third-party vendors require travel, Consultant will pay for all third-party travel costs and request reimbursement from the City during the invoice process. Consultant will make every effort to minimize travel costs by using local labor/vendors whenever possible.

4.3. All travel must receive prior authorization by the city.

4. REMITTANCE OF REVENUE TO THE CITY

4.1. In the event Consultant collects revenue on behalf of the City, (for example through collection of retailer application fees, concessions fees, or other fees where Consultant facilitates payment collection for City revenue), in which all or a portion of those fees belong to the City, Consultant will remit the fees to the City within thirty days of the completion of the event. Alternatively, Consultant may subtract the revenue collected on behalf of the City from the total budget for the event. City and Consultant's portion of any revenue generated and the method for remitting payment to the City will be established during the Event SOW approval process.

4.2. In the event of a dispute regarding payments due to the City, Consultant will, within five (5) business days of a written request, provide the City or its authorized representative with full access to all books, invoices, receipts, and financial records related to the Event.

5. INVOICE AND PAYMENT

5.1. Consultant will bill the City on a monthly basis for the Services actually provided or expenses actually incurred during the preceding month, on an invoice and in a format approved by the City and subject to verification and approval by the City. As an alternative to monthly invoices, Consultant may invoice the City according to the deliverable of key payment milestones, if established in the Event SOW.

5.2. The City will not pay any advance deposits or pre-payments. Invoices will only be issued after services or deliverables are provided.

5.3. A full reconciliation with invoices and variance analysis must be delivered within thirty days of event completion.

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EXHIBIT C
INSURANCE REQUIREMENTS

Without limiting the Consultant's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Consultant shall provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to the City of Santa Clara so that any other coverage held by the City shall not contribute to any loss under Consultant's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

   $1,000,000 Each Occurrence
   $2,000,000 General Aggregate
   $2,000,000 Products/Completed Operations Aggregate
   $1,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Consultant; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.

3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Consultant to comply with the insurance requirements of this Agreement:

   a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;

   b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and

   c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars ($1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

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C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars ($1,000,000) policy limit Bodily Injury by disease, one million dollars ($1,000,000) each accident/Bodily Injury and one million dollars ($1,000,000) each employee Bodily Injury by disease.

2. The indemnification and hold harmless obligations of Consultant included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Consultant or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).

3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Consultant. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than one million dollars ($1,000,000) per claim or two million dollars ($2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Consultant's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.

2. Primary and non-contributing. Each insurance policy provided by Consultant shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Consultant's insurance.

3. Cancellation.

   a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such

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modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.

b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Consultant and City agree as follows:

1. Consultant agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Consultant, provide the same minimum insurance coverage required of Consultant, except as with respect to limits. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Consultant agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.

2. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Consultant in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Consultant, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Consultant shall file with the City all certificates and endorsements for the

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required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Consultant or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Consultant shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

EBIX Inc.
City of Santa Clara (City Manager's Office)
P.O. Box 100085 – S2 or 1 Ebix Way
Duluth, GA 30096 John's Creek, GA 30097

Telephone number: 951-766-2280
Fax number: 770-325-0409
Email address: ctsantaclara@ebix.com

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Consultant shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representative.

AMENDMENT NO. 1
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
MOVEABLE, INC.

PREAMBLE

This agreement ("Amendment No. 1"), effective as of May 26, 2026 ("Effective Date"), is entered into between the City of Santa Clara, California, a chartered California municipal corporation ("City") and Moveable, Inc., a California corporation ("Consultant"). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara and Moveable, Inc., dated January 29, 2026 ("Agreement"); and

B. The Parties entered into the Agreement for the purpose of having Contractor provide event planning and production services, and the Parties now wish to amend the Agreement to increase compensation.

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

1. Section 6 of the Agreement, entitled "Compensation and Payment" is revised to increase compensation and shall read as follows:

   "In consideration for Consultant's complete performance of Services, City shall pay Consultant for all materials provided and Services rendered by Consultant in accordance with Exhibit B, entitled "SCHEDULE OF FEES". The maximum compensation of this Agreement is **Three Hundred Fifty Thousand Dollars ($350,000)**, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials, and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Consultant's expense. Consultant shall not be entitled to any payment above the maximum compensation under any circumstances.

2. Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

GLEN R. GOOGINS
City Attorney

Dated: 6/9/26

for JOVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

MOVEABLE, INC.
a California corporation

Dated: 4/20/2026

By (Signature):

Name: Thomas Ryan Sebastian

Title: Chief Executive Officer

Principal Place of Business Address: 2160Tully Road San Jose, CA 95122

Email Address: ryan@mvbl.co

Telephone: 408-425-3136

Fax:

"CONSULTANT"

AMENDMENT NO. 2
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
MOVEABLE, INC.

PREAMBLE

This agreement ("Amendment No. 2"), effective as of _____("Effective Date"), is entered into between the City of Santa Clara, California, a chartered California municipal corporation ("City") and Moveable, Inc., a California corporation ("Consultant"). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara and Moveable, Inc., dated January 29, 2026 ("Original Agreement"); and

B. On May 26, 2026, the Parties executed Amendment No.1 to the Original Agreement to increase the maximum compensation (collectively the Original Agreement and Amendment No. 1 referred to as the "Agreement"); and

C. The Parties entered into the Agreement for the purpose of having Contractor provide event planning and production services, and the Parties now wish to amend the Agreement to increase compensation.

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

1. Section 6 of the Agreement, entitled "Compensation and Payment" is revised to increase compensation and shall read as follows:

   "In consideration for Consultant's complete performance of Services, City shall pay Consultant for all materials provided and Services rendered by Consultant in accordance with Exhibit B, entitled "SCHEDULE OF FEES". The maximum compensation of this Agreement is **Five Hundred Fifty Thousand Dollars ($550,000)**, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials, and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Consultant's

expense. Consultant shall not be entitled to any payment above the maximum compensation under any circumstances.

2. Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 2, the provisions of this Amendment No. 2 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 2 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form: Dated: _____

GLEN R. GOOGINS
City Attorney

JŌVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

MOVEABLE, INC.
a California corporation

Dated: _____

By (Signature): _____
Name: Thomas Ryan Sebastian
Title: Chief Executive Officer
Principal Place of Business Address: 2160Tully Road San Jose, CA 95122
Email Address: ryan@mvbl.co
Telephone: 408-425-3136
Fax: _____

"CONSULTANT"

26-414 Agenda Date: 7/7/2026

REPORT TO COUNCIL

SUBJECT

Action on Award of Public Works Contract for the Bowers Park Parking Lot Rehabilitation Project to O'Grady Paving, Inc. and Approval of Related Budget Amendments

BACKGROUND

The Bowers Park Parking Lot Rehabilitation Project (Project) includes the rehabilitation of the public parking lot at Bowers Park, located at 2582 Cabrillo Avenue (Attachment 1). The scope of work includes pavement rehabilitation, installation of green stormwater infrastructure, energy-efficient LED lighting, electric vehicle charging stations, a solar canopy, and improvements for vehicle circulation.

The Project is partially funded by a San Francisco Bay Water Quality Improvement Fund (SFBWQIF) grant through the United States Environmental Protection Agency. In 2021, the cities of Palo Alto and Santa Clara partnered on a multi-city grant to demonstrate the effectiveness of retrofitting parking lots with green stormwater infrastructure, with Palo Alto serving as the lead agency for the grant. On June 8, 2021, the City Council authorized the City Manager to execute the SFBWQIF Grant Agreement (Fund Agreement) with the City of Palo Alto for the Project. The Fund Agreement enables the City to receive grant reimbursements for the parking lot improvements through Palo Alto.

On May 7, 2024, the City Council approved an agreement with Bellecci and Associates, Inc. to provide engineering services to design the project and prepare it for public works bidding.

DISCUSSION

On March 31, 2026, a competitive Request for Bids (RFB) for construction of the Project was published on the City's bid notification system, BidNet Direct. The RFB was viewed by various vendors, including contractors, suppliers, plan rooms, and builder exchanges, among others. Additional vendors were able to view the RFB as members of various plan rooms and builder exchanges. Staff also reached out directly to contractors and vendors who have viewed similar projects in the past.

On April 23, 2026, the bid opening for the Project was held via video conference. Nine bids were received ranging from $1,641,081 to $2,053,869. The Bid Summary is included as Attachment 2. The lowest bid, submitted by O'Grady Paving, Inc. (O'Grady) in the amount of $1,641,081, is 14 percent below the engineer's estimate of $1,919,000. O'Grady's bid was reviewed by Public Works staff and the City Attorney's Office for compliance with the terms and conditions of the bid documents and has been determined to be the lowest responsive and responsible bid. Staff recommends awarding the construction contract to O'Grady Paving, Inc.

Award of contract will enable construction of the Project to commence with substantial completion of the Project anticipated by early 2028. The date is subject to change based on any unforeseen

conditions discovered during construction. The contract includes prevailing wage requirements.

ENVIRONMENTAL REVIEW

This project being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301 (c), "Existing Facilities," as the activity consists of the repair, maintenance or minor alteration of existing facilities involving no or negligible expansion of the use beyond that presently existing.

Although the Project is a recipient of federal funding, it does not require review under the National Environmental Policy Act ("NEPA") since NEPA does not apply to San Francisco Bay Water Quality Improvement Fund (SFBWQIF) projects.

FISCAL IMPACT

The approximate cost of the construction contract is $1,641,081, plus a 15 percent contingency of $246,163 for any potential change orders, for a total not-to-exceed contract amount of $1,887,244.

On May 7, 2024, the City Council approved funding for the design phase of the Bowers Park Parking Lot Rehabilitation Project in the Storm Drain Capital Fund. It was anticipated that additional funding would be needed for the construction phase and would be presented to the Council for future consideration. To fund the construction phase, staff recommends appropriating an additional $1,720,000 to the project, including $550,900 of Greenhouse Gas Program funds from the Electric Operating Grant Trust Fund and $1,169,100 of Mitigation Fee Act (MFA) funds from the Parks and Recreation Capital Fund.

Greenhouse Gas Program funds will support the installation of the solar canopy and electric vehicle charging infrastructure, while the MFA funds will cover the remaining project costs associated with the parking lot rehabilitation. The use of MFA funds for this project is consistent with the purpose and intended use of the fee program. MFA funds are used to support public park and recreational facilities needed to accommodate growth attributable to new development. The City's 2019 "Park and Recreation Facilities Development Impact Fee Update Study" projected continued population growth and corresponding increased demand for park land, recreational amenities, and supporting infrastructure. The proposed improvements support that purpose by expanding parking capacity and improving supporting infrastructure necessary to maintain recreational access, usability, and service levels for existing and future residents.

Budget Amendments
FY 2026/27

	Current	Increase/ (Decrease)	Revised
Electric Operating Grant Trust Fund			
Transfers To			
Storm Drain Capital Fund	$0	$550,900	$550,900
Fund Balance			
Ending Fund Balance - Greenhouse Gas	$18,193,096	($550,900)	$17,642,196

Parks and Recreation Capital Fund			
Transfers To			
Storm Drain Capital Fund	$0	$1,169,100	$1,169,100
Fund Balance			
Ending Fund Balance - Mitigation Fee Act	$25,954,751	($1,169,100)	$24,785,651
Storm Drain Capital Fund			
Transfers From			
Electric Operating Grant Trust Fund	$0	$550,900	$550,900
Transfers From			
Parks and Recreation Capital Fund	$0	$1,169,100	$1,169,100
Expenditures			
Bowers Park Parking Lot Rehabilitation	$224,124	$1,720,000	$1,944,124

COORDINATION

This report has been coordinated with the Finance Department, Silicon Valley Power, the Parks and Recreation Department, and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of California Code of Regulations;
2. Award the Public Works Contract for the Bowers Park Parking Lot Rehabilitation Project to the lowest responsive and responsible bidder, O'Grady Paving, Inc., in the amount of $1,641,081 and authorize the City Manager to execute any and all documents associated with and necessary for the award, completion, and acceptance of this Project, in final forms approved by the City Attorney;
3. Authorize the City Manager to execute change orders up to approximately 15 percent of the original contract price, or $246,163, for a total not-to-exceed amount of $1,887,244; and
4. Approve the following FY 2026/27 budget amendments:
   a. In the Electric Operating Grant Trust Fund, establish a transfer to the Storm Drain Capital Fund in the amount of $550,900 and reduce the Greenhouse Gas ending fund balance by $550,900 (five affirmative Council votes required for the use of unused balances);
   b. In the Parks and Recreation Capital Fund, establish a transfer to the Storm Drain Capital Fund in the amount of $1,169,100 and reduce the Mitigation Fee Act ending fund balance by $1,169,100 (five affirmative Council votes required for the use of unused balances); and

c. In the Storm Drain Capital Fund, recognize transfers from the Electric Operating Grant Trust Fund in the amount of $550,900 and from the Parks and Recreation Capital Fund in the amount of $1,169,100, and increase the Bowers Park Parking Lot Rehabilitation project appropriation by $1,720,000 (five affirmative Council votes required to appropriate additional revenue).

Reviewed by: Craig Mobeck, Director of Public Works
Approved by: Jovan Grogan, City Manager

ATTACHMENTS
1. Project Location Map
2. Bid Summary

Bowers Park Parking Lot Rehabilitation Project



Legend

Base Layers

Land Parcels

- Land Parcels
- Right of Ways
- Common Areas

Streets

Notes

0 500 1000 ft

NAD_1983_2011_StatePanel_California_III_FIPS_0403_Ft_US

©City of Santa Clara

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

City of Santa Clara

Attachment No. 2
Bid Summary

26-414

REPORT TO COUNCIL

SUBJECT
Action on Award of Public Works Contract for the Bowers Park Parking Lot Rehabilitation Project to O'Grady Paving, Inc. and Related Budget Amendments

BID SUMMARY	**Bid Opening Date: April 23, 2026**	
ENGINEER'S ESTIMATE:	**$ 1,919,000.00**	
Contractor	**Total Bid ($)**	**Percentage above/below Engineer's Estimate**
O'Grady Paving, Inc	$1,641,081.00	14% below
Suarez & Munoz Construction, Inc	$1,690,040.00	12% below
Joseph J. Albanese, Inc	$1,698,463.00	11% below
QLM, Inc	$1,699,137.00	11% below
Silicon Valley Paving, Inc	$1,706,227.00	11% below
S&H Construction, Inc	$1,798,480.00	6% below
Azul Works, Inc	$1,828,000.00	5% below
Interstate Grading & Paving, Inc	$1,838,220.00*	4% below
Galeb Paving, Inc	$2,053,869.00	7% above
*The amount shown reflects corrections by the City pursuant to paragraph 18.C. of Document 00200, Instructions to Bidders, of the specifications due to mathematical discrepancies in the Bid.		

REPORT TO COUNCIL

SUBJECT

Action to Adopt a Resolution Amending the FY 2026/27 Municipal Fee Schedule to Adjust Rounding under the Community Development Department's Building Division and to Amend Fees under the Electric Utility Department

BACKGROUND

The FY 2026/27 Municipal Fee Schedule ("Fee Schedule") was adopted by the City Council on April 21, 2026 via Resolution No. 26-9552. As part of the update reflected in the FY 2026/27 Fee Schedule, staff recommended the rounding of fees that included cents, in an effort to address any issues arising from the penny shortage should customers pay in cash for any fees in the schedule.

During the Public Hearing on April 21st, changes to the Department of Public Works' Engineering Division section were approved to adjust the rounding of fees to the nearest nickel, as opposed to the nearest dollar, to remain as close to cost recovery as possible. These rounding adjustments, however, were not brought forward for the Community Development Department's Building Division. A large portion of the Building Division's fees are charged based on scaled increments. These are the types of fees that staff is recommending be rounded down to the nearest nickel, rather than down to the nearest dollar.

Fees listed in the Fee Schedule are based on the full costs of offering particular services, with no fees set higher than that full cost. Under the Electric Utility Department, there were two fees with incorrect cost of services noted, leading to the fees being set incorrectly. Staff is recommending corrections to those two fees.

DISCUSSION

The Building Division is funded almost solely by the fee revenue collected as part of the City's development review process, which includes plan review, permitting, and inspection services. As such, setting fees as close to cost recovery as possible is paramount for the Building Division to maintain the staffing levels required to continue offering high levels of customer service. Collecting fees also enables the Division to invest in technology to gain efficiencies and streamline the permitting process.

The Building Division uses the Accela permitting system to charge and collect its fees, as outlined in the Municipal Fee Schedule. Upon the annual adoption of the Fee Schedule, staff updates the permitting system to reflect the fees for the upcoming fiscal year. During this update, Building staff discovered that the rounding of the fees would amount to a significant loss of revenue when compared to the cost of providing these services.

As mentioned, many of the Division's fees are scaled increments. Because of this fee structure, the

rounding of the fees greatly impacts the revenue that can be collected. Staff estimates an impact of approximately $957,000 in fee collections will occur without taking action to adopt this recommended change.

The Electric Utility Department had two fees: 1) Underground - New Single Family/Residential and 2) Underground - New Multiple Units/Residential that cited the incorrect cost of service amount under the “Full Cost” portion of the Fee Schedule. Because these fees were set at full cost recovery based on the “Full Cost” amount, the fees adopted need to be corrected to align with the corrected cost of service.

The updated fees (26) are reflected in Attachment 2 (Building Division) and Attachment 3 (Electric Utility Department) of this staff report.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to section 15378(b)(4) of Title 14 of the California Code of Regulations in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

Because a significant portion of Building fees are based on scaled increments and project valuations, the fees are more sensitive to rounding adjustments.

In FY 2025/26, the Building Division received 23 projects with a valuation of over $10.0 million. Using these 23 projects as a sample, the adopted FY 2026/27 fee schedule would result in a loss of approximately $750,000. Additionally, under the Fire Department, there are several Building Plan fees for Fire and CUPA services that are calculated as a percentage of the Building Plan Review fees. With the FY 2026/27 adopted fees, staff estimates an additional impact of approximately $207,000. Below is a high-level breakdown of the valuation ranges and the estimated impact fee revenue impact of the FY 2026/27 adopted fees, when compared to the FY 2026/27 recommended fees.

	Estimated Potential Fiscal Impact				
Valuation Range	Planning Check and Permit Fee	Technology Fee	Advanced Planning Surcharge	Building Plan - Fire	Total
Greater Than $ 10,000,000	(482,000)	(16,000)	(60,000)	(169,000)	(727,000)
$3,000,000 to $10,000,000	(25,000)	(100)	(3,000)	(9,000)	(37,100)
$750,000 to $3,000,000	(74,000)	(2,000)	(9,000)	(16,000)	(101,000)
$150,000 to $750,000	(69,000)	(2,000)	(8,000)	(13,000)	(92,000)
Total	**(650,000)**	**(20,100)**	**(80,000)**	**(207,000)**	**(957,100)**

Because the development fee programs rely almost completely on fee revenue, potentially losing nearly $1.0 million in collections could greatly impact operations. Setting fees at or as close to full cost recovery as possible provides the Departments opportunities to invest in streamline operations, bring on additional staff needed, and improve customer service levels while leaving reserves intact for works in progress and future investments.

COORDINATION
This report has been coordinated with the City Attorney's Office, Community Development and Electric Utility Department.

PUBLIC CONTACT
Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION
Adopt a Resolution Amending the FY 2026/27 Municipal Fee Schedule to Adjust Rounding under the Community Development Department's Building Division and to Amend Fees under the Electric Utility Department Effective Immediately

Reviewed by: Kenn Lee, Director of Finance
Approved by: Jovan D. Grogan, City Manager

ATTACHMENTS
1. Resolution Adopting the Changes to the FY 2026/27 Municipal Fee Schedule
2. FY 2026/27 Municipal Fee Schedule Amendment - Building Division
3. FY 2026/27 Municipal Fee Schedule Amendment - Electric Utility Department

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA AMENDING THE FISCAL YEAR 2026/27 MUNICIPAL FEE SCHEDULE TO ADJUST ROUNDING UNDER THE COMMUNITY DEVELOPMENT DEPARTMENT'S BUILDING DIVISION AND AMEND FEES UNDER THE ELECTRIC UTILITY DEPARTMENT

WHEREAS, under the provisions of the City of Santa Clara Charter, Municipal Code, Constitution of the State of California, and California Government Code, fees and charges assessed by the City of Santa Clara may be amended or modified upon the adoption of a Resolution by the City Council;

WHEREAS, on April 21, 2026, the City Council held a public hearing on the Fees set forth in the Municipal Fee Schedule.

WHEREAS, on April 21, 2026, the City Council adopted the FY 2026/27 Municipal Fee Schedule (Resolution 26-9552), which included the rounding down of Building Fees to the nearest dollar and Underground – New Fees under the Electric Utility Department;

WHEREAS, in accordance with the City's analysis and review, the City now desires to amend the Building Division Fees as detailed in the FY 2026/27 Adopted Municipal Fee Schedule to adjust Building Division Fees by rounding down fees to the nearest nickel;

WHEREAS, the City seeks to adjust the Underground – New for Single Family/Residential and the Underground – New for Multiple Units/Residential Fees under the Electric Utility Department and charge for the corrected cost of service;

WHEREAS, in adopting the amended Fee Schedule and this Resolution, the City exercises its powers under (a) Article XI, Section 7 of the California Constitution, (b) Article XIIIC of the California Constitution, (c) Section 50076 of the California Government Code, (d) the Charter of the City of Santa Clara, (e) the Code of the City of Santa Clara, California, and (f) any other applicable laws;

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the City Council hereby finds that the above Recitals are true and correct and by

this reference makes them a part hereof.

2. The FY 2026/27 Municipal Fee Schedule is hereby amended to modify the Community Development Department's Building Division Fees by rounding down to the nearest nickel, as reflected in Attachment 1, and modify the Electric Utility Department's Underground – New for Single Family/Residential and the Underground – New for Multiple Units/Residential Fees, as reflected in Attachment 2.

3. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 14TH DAY OF JULY 2026, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:
1. City of Santa Clara 2026/27 Municipal Fee Schedule Amendment – Building Division
2. City of Santa Clara 2026/27 Municipal Fee Schedule Amendment – Electric Utility Department

CITY OF SANTA CLARA MUNICIPAL FEE SCHEDULE

Department / Division: Community Development / Building **Resolution: 26-9552** **Date Approved: 4/21/2026**

Description of Fee, Rate, or Charge	Current Fee	Technology Fee (3.37%) Applies (Yes or No)	Charging Dept / Div --- Collecting Dept / Div	Date Fee Last Changed --- Ordinance / Resolution Number & Date	Fee Detail Objective Prop 26 Exception (See Reader's Guide) Full Cost Factor	Comments	Revised Fee	Fee Change
3-B ELECTRICAL PERMIT FEES SYSTEM FEE SCHEDULE			**Charged By:** Building Division	**Date:** 4/21/2026	**Objective:** Recover Cost			
				Res. No. 26-9552	**Prop 26 Exception:** 1, 2, 3			
New Buildings or Alterations			**Collected By:**					
Commercial Buildings per sq. ft.	$ 0.30	Yes	Building Division		**Full Cost:** $ 0.34		$ 0.30	
Residential Buildings per sq. ft.	$ 0.24	Yes			**Full Cost:** $ 0.24		$ 0.24	
New garages, carports and accessory buildings per sq. ft.	$ 0.10	Yes			**Full Cost:** $ 0.10		$ 0.10	
Private Swimming Pools			**Charged By:**	**Date:** 4/21/2026	**Objective:** Recover Cost			
For new private, in-ground swimming pools for single-family and multi-family occupancies	$ 366.00	Yes	Building Division	**Res. No.** 26-9552	**Prop 26 Exception:** 1, 2, 3		$ 366.00	
			Collected By: Building Division		**Full Cost:** $ 366.00			
Outdoor Events			**Charged By:**	**Date:** 4/21/2026	**Objective:** Recover Cost			
For electric generators and electrically driven rides	$ 366.00	Yes	Building Division		**Prop 26 Exception:** 1, 2, 3		$ 366.00	
				Res. No. 26-9552	**Full Cost:** $ 366.00			
For mechanically driven rides and walk-through attractions or displays having electric lighting	$ 366.00	Yes	**Collected By:** Building Division		**Full Cost:** $ 366.00		$ 366.00	
For a system of area and booth lighting	$ 366.00	Yes			**Full Cost:** $ 366.00		$ 366.00	
Temporary Power Service			**Charged By:**	**Date:** 4/21/2026	**Objective:** Recover Cost			
For a temporary service power pole or pedestal-mounted receptacle outlets and appurtenances	$ 366.00	Yes	Building Division		**Prop 26 Exception:** 1, 2, 3		$ 366.00	
				Res. No. 26-9552				
			Collected By: Building Division		**Full Cost:** $ 366.00			
For a temporary distribution system and temp lighting and receptacle outlets for construction sites, decorative lights, Christmas tree sales lots, fireworks stands, etc.	$ 366.00	Yes			**Full Cost:** $ 366.00		$ 366.00	
UNIT FEE SCHEDULE			**Charged By:** Building Division	**Date:** 4/21/2026	**Objective:** Recover Cost			
				Res. No. 26-9552	**Prop 26 Exception:** 1, 3			
Receptacle, Switch and Lighting Outlets			**Collected By:**					
First 20, each	$ 4.00	Yes	Building Division		**Full Cost:** $ 4.07		$ 4.00	
Additional fixtures, each	$ 3.00	Yes			**Full Cost:** $ 3.05		$ 3.05	1.7%

CITY OF SANTA CLARA MUNICIPAL FEE SCHEDULE

Department / Division: Community Development / Building **Resolution: 26-9552** **Date Approved: 4/21/2026**

Description of Fee, Rate, or Charge	Current Fee	Technology Fee (3.37%) Applies (Yes or No)	Charging Dept / Div --- Collecting Dept / Div	Date Fee Last Changed --- Ordinance / Resolution Number & Date	Fee Detail Objective Prop 26 Exception (See Reader's Guide) Full Cost Factor	Comments	Revised Fee	Fee Change
Lighting Fixtures			**Charged By:**	**Date:** 4/21/2026	**Objective:** Recover Cost			
First 20 fixtures, each	$ 4.00	Yes	Building Division		**Prop 26 Exception:** 1, 3		$ 4.00	
				Res. No. 26-9552	**Full Cost:** $ 4.07			
Additional fixtures, each	$ 3.00	Yes	**Collected By:**				$ 3.05	1.7%
			Building Division		**Full Cost:** $ 3.05			
For pole or platform-mounted lighting fixtures, each	$ 8.00	Yes			**Full Cost:** $ 8.13		$ 8.00	
For theatrical-type lighting fixtures or assemblies, each	$ 8.00	Yes			**Full Cost:** $ 8.13		$ 8.00	
Residential Appliances			**Charged By:**	**Date:** 4/21/2026	**Objective:** Recover Cost			
For fixed residential appliances or receptacle outlets, each	$ 24.00	Yes	Building Division				$ 24.00	
				Res. No. 26-9552	**Prop 26 Exception:** 1, 3			
			Collected By:					
			Building Division		**Full Cost:** $ 24.40			
Power Apparatus			**Charged By:**	**Date:** 4/21/2026	**Objective:** Recover Cost			
Up to and including 1, each	$ 40.00	Yes	Building Division		**Prop 26 Exception:** 1, 2, 3		$ 40.00	
				Res. No. 26-9552	**Full Cost:** $ 40.67			
Over 1 and not over 10, each	$ 61.00	Yes	**Collected By:**		**Full Cost:** $ 61.00		$ 61.00	
			Building Division					
Over 10 and not over 50, each	$ 101.00	Yes			**Full Cost:** $ 101.67		$ 101.00	
Over 50 and not over 100, each	$ 122.00	Yes			**Full Cost:** $ 122.00		$ 122.00	
Over 100, each	$ 162.00	Yes			**Full Cost:** $ 162.67		$ 162.00	
Busways			**Charged By:**	**Date:** 4/21/2026	**Objective:** Recover Cost			
For trolley and plug-in-type busways, each 100 feet	$ 101.00	Yes	Building Division		**Prop 26 Exception:** 1, 2, 3		$ 101.00	
				Res. No. 26-9552				
			Collected By:		**Full Cost:** $ 101.67			
			Building Division					
Signs, Outline Lighting and Marquees			**Charged By:**	**Date:** 4/21/2026	**Objective:** Recover Cost			
For signs, outline lighting systems or marquees supplies from one branch circuit	$ 101.00	Yes	Building Division		**Prop 26 Exception:** 1, 2, 3		$ 101.00	
				Res. No. 26-9552				
			Collected By:		**Full Cost:** $ 101.67			
			Building Division					
For additional branch circuits with the same sign, outline lighting system or marquee	$ 81.00	Yes			**Full Cost:** $ 81.33		$ 81.00	

CITY OF SANTA CLARA MUNICIPAL FEE SCHEDULE

Department / Division: Community Development / Building **Resolution: 26-9552** **Date Approved: 4/21/2026**

Description of Fee, Rate, or Charge	Current Fee	Technology Fee (3.37%) Applies (Yes or No)	Charging Dept / Div --- Collecting Dept / Div	Date Fee Last Changed --- Ordinance / Resolution Number & Date	Fee Detail Objective Prop 26 Exception (See Reader's Guide) Full Cost Factor	Comments	Revised Fee	Fee Change
3-G GRADING PLAN REVIEW FEES			**Charged By:** Building Division	**Date:** 4/21/2026	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 3			
50 cubic yards or less	No Fee	Yes	**Collected By:**	**Res. No.** 26-9552	**Full Cost:** $ -		No Fee	
51 to 100 cubic yards	$ 366.00	Yes	Building Division		**Full Cost:** $ 366.00		$ 366.00	
101 to 1,000 cubic yards	$ 976.00	Yes			**Full Cost:** $ 976.00		$ 976.00	
1,001 to 10,000 cubic yards	$ 1,464.00	Yes			**Full Cost:** $ 1,464.00		$ 1,464.00	
10,001 to 100,000 cubic yards - base	$ 2,440.00	Yes			**Full Cost:** $ 2,440.00		$ 2,440.00	
Each additional 10,000 cubic yards	$ 108.00	Yes			**Full Cost:** $ 108.44		$ 108.40	0.4%
100,001 to 200,000 cubic yards - base	$ 3,416.00	Yes			**Full Cost:** $ 3,416.00		$ 3,416.00	
Each additional 10,000 cubic yards	$ 244.00	Yes			**Full Cost:** $ 244.00		$ 244.00	
200,001 cubic yards or more - base	$ 5,856.00	Yes			**Full Cost:** $ 5,856.00		$ 5,856.00	
Each additional 10,000 cubic yards	$ 122.00	Yes			**Full Cost:** $ 122.00		$ 122.00	
3-H GRADING PERMIT FEES			**Charged By:** Building Division	**Date:** 4/21/2026	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 3			
100 cubic yards or less	$ 488.00	Yes	**Collected By:**	**Res. No.** 26-9552	**Full Cost:** $ 488.00		$ 488.00	
101 to 1,000 cubic yards - base	$ 488.00	Yes	Building Division		**Full Cost:** $ 488.00		$ 488.00	
Each additional 100 cubic yards	$ 81.00	Yes			**Full Cost:** $ 81.33		$ 81.30	0.4%
1,001 to 10,000 cubic yards - base	$ 1,220.00	Yes			**Full Cost:** $ 1,220.00		$ 1,220.00	
Each additional 1,000 cubic yards	$ 54.00	Yes			**Full Cost:** $ 54.22		$ 54.20	0.4%
10,001 to 100,000 cubic yards - base	$ 1,708.00	Yes			**Full Cost:** $ 1,708.00		$ 1,708.00	
Each additional 10,000 cubic yards	$ 216.00	Yes			**Full Cost:** $ 216.89		$ 216.85	0.4%
100,001 cubic yards or more - base	$ 3,660.00	Yes			**Full Cost:** $ 3,660.00		$ 3,660.00	
Each additional 10,000 cubic yards	$ 108.00	Yes			**Full Cost:** $ 108.44		$ 108.40	0.4%

CITY OF SANTA CLARA MUNICIPAL FEE SCHEDULE

Department / Division: Community Development / Building **Resolution: 26-9552** **Date Approved: 4/21/2026**

Description of Fee, Rate, or Charge	Current Fee	Technology Fee (3.37%) Applies (Yes or No)	Charging Dept / Div --- Collecting Dept / Div	Date Fee Last Changed --- Ordinance / Resolution Number & Date	Fee Detail Objective Prop 26 Exception (See Reader's Guide) Full Cost Factor	Comments	Revised Fee	Fee Change
SINGLE-FAMILY / DUPLEX / ADDITIONAL DWELLING UNIT RESIDENTIAL SCALED PLAN REVIEW AND PERMIT FEE			**Charged By:** Building Division	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 3			
PLAN REVIEW			**Collected By:** Building Division					
Project Size								
1 to 250 sq. ft.	$ 732.00	Yes			**Full Cost:** $ 732.00		$ 732.00	
251 to 1,000 sq. ft.								
First 250 sq. ft.	$ 732.00	Yes			**Full Cost:** $ 732.00		$ 732.00	
Each additional 100 sq. ft. or fraction thereof	$ 292.00	Yes			**Full Cost:** $ 292.80		$ 292.80	0.3%
1,001 to 3,000 sq. ft.								
First 1,000 sq. ft.	$ 2,928.00	Yes			**Full Cost:** $ 2,928.00		$ 2,928.00	
Each additional 100 sq. ft. or fraction thereof	$ 146.00	Yes			**Full Cost:** $ 146.40		$ 146.40	0.3%
3,001 to +								
First 3,000 sq. ft.	$ 5,856.00	Yes			**Full Cost:** $ 5,856.00		$ 5,856.00	
Each additional 100 sq. ft. or fraction thereof	$ 73.00	Yes			**Full Cost:** $ 73.20		$ 73.20	0.3%
PERMIT FEE			**Charged By:** Building Division	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 3			
Project Size								
1 to 250 sq. ft.	$ 812.00	Yes	**Collected By:** Building Division		**Full Cost:** $ 812.52		$ 812.00	
251 to 1,000 sq. ft.								
First 250 sq. ft.	$ 812.00	Yes			**Full Cost:** $ 812.52		$ 812.00	
Each additional 100 sq. ft. or fraction thereof	$ 249.00	Yes			**Full Cost:** $ 249.53		$ 249.50	0.2%
1,001 to 3,000 sq. ft.								
First 1,000 sq. ft.	$ 2,684.00	Yes			**Full Cost:** $ 2,684.00		$ 2,684.00	
Each additional 100 sq. ft. or fraction thereof	$ 211.00	Yes			**Full Cost:** $ 211.43		$ 211.40	0.2%
3,001 to +								
First 3,000 sq. ft.	$ 6,912.00	Yes			**Full Cost:** $ 6,912.52		$ 6,912.00	
Each additional 100 sq. ft. or fraction thereof	$ 105.00	Yes			**Full Cost:** $ 105.71		$ 105.70	0.7%

CITY OF SANTA CLARA MUNICIPAL FEE SCHEDULE

Department / Division: Community Development / Building **Resolution: 26-9552** **Date Approved: 4/21/2026**

Description of Fee, Rate, or Charge	Current Fee	Technology Fee (3.37%) Applies (Yes or No)	Charging Dept / Div --- Collecting Dept / Div	Date Fee Last Changed --- Ordinance / Resolution Number & Date	Fee Detail Objective Prop 26 Exception (See Reader's Guide) Full Cost Factor	Comments	Revised Fee	Fee Change
COMMERCIAL / MULTI-FAMILY / INDUSTRIAL SCALED PLAN REVIEW AND PERMIT FEE			**Charged By:** Building Division	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost			
PLAN REVIEW			**Collected By:** Building Division		**Prop 26 Exception:** 1, 2, 3, 6			
Project Valuation								
$1 to $1,000	$ 122.00	Yes			**Full Cost:** $ 122.00		$ 122.00	
$1,001 to $10,000								
First $1,000	$ 122.00	Yes			**Full Cost:** $ 122.00		$ 122.00	
Each additional $1,000 or fraction thereof	$ 20.00	Yes			**Full Cost:** $ 20.33		$ 20.30	1.5%
$10,001 to $75,000								
First $10,000	$ 305.00	Yes			**Full Cost:** $ 305.00		$ 305.00	
Each additional $1,000 or fraction thereof	$ 17.00	Yes			**Full Cost:** $ 17.83		$ 17.80	4.7%
$75,001 to $150,000								
First $75,000	$ 1,464.00	Yes			**Full Cost:** $ 1,464.00		$ 1,464.00	
Each additional $1,000 or fraction thereof	$ 22.00	Yes			**Full Cost:** $ 22.77		$ 22.75	3.4%
$150,001 to $750,000								
First $150,000	$ 3,172.00	Yes			**Full Cost:** $ 3,172.00		$ 3,172.00	
Each additional $1,000 or fraction thereof	$ 7.00	Yes			**Full Cost:** $ 7.93		$ 7.90	12.9%
$750,001 to $3,000,000								
First $750,000	$ 7,930.00	Yes			**Full Cost:** $ 7,930.00		$ 7,930.00	
Each additional $1,000 or fraction thereof	$ 5.00	Yes			**Full Cost:** $ 5.58		$ 5.55	11.0%
$3,000,001 to $10,000,000								
First $3,000,000	$ 20,496.00	Yes			**Full Cost:** $ 20,496.00		$ 20,496.00	
Each additional $1,000 or fraction thereof	$ 3.00	Yes			**Full Cost:** $ 3.28		$ 3.25	8.3%
$10,000,001 to +								
First $10,000,000	$ 43,432.00	Yes			**Full Cost:** $ 43,432.00		$ 43,432.00	
Each additional $1,000 or fraction thereof	$ 1.00	Yes			**Full Cost:** $ 1.64		$ 1.60	60.0%

CITY OF SANTA CLARA MUNICIPAL FEE SCHEDULE

Department / Division: Community Development / Building **Resolution: 26-9552** **Date Approved: 4/21/2026**

Description of Fee, Rate, or Charge	Current Fee	Technology Fee (3.37%) Applies (Yes or No)	Charging Dept / Div --- Collecting Dept / Div	Date Fee Last Changed --- Ordinance / Resolution Number & Date	Fee Detail Objective Prop 26 Exception (See Reader's Guide) Full Cost Factor	Comments	Revised Fee	Fee Change
PERMIT FEE			**Charged By:** Building Division	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 3			
Project Valuation								
$1 to $1,000	$ 122.00	Yes	**Collected By:** Building Division		**Full Cost:** $ 122.00		$ 122.00	
$1,001 to $10,000								
First $1,000	$ 122.00	Yes			**Full Cost:** $ 122.00		$ 122.00	
Each additional $1,000 or fraction thereof	$ 40.00	Yes			**Full Cost:** $ 40.57		$ 40.55	1.4%
$10,001 to $75,000								
First $10,000	$ 487.00	Yes			**Full Cost:** $ 487.14		$ 487.00	
Each additional $1,000 or fraction thereof	$ 22.00	Yes			**Full Cost:** $ 22.54		$ 22.50	2.3%
$75,001 to $150,000								
First $75,000	$ 1,952.00	Yes			**Full Cost:** $ 1,952.00		$ 1,952.00	
Each additional $1,000 or fraction thereof	$ 26.00	Yes			**Full Cost:** $ 26.03		$ 26.00	
$150,001 to $750,000								
First $150,000	$ 3,904.00	Yes			**Full Cost:** $ 3,904.00		$ 3,904.00	
Each additional $1,000 or fraction thereof	$ 9.00	Yes			**Full Cost:** $ 9.76		$ 9.75	8.3%
$750,001 to $3,000,000								
First $750,000	$ 9,760.00	Yes			**Full Cost:** $ 9,760.00		$ 9,760.00	
Each additional $1,000 or fraction thereof	$ 4.00	Yes			**Full Cost:** $ 4.34		$ 4.30	7.5%
$3,000,001 to $10,000,000								
First $3,000,000	$ 19,520.00	Yes			**Full Cost:** $ 19,520.00		$ 19,520.00	
Each additional $1,000 or fraction thereof	$ 4.00	Yes			**Full Cost:** $ 4.04		$ 4.00	
$10,000,001 to +								
First $10,000,000	$ 47,824.00	Yes			**Full Cost:** $ 47,824.00		$ 47,824.00	
Each additional $1,000 or fraction thereof	$ 2.00	Yes			**Full Cost:** $ 2.02		$ 2.00	

CITY OF SANTA CLARA MUNICIPAL FEE SCHEDULE

Department / Division: Electric Utility **Resolution: 26-9552** **Date Approved: 4/21/2026**

Description of Fee, Rate, or Charge	Current Fee	Technology Fee (3.37%) Applies (Yes or No)	Charging Dept / Div --- Collecting Dept / Div	Date Fee Last Changed --- Ordinance / Resolution Number & Date	Fee Detail Objective Prop 26 Exception (See Reader's Guide) Full Cost Factor	Comments	Revised Fee	Fee Change
Overhead Lines - New Single Family/Residential	$ 1,417.00 per lot	No	**Charged by:** Electric Utility **Collected by:** Finance	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 6 **Full Cost:** $ 1,417.14	Inflationary adjustment only. Fees will be updated via separate study.	$ 1,417.00 per lot	
Overhead Lines - New Multiple Units	$ 871.00 per unit	No	**Charged by:** Electric Utility **Collected by:** Finance	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 6 **Full Cost:** $ 871.52	Inflationary adjustment only. Fees will be updated via separate study.	$ 871.00 per unit	
Overhead Lines - New Street Lighting	$ 8.00 per front foot	No	**Charged by:** Electric Utility **Collected by:** Finance	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 6 **Full Cost:** $ 8.78	Inflationary adjustment only. Fees will be updated via separate study.	$ 8.00 per front foot	
Underground - New Single Family/Residential	$ 3,928.00 per lot	No	**Charged by:** Electric Utility **Collected by:** Finance	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 6 **Full Cost:** $ 2,794.22	Inflationary adjustment only. Fees will be updated via separate study.	$ 2,794.20 per lot	
Underground - New Multiple Units/Residential	$ 3,338.00 per unit	No	**Charged by:** Electric Utility **Collected by:** Finance	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 6 **Full Cost:** $ 2,375.09	Inflationary adjustment only. Fees will be updated via separate study.	$ 2,375.05 per unit	
Underground - New Street Lighting	$ 21.00 per front foot	No	**Charged by:** Electric Utility **Collected by:** Finance	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 6 **Full Cost:** $ 21.57	Inflationary adjustment only. Fees will be updated via separate study.	$ 21.00 per front foot	
Underground - Existing Single Family	$ 4,104.00 per lot	No	**Charged by:** Electric Utility **Collected by:** Finance	**Date:** 4/21/2026 **Res. No.** 26-9552	**Objective:** Recover Cost **Prop 26 Exception:** 1, 2, 6 **Full Cost:** $ 4,104.49	Inflationary adjustment only. Fees will be updated via separate study.	$ 4,104.00 per lot	

26-740 Agenda Date: 7/7/2026

REPORT TO COUNCIL

SUBJECT

Action to Adopt a Resolution Approving and Adopting the Updated Unclassified Salary Plan for Various Positions including the Updated Salaries of the Mayor and Council Members and the City Clerk

BACKGROUND

The Salary Setting Commission, consisting of five members appointed by the Civil Service Commission, is responsible for establishing the compensation for the Mayor and Council Members (Charter Section 702), City Clerk (SCCC 2.20.015), and Police Chief (SCCC 2.80.015). For 2025, four Commissioners attended all scheduled meetings. The fifth commissioner did not attend any sessions and resigned from the Commission.

In its evaluation, the Salary Setting Commission would be free to utilize any data and information that it deemed appropriate in setting the compensation for these positions, but in no event would any increases in salary granted by the Commission exceed 10 percent of the previous figure. After completing its discussion and analysis, the Commission adopted three separate Resolutions.

When there are changes to the compensation, California Code Regulations Section 570.5 governs and requires the adoption of updated publicly available salary schedules by the governing body. The City of Santa Clara contracts with the California Public Employees' Retirement System (CalPERS) to provide retirement benefits for employees in both classified and unclassified positions. When modifications are made to the salary schedules for its classified or unclassified positions, the City Council must approve and adopt the publicly available salary plans to comply with California Code of Regulations (CCR) section 570.5. If the City Council does not approve these resolutions, the City will be non-compliant with CalPERS record keeping and reporting requirements. The City of Santa Clara is a contracting agency with CalPERS and is required to comply with its requirements.

DISCUSSION

The Commission met from February 2025, through April 2025, to discuss the salaries for the position of Mayor and City Council Members, City Clerk, and Police Chief for the period of July 1, 2025, up to and including June 30, 2027. As part of this evaluation, the Commission was presented with information including, but not limited to: the history of salary increases for these positions; comparator agency salary levels; requirements for the position of the City Clerk and Police Chief

under the City Charter; and recently negotiated agreements the City's bargaining units. Upon thorough review and consideration of the various data, the Commission approved the following resolutions.

On or about March 3, 2025, the Commission approved a resolution which includes the following changes:

- For the position of Mayor, the salary shall be increased from $2,625 to $2,750 per month for the period of July 1, 2026, to June 30, 2027.
- For the position of City Council Member, the salary shall be increased from $2,100 to $2,200 per month for the period of July 2026, to June 30, 2027.

On or about March 17, 2025, the Commission approved a resolution which includes the following changes:

- For the position of City Clerk, the salary shall be increased from $1,575 to $1,650 per month for the period of July 1, 2026, to June 30, 2027.

The Commission also passed a resolution on or about April 7, 2025, for the position of Police Chief that included, among other things, a salary increase for the period of July 1, 2025, to June 30, 2027, but did not include any salary increase specifically effective in July 2026.

The City Code allocates the right and responsibility for reaching this decision to the Salary Setting Commission. The City Council does not have the legal authority to overturn or modify this decision. However, the City Code does state that "The City Council shall take all necessary legislative action to implement the salary set by the Salary Setting Commission." In accordance with CalPERS regulations, the adoption of an updated salary schedule is a necessary legislative action.

The recommendation includes approval of a Resolution that amends the Unclassified/Elected Salary Plan for the positions of Mayor, City Council Member, and City Clerk.

ENVIRONMENTAL REVIEW

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

FISCAL IMPACT

The additional costs for providing the increases to the positions of Mayor, Council Member, and City Clerk are outlined below, including salaries and benefits.

Position	FY 2026/27
Mayor	$2,010

City Council Members	$9,259
City Clerk	$1,206

The position costs for the Council Offices and City Clerk are budgeted as part of the FY 2026/27 Adopted Operating Budget.

COORDINATION

This report has been coordinated with the City Attorney's Office and the Finance Department.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov.

RECOMMENDATION

Adopt a Resolution to approve the revised Unclassified/Elected Salary Plan for the positions of Mayor, City Council Member, and City Clerk which reflects the salary increase granted by the Salary Setting Commission, to satisfy the requirements of California Code of Regulations Section 570.5, effective July 1, 2026.

Reviewed by: Marco Mercado, Acting Director of Human Resources
Approved by: Jōvan D. Grogan, City Manager

ATTACHMENTS

1. Resolution No. 25-1 of the Salary Setting Commission Setting the Compensation of the Mayor and City Council Members
2. Resolution No. 25-2 of the Salary Setting Commission Setting the Compensation of the City Clerk
3. Unclassified Salary Plan (effective July 1, 2026) approved July 7, 2026
4. Unclassified Salary Plan (effective July 5, 2026) approved July 7, 2026
5. Resolution Updated Unclassified Salary Plan (for 7-7-2026)

RESOLUTION NO. 25-1

A RESOLUTION OF THE SALARY SETTING COMMISSION OF THE CITY OF SANTA CLARA, CALIFORNIA SETTING THE SALARIES OF THE POSITIONS OF MAYOR AND CITY COUNCIL MEMBER FOR THE PERIOD OF JULY 1, 2025, TO JUNE 30, 2027, INCLUSIVE, PURSUANT TO CITY CHARTER SECTION 702

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, in accordance with City Charter Section 702, a Salary Setting Commission consisting of five qualified electors of the City was appointed by the Civil Service Commission, and commenced performance of its duties in February 2025;

WHEREAS, pursuant to the City Charter, the Salary Setting Commission is charged with establishing the compensation of the positions of Mayor and Council Member for the period commencing on July 1, 2025, and ending on June 30, 2027;

WHEREAS, the Salary Setting Commission met on four occasions in February and March of 2025, during which the compensation levels for the positions of Mayor and Council Member were discussed in detail;

WHEREAS, the Salary Setting Commission was presented with, and took into consideration, various data points including historical data regarding Mayor and Council salaries and benefits in Santa Clara, and historical data regarding Mayor and Council salaries and benefits at comparator agencies; and

WHEREAS, the final decision of the Salary Setting Commission as to the compensation for the positions of Mayor and Council Member, as set forth in this Resolution, is based upon the following:

1. The Commission finds that the pertinent history of the positions of the Mayor and Council Member compensation is as follows:
    a. In the 2000 special election, the voters passed Measure J amending Charter Section 702 to set the salary of the Council Members at $600 per month and

salary of the Mayor at $1,000 per month, and allowed for an automatic annual salary increase in the amount of the local Consumer Price Index.

b. By the time of the 2016 general election, as a result of the automatic CPI increases, the salary of the Council Members was $855.27 per month and the salary of the Mayor was $1,425.47 per month.

c. In the 2016 general election, the voters passed Measure O, which again amended Charter Section 702 to set the salary of the Council Members at $2,000 per month and salary of the Mayor at $2,500 per month. These salary increases more than doubled the Council Members' salaries and increased the Mayor's salary by approximately 75%.

d. As set forth in the Resolutions duly adopted by the Salary Setting Commission in 2019, 2021, and 2023, for many reasons, the Salary Setting Commission resolved to keep unchanged the compensation for the positions of the Mayor and Council Member for the period July 1, 2019, through June 30, 2025. Thus, the salary for these positions has remained unchanged since the electorate approved Measure O in November 2016.

2. The Mayor and Council Members are not "regular" employees of the City, subject to internal performance review. Rather, the Mayor and Council Members are elected by the voters of the City of Santa Clara; it is, therefore, solely within the purview of the voters to determine the quality of the performance of the current office holders. Accordingly, the role of the Salary Setting Commission is to set the salary for the positions of Mayor and Council Members, irrespective of the identities of the current office holders.

3. The positions of Mayor and Council Member are service-oriented, executive-level, positions paid a monthly stipend. There is no formal requirement for number of hours worked in City service per week, and the office holders may hold separate full-time

employment in addition to service in their elected position.

4. The Commission recognizes that the work of Mayor and Council does require a significant dedication of time and effort; the Measure O Charter Commission noted a time commitment of approximately 30 hours per week in 2016, and this Commission has no basis for believing that figure to be reduced in 2025. Such a commitment may have associated financial impacts, e.g. childcare or elder care, which are subject to inflationary forces. The Commission does not believe that public service should have a negative financial impact on the elected official. In addition, the Commission believes that a stipend fairly tailored to address these potential financial impacts would facilitate the attraction of a qualified and diverse group of candidates for these positions.
5. The Commission was presented with historical salary increase data from five comparator agencies and the Commission determined the following:
    a. All five comparator agencies had applied salary increases for the positions of Mayor and Councilmember at least once in the past four years;
    b. The current salary levels, without taking into consideration the value of any additional benefits provided, for the positions of Mayor ($2,500 per month) and Council Member ($2,000) were found to fall at (approximately) the median level of the five comparators;
    c. The two comparator agencies at which the reviewed salaries fell below those of the City of Santa Clara mitigated the effects of the lower salary figures by providing medical benefits which, taken together with salary, brought the total compensation for the position of Councilmember to a level greater than the total compensation provided for that position by the Santa Clara;
    d. If the five comparator agencies continue to provide salary increases, and Santa Clara does not, then the total compensation provided by the City of Santa Clara in 2027 for these positions is expected to significantly trail the average of the

compensation provided by the comparators;

6. The Ten-Year Financial Forecast included in the last budget indicated an expected cumulative budget shortfall for each of the next ten years, but at a much lower level than was initially forecast in June 2022. So, while the City is not yet recovered from the financial effects of the pandemic, there does appear to be significant improvement.
7. The City Charter limits salary increases to a maximum of 10% per 2-year Commission cycle. As compared with the size and scope of the City's overall Operating Budget, an increase to the salary of seven positions, capped at 10% was not deemed to create a meaningful impact to the City's fiscal outlook.
8. The Commission noted that the City of Santa Clara was the only City amongst the comparator agencies reviewed that did not provide medical benefits for the positions of Mayor and Council Member. It was noted, further, that the provision of these benefits essentially doubled the cost of the position. Due to the ongoing budget deficit, and the Commission's desire to provide the maximum salary increase allowed by Charter Section 702, medical benefits were not included in total compensation for the 2025-2027 period. The Commission is hopeful that in the next salary setting cycle (2027) the issue of medical benefits will be reviewed anew by the Commission.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE SALARY SETTING COMMISSION OF THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the salary of the position of Mayor shall be increased to $2,625 per month for the period July 1, 2025, to June 30, 2026.
2. That the salary for the position of Mayor shall be increased to $2,750 per month for the period July 1, 2026, to June 30, 2027.
3. That the salary of the position of Council Member shall be increased to $2,100 per month for the period July 1, 2025, to June 30, 2026.

4. That the salary of the position of Council Member shall be increased to $2,200 per month for the period July 1, 2026, to June 30, 2027.

5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 3 DAY OF MARCH, 2025, BY THE FOLLOWING VOTE:

AYES: 4

NOES: 0

ABSENT: 1

ABSTAINED: 0

ATTEST: _____
MV KUMAR, CHAIR
SALARY SETTING COMMISSION

RESOLUTION NO. 25-2

A RESOLUTION OF THE SALARY SETTING COMMISSION OF THE CITY OF SANTA CLARA, CALIFORNIA, SETTING THE SALARY FOR THE POSITION OF CITY CLERK FOR THE PERIOD JULY 1, 2025, TO JUNE 30, 2027, INCLUSIVE, PURSUANT TO CITY CHARTER SECTION 702 AND SANTA CLARA CITY CODE SECTION 2.20.015

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, in accordance with City Charter Section 702, a Salary Setting Commission consisting of five qualified electors of the City was appointed by the Civil Service Commission, and commenced performance of its duties in February 2025;

WHEREAS, pursuant to City Code Section 2.20.015, the Salary Setting Commission is charged with establishing the compensation of the elected position of City Clerk for the period commencing on July 1, 2025, and ending on June 30, 2027;

WHEREAS, the Salary Setting Commission met during the months of February and March of 2025, during which time the compensation level for the position of City Clerk was discussed;

WHEREAS, the Salary Setting Commission was presented with, and took into consideration, various data points including, but not limited to, the history of compensation received by the City Clerk, comparator agency salary levels, and modification of the duties of the City Clerk under the Charter and the City Code; and

WHEREAS, the final decision of the Salary Setting Commission as to the compensation for the position of City Clerk, as set forth in this Resolution, is based upon the following:

1. Charter Section 903 sets forth generally the various duties of a City Clerk including attending Council meetings and maintaining the minutes of said meetings, maintaining the official contracts entered into by the City, acting as custodian of the City seal, and having charge of all City elections.
2. In July 2018, the City Council by ordinance (SCCC 2.20.020) reduced the scope of the elected City Clerk's duties to having charge of City elections and acting as custodian of

the City seal; the remainder of the duties listed in the Charter were assigned to the professional Assistant City Clerk (SCCC 2.20.030).

3. Concurrently with the reduction in scope of official duties of the City Clerk in 2018, the City Council also reduced the salary associated with the position to the sum of $2,000 per month, which was the same salary earned by Council Members.
4. In 2019, the Salary Setting Commission approved a decrease in the salary for the position of City Clerk to the sum of $1,500 per month, for the reasons set forth in Commission Resolution 19-3.
5. At the current fully loaded annual rate of $25,561 per year, the total compensation for the position of City Clerk is below the average current annual total compensation for the position in the comparator agencies reviewed by the Commission.
6. The City Clerk is not a "regular" employee of the City, subject to internal performance review. Rather, the City Clerk is elected by the voters of the City of Santa Clara; it is, therefore, solely within the purview of the voters to determine the quality of performance by the current office holder. Accordingly, the role of the Salary Setting Commission is to set the salary for the position of City Clerk, irrespective of the identity or performance of the current office holder.
7. The position of City Clerk is similar to that of Council Member in that it is an elected, part-time, executive-level position, and the office holder may hold separate full-time employment in addition to service in his/her elected position. However, unlike the position of Council Member, the City Clerk has no formal requirements for meeting attendance or other specific activities related to his/her City service.
8. The primary duty of the City Clerk is to manage (i.e., "have charge of") the City elections. Because elections are generally held every two years, the Commission understands that the position will be subject to a biennial increase in time commitment.
9. The time commitment associated with the position, varying on a biennial basis, is likely

to have associated financial impacts on the incumbent, e.g. childcare or elder care, which are subject to inflationary forces. The Commission does not believe that public service should have a negative financial impact on the elected official. In addition, the Commission believes that a stipend fairly tailored to address these potential financial impacts would facilitate the attraction of a qualified and diverse group of candidates for these positions.

10. The Ten-Year Financial Forecast included in the last budget indicated an expected cumulative budget shortfall for each of the next ten years, but at a much lower level than was initially forecast in June 2022. So, while the City is not yet recovered from the financial effects of the pandemic, there does appear to be significant improvement.
11. The City Charter limits salary increases to a maximum of 10% per 2-year Commission cycle. As compared with the size and scope of the City's overall Operating Budget, an increase to the stipend for one position, capped at 10%, was not deemed to create a meaningful impact to the City's fiscal outlook.
12. The Commission appreciates the importance of the position of City Clerk as it relates to properly managing the City elections and strives to strike a balance between the various considerations described above, while acting in a fiscally responsible manner, properly aligning compensation with the duties of the position, and attracting capable candidates for this important position.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE SALARY SETTING COMMISSION OF THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the salary of the position of City Clerk shall be increased to $1,575 per month for the period July 1, 2025, to June 30, 2026.
2. That the salary for the position of City Clerk shall be increased to $1,650 per month for the period July 1, 2026, to June 30, 2027.

2. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE SALARY SETTING COMMISSION OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 17th DAY OF MARCH, 2025, BY THE FOLLOWING VOTE:

AYES: 4	COMMISSIONERS: KUMAR, SONTAG, KERTES, KAKKAD
NOES:	COMMISSIONERS:
ABSENT: 1	COMMISSIONERS: HUMPHRIES
ABSTAINED:	COMMISSIONERS:

ATTEST: _____
MV KUMAR, CHAIR
SALARY SETTING COMMISSION

Attachments incorporated by reference: None

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Accounting Division Manager	109	9	$ 89.478981	$ 15,509.69	$ 186,116.28	$ 115.795038	$ 20,071.14	$ 240,853.68
Asst Building Official	222	9	$ 95.373288	$ 16,531.37	$ 198,376.44	$ 123.434077	$ 21,395.24	$ 256,742.88
Asst City Attorney	015	9	$ 110.845962	$ 19,213.30	$ 230,559.60	$ 143.452673	$ 24,865.13	$ 298,381.56
Asst City Clerk	010	9	$ 84.381692	$ 14,626.16	$ 175,513.92	$ 109.189904	$ 18,926.25	$ 227,115.00
Asst City Librarian	012	9	$ 96.582750	$ 16,741.01	$ 200,892.12	$ 124.990962	$ 21,665.10	$ 259,981.20
Asst City Manager	016	9	$ 143.042827	$ 24,794.09	$ 297,529.08	$ 185.105654	$ 32,084.98	$ 385,019.76
Asst Dir of Community Dev	038	9	$ 109.164981	$ 18,921.93	$ 227,063.16	$ 141.914192	$ 24,598.46	$ 295,181.52
Asst Dir of Electric Util	021	9	$ 130.850654	$ 22,680.78	$ 272,169.36	$ 169.337712	$ 29,351.87	$ 352,222.44
Asst Dir of Finance	022	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
Asst Dir of Human Resources	018	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
Asst Dir of Pub Works/City Eng	071	9	$ 114.842769	$ 19,906.08	$ 238,872.96	$ 148.624154	$ 25,761.52	$ 309,138.24
Asst Dir of Water & Sewer Util	014	9	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Asst Fire Chief	024	9B	$ 144.731423	$ 25,086.78	$ 301,041.36	$ 187.309038	$ 32,466.90	$ 389,602.80
Asst Fire Marshal	026	9B	$ 111.007846	$ 19,241.36	$ 230,896.32	$ 143.657250	$ 24,900.59	$ 298,807.08
Asst Fleet Manager	046	9	$ 62.603365	$ 10,851.25	$ 130,215.00	$ 81.008769	$ 14,041.52	$ 168,498.24
Asst Police Chief	027	9A	$ 153.086596	$ 26,535.01	$ 318,420.12	$ 190.489673	$ 33,018.21	$ 396,218.52
Asst To The City Manager	028	9	$ 101.802808	$ 17,645.82	$ 211,749.84	$ 131.740385	$ 22,835.00	$ 274,020.00
Audit Manager	201	9	$ 86.142519	$ 14,931.37	$ 179,176.44	$ 111.478442	$ 19,322.93	$ 231,875.16
Battalion Chief	036	9B	$ 119.595692	$ 20,729.92	$ 248,759.04	$ 154.762212	$ 26,825.45	$ 321,905.40
Battalion Chief 24 Hrs	036S	9BS	$ 81.357610	$ 19,742.78	$ 236,913.36	$ 105.280426	$ 25,548.05	$ 306,576.60
Budget & Treasury Division Mgr	113	9	$ 89.478981	$ 15,509.69	$ 186,116.28	$ 115.795038	$ 20,071.14	$ 240,853.68
Building Maintenance Manager	041	9	$ 79.240269	$ 13,734.98	$ 164,819.76	$ 102.546577	$ 17,774.74	$ 213,296.88
Building Official	042	9	$ 104.916865	$ 18,185.59	$ 218,227.08	$ 135.771923	$ 23,533.80	$ 282,405.60
Cemetery Operations Manager	045	9	$ 63.364327	$ 10,983.15	$ 131,797.80	$ 81.999808	$ 14,213.30	$ 170,559.60
Chief Asst City Attorney	037	9	$ 127.472538	$ 22,095.24	$ 265,142.88	$ 164.970519	$ 28,594.89	$ 343,138.68
Chief Operating Officer	311	9	$ 164.504596	$ 28,514.13	$ 342,169.56	$ 212.882827	$ 36,899.69	$ 442,796.28
City Attorney	060	Appointed				$ 181.668462	$ 31,489.20	$ 377,870.40
City Auditor	067	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72

All classifications on the Unclassifed/Elected Salary Plan are FLSA "Exempt"

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
City Clerk	063	Elected					$ 1,650.00	$ 19,800.00
City Council Member	CNCL	Elected					$ 2,200.00	$ 26,400.00
City Librarian	066	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
City Manager	069	Appointed				$ 211.241712	$ 36,615.23	$ 439,382.76
Communications & Outreach Mgr	083	9	$ 71.934865	$ 12,468.71	$ 149,624.52	$ 93.086423	$ 16,134.98	$ 193,619.76
Communications Operations Mgr	068	9	$ 81.513173	$ 14,128.95	$ 169,547.40	$ 105.486808	$ 18,284.38	$ 219,412.56
Compliance Manager	081	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Contracts Manager	342	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Deputy City Attorney I	170	9	$ 69.272654	$ 12,007.26	$ 144,087.12	$ 89.645712	$ 15,538.59	$ 186,463.08
Deputy City Attorney II	172	9	$ 80.818096	$ 14,008.47	$ 168,101.64	$ 104.590154	$ 18,128.96	$ 217,547.52
Deputy City Clerk	178	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Deputy City Manager	079	9	$ 111.985962	$ 19,410.90	$ 232,930.80	$ 144.912288	$ 25,118.13	$ 301,417.56
Deputy Director	176	9	$ 90.653596	$ 15,713.29	$ 188,559.48	$ 117.317250	$ 20,334.99	$ 244,019.88
Deputy Fire Chief	080	9B	$ 131.573423	$ 22,806.06	$ 273,672.72	$ 170.282250	$ 29,515.59	$ 354,187.08
Development Project Manager	158	9	$ 90.647654	$ 15,712.26	$ 188,547.12	$ 117.307212	$ 20,333.25	$ 243,999.00
Development Review Officer	144	9	$ 87.699577	$ 15,201.26	$ 182,415.12	$ 113.494212	$ 19,672.33	$ 236,067.96
Director of Community Developm	090	9	$ 130.185635	$ 22,565.51	$ 270,786.12	$ 168.478327	$ 29,202.91	$ 350,434.92
Director of Econ Dev and Sust	085	9	$ 118.999615	$ 20,626.60	$ 247,519.20	$ 153.509654	$ 26,608.34	$ 319,300.08
Director of Finance	087	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Human Resources	088	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Inf Technology/CIO	089	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Public Works	091	9	$ 137.706462	$ 23,869.12	$ 286,429.44	$ 178.208250	$ 30,889.43	$ 370,673.16
Director of Silicon Valley Pwr	108	9	$ 164.504596	$ 28,514.13	$ 342,169.56	$ 212.882827	$ 36,899.69	$ 442,796.28
Director of Wtr & Sewer Utils	102	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Elec Div Mgr - Engineering	104Q	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Div Mgr - Generation	104R	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Div Mgr - Operations	104P	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Div Mgr - Substations	104M	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Elec Div Mgr - Transm, Distrib	104S	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Div Mgr-Mkt A & P	107F	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Division Manager	104	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Program Manager	424	9E	$ 94.038750	$ 16,300.05	$ 195,600.60	$ 121.689404	$ 21,092.83	$ 253,113.96
Elec Util Chief Oper Officer	116	9	$ 143.939192	$ 24,949.46	$ 299,393.52	$ 186.277096	$ 32,288.03	$ 387,456.36
Elec Util Risk Control Analyst	697	9E	$ 84.217038	$ 14,597.62	$ 175,171.44	$ 108.990058	$ 18,891.61	$ 226,699.32
Emergency Services Officer	106	9	$ 97.889481	$ 16,967.51	$ 203,610.12	$ 126.673096	$ 21,956.67	$ 263,480.04
Environmental Programs Mgr	461	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Executive Assistant	187	9	$ 61.452923	$ 10,651.84	$ 127,822.08	$ 79.525269	$ 13,784.38	$ 165,412.56
Fire Chief	117	9B	$ 157.405038	$ 27,283.54	$ 327,402.48	$ 203.689962	$ 35,306.26	$ 423,675.12
Fire Marshal	120	9B	$ 119.594942	$ 20,729.79	$ 248,757.48	$ 154.758000	$ 26,824.72	$ 321,896.64
Fleet Manager	034	9	$ 75.500654	$ 13,086.78	$ 157,041.36	$ 97.701808	$ 16,934.98	$ 203,219.76
Housing & Comm Svc Div Mgr	075	9	$ 90.730038	$ 15,726.54	$ 188,718.48	$ 117.421500	$ 20,353.06	$ 244,236.72
Housing Development Officer	749	9	$ 71.253692	$ 12,350.64	$ 148,207.68	$ 92.210654	$ 15,983.18	$ 191,798.16
Human Resources Div Mgr	139	9	$ 89.478981	$ 15,509.69	$ 186,116.28	$ 115.795038	$ 20,071.14	$ 240,853.68
Information Technology Svc Mgr	112	9	$ 83.980673	$ 14,556.65	$ 174,679.80	$ 108.670385	$ 18,836.20	$ 226,034.40
Inspection Manager	134	9	$ 89.868115	$ 15,577.14	$ 186,925.68	$ 116.309308	$ 20,160.28	$ 241,923.36
Legal Executive Assistant	185	9	$ 61.452923	$ 10,651.84	$ 127,822.08	$ 79.525269	$ 13,784.38	$ 165,412.56
Library Div Mgr -Support Svcs	127G	9	$ 75.445038	$ 13,077.14	$ 156,925.68	$ 97.646192	$ 16,925.34	$ 203,104.08
Management Analyst	008	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Mayor	MAYOR	Elected					$ 2,750.00	$ 33,000.00
Municipal Services Div Mgr	110	9	$ 89.478981	$ 15,509.69	$ 186,116.28	$ 115.795038	$ 20,071.14	$ 240,853.68
Park Maint & Operations Superv	131	9	$ 74.576192	$ 12,926.54	$ 155,118.48	$ 96.499327	$ 16,726.55	$ 200,718.60
Parks & Recreation Director	132	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Parks Const, Mtc & Repair Mgr	130	9	$ 74.576192	$ 12,926.54	$ 155,118.48	$ 96.499327	$ 16,726.55	$ 200,718.60
Performance Auditor I	203	9	$ 51.992769	$ 9,012.08	$ 108,144.96	$ 67.290519	$ 11,663.69	$ 139,964.28
Performance Auditor II	204	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Plan Review Manager	629	9	$ 90.834346	$ 15,744.62	$ 188,935.44	$ 117.539654	$ 20,373.54	$ 244,482.48

All classifications on the Unclassifed/Elected Salary Plan are FLSA "Exempt"

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Planning Manager	072	9	$ 94.726788	$ 16,419.31	$ 197,031.72	$ 122.586000	$ 21,248.24	$ 254,978.88
Police Captain	138	9A	$ 150.016096	$ 26,002.79	$ 312,033.48	$ 181.432385	$ 31,448.28	$ 377,379.36
Police Chief	141	Elected					$ 29,473.88	$ 353,686.56
Police Records Manager	647	9	$ 64.268019	$ 11,139.79	$ 133,677.48	$ 83.174423	$ 14,416.90	$ 173,002.80
Power System Scheduler/Trader	674	9E	$ 80.651250	$ 13,979.55	$ 167,754.60	$ 104.374673	$ 18,091.61	$ 217,099.32
Power Trader	673	9E	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Principal Accountant	148	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Electric Utility Eng	145	9E	$ 102.998365	$ 17,853.05	$ 214,236.60	$ 133.290346	$ 23,103.66	$ 277,243.92
Principal Eng - Water & Sewer	142W	9	$ 99.870462	$ 17,310.88	$ 207,730.56	$ 129.244962	$ 22,402.46	$ 268,829.52
Principal Eng/City Surveyor	140	9	$ 104.864135	$ 18,176.45	$ 218,117.40	$ 135.709212	$ 23,522.93	$ 282,275.16
Principal Engineer	142	9	$ 99.870462	$ 17,310.88	$ 207,730.56	$ 129.244962	$ 22,402.46	$ 268,829.52
Principal Financial Analyst	149	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Planner	143	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Power Analyst	154	9E	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Util Info System Mgr	146	9E	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Public Information Officer	077	9	$ 97.889481	$ 16,967.51	$ 203,610.12	$ 126.673096	$ 21,956.67	$ 263,480.04
Public Records Manager	082	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Purchasing Division Manager	147	9	$ 86.142519	$ 14,931.37	$ 179,176.44	$ 111.478442	$ 19,322.93	$ 231,875.16
Recreation Manager	150	9	$ 81.311654	$ 14,094.02	$ 169,128.24	$ 105.222635	$ 18,238.59	$ 218,863.08
Risk Manager	700	9	$ 86.142519	$ 14,931.37	$ 179,176.44	$ 111.478442	$ 19,322.93	$ 231,875.16
Sr Counsel for SVP	179	9	$ 119.543827	$ 20,720.93	$ 248,651.16	$ 154.211538	$ 26,730.00	$ 320,760.00
Sr Deputy City Attorney	161	9	$ 85.906096	$ 14,890.39	$ 178,684.68	$ 111.179712	$ 19,271.15	$ 231,253.80
Sr Elec Div Mgr	173	9E	$ 118.943712	$ 20,616.91	$ 247,402.92	$ 153.941538	$ 26,683.20	$ 320,198.40
Sr Elec Div Mgr-Mkt A&P	174A	9E	$ 118.943712	$ 20,616.91	$ 247,402.92	$ 153.941538	$ 26,683.20	$ 320,198.40
Sr Information Tech Svcs Mgr	743	9	$ 92.022923	$ 15,950.64	$ 191,407.68	$ 119.089731	$ 20,642.22	$ 247,706.64
Sr Management Analyst	742	9	$ 68.630192	$ 11,895.90	$ 142,750.80	$ 88.823250	$ 15,396.03	$ 184,752.36
Sr Performance Auditor	202	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Sr Power System Schedlr/Trader	772	9E	$ 86.684654	$ 15,025.34	$ 180,304.08	$ 112.187423	$ 19,445.82	$ 233,349.84

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City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Street Superintendent	159	9	$ 82.409885	$ 14,284.38	$ 171,412.56	$ 106.654558	$ 18,486.79	$ 221,841.48
Transportation Manager	171	9	$ 100.781135	$ 17,468.73	$ 209,624.76	$ 130.426558	$ 22,607.27	$ 271,287.24
Utility Business Systems Mgr	898	9	$ 80.414942	$ 13,938.59	$ 167,263.08	$ 104.061923	$ 18,037.40	$ 216,448.80
Utility Operations Engineer	155	9	$ 84.891288	$ 14,714.49	$ 176,573.88	$ 109.851981	$ 19,041.01	$ 228,492.12
Water & Sewer Operations Mgr	180	9	$ 83.438596	$ 14,462.69	$ 173,552.28	$ 107.989154	$ 18,718.12	$ 224,617.44
Water & Sewer Superintendent	029	9	$ 75.445038	$ 13,077.14	$ 156,925.68	$ 97.646192	$ 16,925.34	$ 203,104.08
Web & Digital Media Manager	073	9	$ 71.934865	$ 12,468.71	$ 149,624.52	$ 93.086423	$ 16,134.98	$ 193,619.76

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City of Santa Clara
Unclassified/Elected Salary Plan

Effective 751/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Asst Building Official	222	9	$ 95.373288	$ 16,531.37	$ 198,376.44	$ 123.434077	$ 21,395.24	$ 256,742.88
Asst City Attorney	015	9	$ 110.845962	$ 19,213.30	$ 230,559.60	$ 143.452673	$ 24,865.13	$ 298,381.56
Asst City Clerk	010	9	$ 84.381692	$ 14,626.16	$ 175,513.92	$ 109.189904	$ 18,926.25	$ 227,115.00
Asst City Librarian	012	9	$ 96.582750	$ 16,741.01	$ 200,892.12	$ 124.990962	$ 21,665.10	$ 259,981.20
Asst City Manager	016	9	$ 143.042827	$ 24,794.09	$ 297,529.08	$ 185.105654	$ 32,084.98	$ 385,019.76
Asst Dir of Community Dev	038	9	$ 109.164981	$ 18,921.93	$ 227,063.16	$ 141.914192	$ 24,598.46	$ 295,181.52
Asst Dir of Electric Util	021	9	$ 130.850654	$ 22,680.78	$ 272,169.36	$ 169.337712	$ 29,351.87	$ 352,222.44
Asst Dir of Finance	022	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
Asst Dir of Human Resources	018	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
Asst Dir of Pub Works/City Eng	071	9	$ 114.842769	$ 19,906.08	$ 238,872.96	$ 148.624154	$ 25,761.52	$ 309,138.24
Asst Dir of Water & Sewer Util	014	9	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Asst Fire Chief	024	9B	$ 144.731423	$ 25,086.78	$ 301,041.36	$ 187.309038	$ 32,466.90	$ 389,602.80
Asst Fire Marshal	026	9B	$ 111.007846	$ 19,241.36	$ 230,896.32	$ 143.657250	$ 24,900.59	$ 298,807.08
Asst Fleet Manager	046	9	$ 62.603365	$ 10,851.25	$ 130,215.00	$ 81.008769	$ 14,041.52	$ 168,498.24
Asst Police Chief	027	9A	$ 153.086596	$ 26,535.01	$ 318,420.12	$ 190.489673	$ 33,018.21	$ 396,218.52
Asst To The City Manager	028	9	$ 101.802808	$ 17,645.82	$ 211,749.84	$ 131.740385	$ 22,835.00	$ 274,020.00
Battalion Chief	036	9B	$ 119.595692	$ 20,729.92	$ 248,759.04	$ 154.762212	$ 26,825.45	$ 321,905.40
Battalion Chief 24 Hrs	036S	9BS	$ 81.357610	$ 19,742.78	$ 236,913.36	$ 105.280426	$ 25,548.05	$ 306,576.60
Building Maintenance Manager	041	9	$ 79.240269	$ 13,734.98	$ 164,819.76	$ 102.546577	$ 17,774.74	$ 213,296.88
Building Official	042	9	$ 104.916865	$ 18,185.59	$ 218,227.08	$ 135.771923	$ 23,533.80	$ 282,405.60
Cemetery Operations Manager	045	9	$ 63.364327	$ 10,983.15	$ 131,797.80	$ 81.999808	$ 14,213.30	$ 170,559.60
Chief Asst City Attorney	037	9	$ 127.472538	$ 22,095.24	$ 265,142.88	$ 164.970519	$ 28,594.89	$ 343,138.68
Chief Operating Officer	311	9	$ 164.504596	$ 28,514.13	$ 342,169.56	$ 212.882827	$ 36,899.69	$ 442,796.28
City Attorney	060	Appointed				$ 181.668462	$ 31,489.20	$ 377,870.40
City Auditor	067	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
City Clerk	063	Elected					$ 1,650.00	$ 19,800.00
City Council Member	CNCL	Elected					$ 2,200.00	$ 26,400.00
City Librarian	066	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84

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City of Santa Clara
Unclassified/Elected Salary Plan

Effective 751/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
City Manager	069	Appointed				$ 211.241712	$ 36,615.23	$ 439,382.76
Communications & Outreach Mgr	083	9	$ 71.934865	$ 12,468.71	$ 149,624.52	$ 93.086423	$ 16,134.98	$ 193,619.76
Communications Operations Mgr	068	9	$ 81.513173	$ 14,128.95	$ 169,547.40	$ 105.486808	$ 18,284.38	$ 219,412.56
Compliance Manager	081	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Contracts Manager	342	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Deputy City Attorney I	170	9	$ 69.272654	$ 12,007.26	$ 144,087.12	$ 89.645712	$ 15,538.59	$ 186,463.08
Deputy City Attorney II	172	9	$ 80.818096	$ 14,008.47	$ 168,101.64	$ 104.590154	$ 18,128.96	$ 217,547.52
Deputy City Clerk	178	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Deputy City Manager	079	9	$ 111.985962	$ 19,410.90	$ 232,930.80	$ 144.912288	$ 25,118.13	$ 301,417.56
Deputy Director	176	9	$ 90.653596	$ 15,713.29	$ 188,559.48	$ 117.317250	$ 20,334.99	$ 244,019.88
Deputy Fire Chief	080	9B	$ 131.573423	$ 22,806.06	$ 273,672.72	$ 170.282250	$ 29,515.59	$ 354,187.08
Development Project Manager	158	9	$ 90.647654	$ 15,712.26	$ 188,547.12	$ 117.307212	$ 20,333.25	$ 243,999.00
Development Review Officer	144	9	$ 87.699577	$ 15,201.26	$ 182,415.12	$ 113.494212	$ 19,672.33	$ 236,067.96
Director of Community Developm	090	9	$ 130.185635	$ 22,565.51	$ 270,786.12	$ 168.478327	$ 29,202.91	$ 350,434.92
Director of Econ Dev and Sust	085	9	$ 118.999615	$ 20,626.60	$ 247,519.20	$ 153.509654	$ 26,608.34	$ 319,300.08
Director of Finance	087	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Human Resources	088	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Inf Technology/CIO	089	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Public Works	091	9	$ 137.706462	$ 23,869.12	$ 286,429.44	$ 178.208250	$ 30,889.43	$ 370,673.16
Director of Silicon Valley Pwr	108	9	$ 164.504596	$ 28,514.13	$ 342,169.56	$ 212.882827	$ 36,899.69	$ 442,796.28
Director of Wtr & Sewer Utils	102	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Division Manager	136	9	$ 86.142519	$ 14,931.37	$ 179,176.44	$ 117.421500	$ 20,353.06	$ 244,236.72
Elec Div Mgr - Engineering	104Q	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr - Generation	104R	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr - Operations	104P	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr - Substations	104M	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr - Transm, Distrib	104S	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr-Mkt A & P	107F	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47

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City of Santa Clara
Unclassified/Elected Salary Plan

Effective 751/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Elec Division Manager	104	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Program Manager	424	9E	$ 94.038750	$ 16,300.05	$ 195,600.60	$ 121.689404	$ 21,092.83	$ 253,113.96
Elec Util Chief Oper Officer	116	9	$ 143.939192	$ 24,949.46	$ 299,393.52	$ 186.277096	$ 32,288.03	$ 387,456.36
Elec Util Risk Control Analyst	697	9E	$ 84.217038	$ 14,597.62	$ 175,171.44	$ 108.990058	$ 18,891.61	$ 226,699.32
Emergency Services Officer	106	9	$ 97.889481	$ 16,967.51	$ 203,610.12	$ 126.673096	$ 21,956.67	$ 263,480.04
Environmental Programs Mgr	461	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Executive Assistant	187	9	$ 61.452923	$ 10,651.84	$ 127,822.08	$ 79.525269	$ 13,784.38	$ 165,412.56
Fire Chief	117	9B	$ 157.405038	$ 27,283.54	$ 327,402.48	$ 203.689962	$ 35,306.26	$ 423,675.12
Fire Marshal	120	9B	$ 119.594942	$ 20,729.79	$ 248,757.48	$ 154.758000	$ 26,824.72	$ 321,896.64
Fleet Manager	034	9	$ 75.500654	$ 13,086.78	$ 157,041.36	$ 97.701808	$ 16,934.98	$ 203,219.76
Housing Development Officer	749	9	$ 71.253692	$ 12,350.64	$ 148,207.68	$ 92.210654	$ 15,983.18	$ 191,798.16
Information Technology Svc Mgr	112	9	$ 83.980673	$ 14,556.65	$ 174,679.80	$ 108.670385	$ 18,836.20	$ 226,034.40
Inspection Manager	134	9	$ 89.868115	$ 15,577.14	$ 186,925.68	$ 116.309308	$ 20,160.28	$ 241,923.36
Legal Executive Assistant	185	9	$ 61.452923	$ 10,651.84	$ 127,822.08	$ 79.525269	$ 13,784.38	$ 165,412.56
Library Div Mgr -Support Svcs	127G	9	$ 75.445038	$ 13,077.14	$ 156,925.68	$ 97.646192	$ 16,925.34	$ 203,104.08
Management Analyst	008	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Mayor	MAYOR	Elected					$ 2,750.00	$ 33,000.00
Park Maint & Operations Superv	131	9	$ 74.576192	$ 12,926.54	$ 155,118.48	$ 96.499327	$ 16,726.55	$ 200,718.60
Parks & Recreation Director	132	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Parks Const, Mtc & Repair Mgr	130	9	$ 74.576192	$ 12,926.54	$ 155,118.48	$ 96.499327	$ 16,726.55	$ 200,718.60
Performance Auditor I	203	9	$ 51.992769	$ 9,012.08	$ 108,144.96	$ 67.290519	$ 11,663.69	$ 139,964.28
Performance Auditor II	204	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Plan Review Manager	629	9	$ 90.834346	$ 15,744.62	$ 188,935.44	$ 117.539654	$ 20,373.54	$ 244,482.48
Planning Manager	072	9	$ 94.726788	$ 16,419.31	$ 197,031.72	$ 122.586000	$ 21,248.24	$ 254,978.88
Police Captain	138	9A	$ 150.016096	$ 26,002.79	$ 312,033.48	$ 181.432385	$ 31,448.28	$ 377,379.36
Police Chief	141	Elected					$ 29,473.88	$ 353,686.56
Police Records Manager	647	9	$ 64.268019	$ 11,139.79	$ 133,677.48	$ 83.174423	$ 14,416.90	$ 173,002.80
Power System Scheduler/Trader	674	9E	$ 80.651250	$ 13,979.55	$ 167,754.60	$ 104.374673	$ 18,091.61	$ 217,099.32

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City of Santa Clara
Unclassified/Elected Salary Plan

Effective 751/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Power Trader	673	9E	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Principal Accountant	148	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Electric Utility Eng	145	9E	$ 102.998365	$ 17,853.05	$ 214,236.60	$ 137.794630	$ 23,884.40	$ 286,612.83
Principal Eng - Water & Sewer	142W	9	$ 99.870462	$ 17,310.88	$ 207,730.56	$ 129.244962	$ 22,402.46	$ 268,829.52
Principal Eng/City Surveyor	140	9	$ 104.864135	$ 18,176.45	$ 218,117.40	$ 135.709212	$ 23,522.93	$ 282,275.16
Principal Engineer	142	9	$ 99.870462	$ 17,310.88	$ 207,730.56	$ 129.244962	$ 22,402.46	$ 268,829.52
Principal Financial Analyst	149	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Planner	143	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Power Analyst	154	9E	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Util Info System Mgr	146	9E	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Public Information Officer	077	9	$ 97.889481	$ 16,967.51	$ 203,610.12	$ 126.673096	$ 21,956.67	$ 263,480.04
Public Records Manager	082	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Recreation Manager	150	9	$ 81.311654	$ 14,094.02	$ 169,128.24	$ 105.222635	$ 18,238.59	$ 218,863.08
Sr Counsel for SVP	179	9	$ 119.543827	$ 20,720.93	$ 248,651.16	$ 154.211538	$ 26,730.00	$ 320,760.00
Sr Deputy City Attorney	161	9	$ 85.906096	$ 14,890.39	$ 178,684.68	$ 111.179712	$ 19,271.15	$ 231,253.80
Sr Elec Div Mgr	173	9E	$ 118.943712	$ 20,616.91	$ 247,402.92	$ 153.941538	$ 26,683.20	$ 320,198.40
Sr Elec Div Mgr-Mkt A&P	174A	9E	$ 118.943712	$ 20,616.91	$ 247,402.92	$ 153.941538	$ 26,683.20	$ 320,198.40
Sr Information Tech Svcs Mgr	743	9	$ 92.022923	$ 15,950.64	$ 191,407.68	$ 119.089731	$ 20,642.22	$ 247,706.64
Sr Management Analyst	742	9	$ 68.630192	$ 11,895.90	$ 142,750.80	$ 88.823250	$ 15,396.03	$ 184,752.36
Sr Performance Auditor	202	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Sr Power System Schedlr/Trader	772	9E	$ 86.684654	$ 15,025.34	$ 180,304.08	$ 112.187423	$ 19,445.82	$ 233,349.84
Street Superintendent	159	9	$ 82.409885	$ 14,284.38	$ 171,412.56	$ 106.654558	$ 18,486.79	$ 221,841.48
Transportation Manager	171	9	$ 100.781135	$ 17,468.73	$ 209,624.76	$ 130.426558	$ 22,607.27	$ 271,287.24
Utility Business Systems Mgr	898	9	$ 80.414942	$ 13,938.59	$ 167,263.08	$ 104.061923	$ 18,037.40	$ 216,448.80
Utility Operations Engineer	155	9	$ 84.891288	$ 14,714.49	$ 176,573.88	$ 109.851981	$ 19,041.01	$ 228,492.12
Water & Sewer Operations Mgr	180	9	$ 83.438596	$ 14,462.69	$ 173,552.28	$ 107.989154	$ 18,718.12	$ 224,617.44
Water & Sewer Superintendent	029	9	$ 75.445038	$ 13,077.14	$ 156,925.68	$ 97.646192	$ 16,925.34	$ 203,104.08
Web & Digital Media Manager	073	9	$ 71.934865	$ 12,468.71	$ 149,624.52	$ 93.086423	$ 16,134.98	$ 193,619.76

All classifications on the Unclassifed/Elected Salary Plan are FLSA "Exempt"

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA, TO ADOPT THE AMENDED UNCLASSIFIED SALARY PLAN FOR VARIOUS POSITIONS WITH AN APPROVAL DATE OF JULY 7, 2026, AND AN EFFECTIVE DATE OF JULY 1, 2026

WHEREAS, the City of Santa Clara contracts with CalPERS to provide retirement benefits;

WHEREAS, to comply with the California Code Regulations section 570.5, the City of Santa Clara shall among other things, have publicly available pay schedules approved and adopted by the City Council which shall indicate an effective date and date of any revisions; and

WHEREAS, as required by the California Code Regulations section 570.5 and as mandated by CalPERS, the City Council deems it to be in the best interests of the City to adopt the Amended Unclassified Salary Plans for elected positions to reflect salary modifications approved and adopted by the Salary Setting Commission, with an approval date of July 7, 2026, and an effective date of July 1, 2026.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the City hereby adopts the Amended Unclassified Salary Plan for the positions of Mayor, City Council Member, and City Clerk, reflecting the wage increases previously approved by the Salary Setting Commission.

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I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 7TH DAY OF JULY, 2026, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:
NOES:	COUNCILORS:
ABSENT:	COUNCILORS:
ABSTAINED:	COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by reference:
Exhibit 1: Unclassified Salary Plan (effective July 1, 2026) approved July 7, 2026
Exhibit 2: Unclassified Salary Plan (effective July 5, 2026) approved July 7, 2006

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Accounting Division Manager	109	9	$ 89.478981	$ 15,509.69	$ 186,116.28	$ 115.795038	$ 20,071.14	$ 240,853.68
Asst Building Official	222	9	$ 95.373288	$ 16,531.37	$ 198,376.44	$ 123.434077	$ 21,395.24	$ 256,742.88
Asst City Attorney	015	9	$ 110.845962	$ 19,213.30	$ 230,559.60	$ 143.452673	$ 24,865.13	$ 298,381.56
Asst City Clerk	010	9	$ 84.381692	$ 14,626.16	$ 175,513.92	$ 109.189904	$ 18,926.25	$ 227,115.00
Asst City Librarian	012	9	$ 96.582750	$ 16,741.01	$ 200,892.12	$ 124.990962	$ 21,665.10	$ 259,981.20
Asst City Manager	016	9	$ 143.042827	$ 24,794.09	$ 297,529.08	$ 185.105654	$ 32,084.98	$ 385,019.76
Asst Dir of Community Dev	038	9	$ 109.164981	$ 18,921.93	$ 227,063.16	$ 141.914192	$ 24,598.46	$ 295,181.52
Asst Dir of Electric Util	021	9	$ 130.850654	$ 22,680.78	$ 272,169.36	$ 169.337712	$ 29,351.87	$ 352,222.44
Asst Dir of Finance	022	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
Asst Dir of Human Resources	018	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
Asst Dir of Pub Works/City Eng	071	9	$ 114.842769	$ 19,906.08	$ 238,872.96	$ 148.624154	$ 25,761.52	$ 309,138.24
Asst Dir of Water & Sewer Util	014	9	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Asst Fire Chief	024	9B	$ 144.731423	$ 25,086.78	$ 301,041.36	$ 187.309038	$ 32,466.90	$ 389,602.80
Asst Fire Marshal	026	9B	$ 111.007846	$ 19,241.36	$ 230,896.32	$ 143.657250	$ 24,900.59	$ 298,807.08
Asst Fleet Manager	046	9	$ 62.603365	$ 10,851.25	$ 130,215.00	$ 81.008769	$ 14,041.52	$ 168,498.24
Asst Police Chief	027	9A	$ 153.086596	$ 26,535.01	$ 318,420.12	$ 190.489673	$ 33,018.21	$ 396,218.52
Asst To The City Manager	028	9	$ 101.802808	$ 17,645.82	$ 211,749.84	$ 131.740385	$ 22,835.00	$ 274,020.00
Audit Manager	201	9	$ 86.142519	$ 14,931.37	$ 179,176.44	$ 111.478442	$ 19,322.93	$ 231,875.16
Battalion Chief	036	9B	$ 119.595692	$ 20,729.92	$ 248,759.04	$ 154.762212	$ 26,825.45	$ 321,905.40
Battalion Chief 24 Hrs	036S	9BS	$ 81.357610	$ 19,742.78	$ 236,913.36	$ 105.280426	$ 25,548.05	$ 306,576.60
Budget & Treasury Division Mgr	113	9	$ 89.478981	$ 15,509.69	$ 186,116.28	$ 115.795038	$ 20,071.14	$ 240,853.68
Building Maintenance Manager	041	9	$ 79.240269	$ 13,734.98	$ 164,819.76	$ 102.546577	$ 17,774.74	$ 213,296.88
Building Official	042	9	$ 104.916865	$ 18,185.59	$ 218,227.08	$ 135.771923	$ 23,533.80	$ 282,405.60
Cemetery Operations Manager	045	9	$ 63.364327	$ 10,983.15	$ 131,797.80	$ 81.999808	$ 14,213.30	$ 170,559.60
Chief Asst City Attorney	037	9	$ 127.472538	$ 22,095.24	$ 265,142.88	$ 164.970519	$ 28,594.89	$ 343,138.68
Chief Operating Officer	311	9	$ 164.504596	$ 28,514.13	$ 342,169.56	$ 212.882827	$ 36,899.69	$ 442,796.28
City Attorney	060	Appointed				$ 181.668462	$ 31,489.20	$ 377,870.40
City Auditor	067	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72

All classifications on the Unclassifed/Elected Salary Plan are FLSA "Exempt"

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
City Clerk	063	Elected					$ 1,650.00	$ 19,800.00
City Council Member	CNCL	Elected					$ 2,200.00	$ 26,400.00
City Librarian	066	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
City Manager	069	Appointed				$ 211.241712	$ 36,615.23	$ 439,382.76
Communications & Outreach Mgr	083	9	$ 71.934865	$ 12,468.71	$ 149,624.52	$ 93.086423	$ 16,134.98	$ 193,619.76
Communications Operations Mgr	068	9	$ 81.513173	$ 14,128.95	$ 169,547.40	$ 105.486808	$ 18,284.38	$ 219,412.56
Compliance Manager	081	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Contracts Manager	342	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Deputy City Attorney I	170	9	$ 69.272654	$ 12,007.26	$ 144,087.12	$ 89.645712	$ 15,538.59	$ 186,463.08
Deputy City Attorney II	172	9	$ 80.818096	$ 14,008.47	$ 168,101.64	$ 104.590154	$ 18,128.96	$ 217,547.52
Deputy City Clerk	178	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Deputy City Manager	079	9	$ 111.985962	$ 19,410.90	$ 232,930.80	$ 144.912288	$ 25,118.13	$ 301,417.56
Deputy Director	176	9	$ 90.653596	$ 15,713.29	$ 188,559.48	$ 117.317250	$ 20,334.99	$ 244,019.88
Deputy Fire Chief	080	9B	$ 131.573423	$ 22,806.06	$ 273,672.72	$ 170.282250	$ 29,515.59	$ 354,187.08
Development Project Manager	158	9	$ 90.647654	$ 15,712.26	$ 188,547.12	$ 117.307212	$ 20,333.25	$ 243,999.00
Development Review Officer	144	9	$ 87.699577	$ 15,201.26	$ 182,415.12	$ 113.494212	$ 19,672.33	$ 236,067.96
Director of Community Developm	090	9	$ 130.185635	$ 22,565.51	$ 270,786.12	$ 168.478327	$ 29,202.91	$ 350,434.92
Director of Econ Dev and Sust	085	9	$ 118.999615	$ 20,626.60	$ 247,519.20	$ 153.509654	$ 26,608.34	$ 319,300.08
Director of Finance	087	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Human Resources	088	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Inf Technology/CIO	089	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Public Works	091	9	$ 137.706462	$ 23,869.12	$ 286,429.44	$ 178.208250	$ 30,889.43	$ 370,673.16
Director of Silicon Valley Pwr	108	9	$ 164.504596	$ 28,514.13	$ 342,169.56	$ 212.882827	$ 36,899.69	$ 442,796.28
Director of Wtr & Sewer Utils	102	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Elec Div Mgr - Engineering	104Q	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Div Mgr - Generation	104R	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Div Mgr - Operations	104P	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Div Mgr - Substations	104M	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Elec Div Mgr - Transm, Distrib	104S	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Div Mgr-Mkt A & P	107F	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Division Manager	104	9E	$ 108.135173	$ 18,743.43	$ 224,921.16	$ 139.949308	$ 24,257.88	$ 291,094.56
Elec Program Manager	424	9E	$ 94.038750	$ 16,300.05	$ 195,600.60	$ 121.689404	$ 21,092.83	$ 253,113.96
Elec Util Chief Oper Officer	116	9	$ 143.939192	$ 24,949.46	$ 299,393.52	$ 186.277096	$ 32,288.03	$ 387,456.36
Elec Util Risk Control Analyst	697	9E	$ 84.217038	$ 14,597.62	$ 175,171.44	$ 108.990058	$ 18,891.61	$ 226,699.32
Emergency Services Officer	106	9	$ 97.889481	$ 16,967.51	$ 203,610.12	$ 126.673096	$ 21,956.67	$ 263,480.04
Environmental Programs Mgr	461	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Executive Assistant	187	9	$ 61.452923	$ 10,651.84	$ 127,822.08	$ 79.525269	$ 13,784.38	$ 165,412.56
Fire Chief	117	9B	$ 157.405038	$ 27,283.54	$ 327,402.48	$ 203.689962	$ 35,306.26	$ 423,675.12
Fire Marshal	120	9B	$ 119.594942	$ 20,729.79	$ 248,757.48	$ 154.758000	$ 26,824.72	$ 321,896.64
Fleet Manager	034	9	$ 75.500654	$ 13,086.78	$ 157,041.36	$ 97.701808	$ 16,934.98	$ 203,219.76
Housing & Comm Svc Div Mgr	075	9	$ 90.730038	$ 15,726.54	$ 188,718.48	$ 117.421500	$ 20,353.06	$ 244,236.72
Housing Development Officer	749	9	$ 71.253692	$ 12,350.64	$ 148,207.68	$ 92.210654	$ 15,983.18	$ 191,798.16
Human Resources Div Mgr	139	9	$ 89.478981	$ 15,509.69	$ 186,116.28	$ 115.795038	$ 20,071.14	$ 240,853.68
Information Technology Svc Mgr	112	9	$ 83.980673	$ 14,556.65	$ 174,679.80	$ 108.670385	$ 18,836.20	$ 226,034.40
Inspection Manager	134	9	$ 89.868115	$ 15,577.14	$ 186,925.68	$ 116.309308	$ 20,160.28	$ 241,923.36
Legal Executive Assistant	185	9	$ 61.452923	$ 10,651.84	$ 127,822.08	$ 79.525269	$ 13,784.38	$ 165,412.56
Library Div Mgr -Support Svcs	127G	9	$ 75.445038	$ 13,077.14	$ 156,925.68	$ 97.646192	$ 16,925.34	$ 203,104.08
Management Analyst	008	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Mayor	MAYOR	Elected					$ 2,750.00	$ 33,000.00
Municipal Services Div Mgr	110	9	$ 89.478981	$ 15,509.69	$ 186,116.28	$ 115.795038	$ 20,071.14	$ 240,853.68
Park Maint & Operations Superv	131	9	$ 74.576192	$ 12,926.54	$ 155,118.48	$ 96.499327	$ 16,726.55	$ 200,718.60
Parks & Recreation Director	132	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Parks Const, Mtc & Repair Mgr	130	9	$ 74.576192	$ 12,926.54	$ 155,118.48	$ 96.499327	$ 16,726.55	$ 200,718.60
Performance Auditor I	203	9	$ 51.992769	$ 9,012.08	$ 108,144.96	$ 67.290519	$ 11,663.69	$ 139,964.28
Performance Auditor II	204	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Plan Review Manager	629	9	$ 90.834346	$ 15,744.62	$ 188,935.44	$ 117.539654	$ 20,373.54	$ 244,482.48

All classifications on the Unclassifed/Elected Salary Plan are FLSA "Exempt"

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Planning Manager	072	9	$ 94.726788	$ 16,419.31	$ 197,031.72	$ 122.586000	$ 21,248.24	$ 254,978.88
Police Captain	138	9A	$ 150.016096	$ 26,002.79	$ 312,033.48	$ 181.432385	$ 31,448.28	$ 377,379.36
Police Chief	141	Elected					$ 29,473.88	$ 353,686.56
Police Records Manager	647	9	$ 64.268019	$ 11,139.79	$ 133,677.48	$ 83.174423	$ 14,416.90	$ 173,002.80
Power System Scheduler/Trader	674	9E	$ 80.651250	$ 13,979.55	$ 167,754.60	$ 104.374673	$ 18,091.61	$ 217,099.32
Power Trader	673	9E	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Principal Accountant	148	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Electric Utility Eng	145	9E	$ 102.998365	$ 17,853.05	$ 214,236.60	$ 133.290346	$ 23,103.66	$ 277,243.92
Principal Eng - Water & Sewer	142W	9	$ 99.870462	$ 17,310.88	$ 207,730.56	$ 129.244962	$ 22,402.46	$ 268,829.52
Principal Eng/City Surveyor	140	9	$ 104.864135	$ 18,176.45	$ 218,117.40	$ 135.709212	$ 23,522.93	$ 282,275.16
Principal Engineer	142	9	$ 99.870462	$ 17,310.88	$ 207,730.56	$ 129.244962	$ 22,402.46	$ 268,829.52
Principal Financial Analyst	149	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Planner	143	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Power Analyst	154	9E	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Util Info System Mgr	146	9E	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Public Information Officer	077	9	$ 97.889481	$ 16,967.51	$ 203,610.12	$ 126.673096	$ 21,956.67	$ 263,480.04
Public Records Manager	082	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Purchasing Division Manager	147	9	$ 86.142519	$ 14,931.37	$ 179,176.44	$ 111.478442	$ 19,322.93	$ 231,875.16
Recreation Manager	150	9	$ 81.311654	$ 14,094.02	$ 169,128.24	$ 105.222635	$ 18,238.59	$ 218,863.08
Risk Manager	700	9	$ 86.142519	$ 14,931.37	$ 179,176.44	$ 111.478442	$ 19,322.93	$ 231,875.16
Sr Counsel for SVP	179	9	$ 119.543827	$ 20,720.93	$ 248,651.16	$ 154.211538	$ 26,730.00	$ 320,760.00
Sr Deputy City Attorney	161	9	$ 85.906096	$ 14,890.39	$ 178,684.68	$ 111.179712	$ 19,271.15	$ 231,253.80
Sr Elec Div Mgr	173	9E	$ 118.943712	$ 20,616.91	$ 247,402.92	$ 153.941538	$ 26,683.20	$ 320,198.40
Sr Elec Div Mgr-Mkt A&P	174A	9E	$ 118.943712	$ 20,616.91	$ 247,402.92	$ 153.941538	$ 26,683.20	$ 320,198.40
Sr Information Tech Svcs Mgr	743	9	$ 92.022923	$ 15,950.64	$ 191,407.68	$ 119.089731	$ 20,642.22	$ 247,706.64
Sr Management Analyst	742	9	$ 68.630192	$ 11,895.90	$ 142,750.80	$ 88.823250	$ 15,396.03	$ 184,752.36
Sr Performance Auditor	202	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Sr Power System Schedlr/Trader	772	9E	$ 86.684654	$ 15,025.34	$ 180,304.08	$ 112.187423	$ 19,445.82	$ 233,349.84

All classifications on the Unclassifed/Elected Salary Plan are FLSA "Exempt"

City of Santa Clara
Unclassified/Elected Salary Plan

Effective 7/1/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Street Superintendent	159	9	$ 82.409885	$ 14,284.38	$ 171,412.56	$ 106.654558	$ 18,486.79	$ 221,841.48
Transportation Manager	171	9	$ 100.781135	$ 17,468.73	$ 209,624.76	$ 130.426558	$ 22,607.27	$ 271,287.24
Utility Business Systems Mgr	898	9	$ 80.414942	$ 13,938.59	$ 167,263.08	$ 104.061923	$ 18,037.40	$ 216,448.80
Utility Operations Engineer	155	9	$ 84.891288	$ 14,714.49	$ 176,573.88	$ 109.851981	$ 19,041.01	$ 228,492.12
Water & Sewer Operations Mgr	180	9	$ 83.438596	$ 14,462.69	$ 173,552.28	$ 107.989154	$ 18,718.12	$ 224,617.44
Water & Sewer Superintendent	029	9	$ 75.445038	$ 13,077.14	$ 156,925.68	$ 97.646192	$ 16,925.34	$ 203,104.08
Web & Digital Media Manager	073	9	$ 71.934865	$ 12,468.71	$ 149,624.52	$ 93.086423	$ 16,134.98	$ 193,619.76

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City of Santa Clara
Unclassified/Elected Salary Plan

Effective 751/2026
Approved 7/7/2026

			Minimum Salary			Maximum Salary		
Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Asst Building Official	222	9	$ 95.373288	$ 16,531.37	$ 198,376.44	$ 123.434077	$ 21,395.24	$ 256,742.88
Asst City Attorney	015	9	$ 110.845962	$ 19,213.30	$ 230,559.60	$ 143.452673	$ 24,865.13	$ 298,381.56
Asst City Clerk	010	9	$ 84.381692	$ 14,626.16	$ 175,513.92	$ 109.189904	$ 18,926.25	$ 227,115.00
Asst City Librarian	012	9	$ 96.582750	$ 16,741.01	$ 200,892.12	$ 124.990962	$ 21,665.10	$ 259,981.20
Asst City Manager	016	9	$ 143.042827	$ 24,794.09	$ 297,529.08	$ 185.105654	$ 32,084.98	$ 385,019.76
Asst Dir of Community Dev	038	9	$ 109.164981	$ 18,921.93	$ 227,063.16	$ 141.914192	$ 24,598.46	$ 295,181.52
Asst Dir of Electric Util	021	9	$ 130.850654	$ 22,680.78	$ 272,169.36	$ 169.337712	$ 29,351.87	$ 352,222.44
Asst Dir of Finance	022	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
Asst Dir of Human Resources	018	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
Asst Dir of Pub Works/City Eng	071	9	$ 114.842769	$ 19,906.08	$ 238,872.96	$ 148.624154	$ 25,761.52	$ 309,138.24
Asst Dir of Water & Sewer Util	014	9	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Asst Fire Chief	024	9B	$ 144.731423	$ 25,086.78	$ 301,041.36	$ 187.309038	$ 32,466.90	$ 389,602.80
Asst Fire Marshal	026	9B	$ 111.007846	$ 19,241.36	$ 230,896.32	$ 143.657250	$ 24,900.59	$ 298,807.08
Asst Fleet Manager	046	9	$ 62.603365	$ 10,851.25	$ 130,215.00	$ 81.008769	$ 14,041.52	$ 168,498.24
Asst Police Chief	027	9A	$ 153.086596	$ 26,535.01	$ 318,420.12	$ 190.489673	$ 33,018.21	$ 396,218.52
Asst To The City Manager	028	9	$ 101.802808	$ 17,645.82	$ 211,749.84	$ 131.740385	$ 22,835.00	$ 274,020.00
Battalion Chief	036	9B	$ 119.595692	$ 20,729.92	$ 248,759.04	$ 154.762212	$ 26,825.45	$ 321,905.40
Battalion Chief 24 Hrs	036S	9BS	$ 81.357610	$ 19,742.78	$ 236,913.36	$ 105.280426	$ 25,548.05	$ 306,576.60
Building Maintenance Manager	041	9	$ 79.240269	$ 13,734.98	$ 164,819.76	$ 102.546577	$ 17,774.74	$ 213,296.88
Building Official	042	9	$ 104.916865	$ 18,185.59	$ 218,227.08	$ 135.771923	$ 23,533.80	$ 282,405.60
Cemetery Operations Manager	045	9	$ 63.364327	$ 10,983.15	$ 131,797.80	$ 81.999808	$ 14,213.30	$ 170,559.60
Chief Asst City Attorney	037	9	$ 127.472538	$ 22,095.24	$ 265,142.88	$ 164.970519	$ 28,594.89	$ 343,138.68
Chief Operating Officer	311	9	$ 164.504596	$ 28,514.13	$ 342,169.56	$ 212.882827	$ 36,899.69	$ 442,796.28
City Attorney	060	Appointed				$ 181.668462	$ 31,489.20	$ 377,870.40
City Auditor	067	9	$ 104.138365	$ 18,050.65	$ 216,607.80	$ 134.771019	$ 23,360.31	$ 280,323.72
City Clerk	063	Elected					$ 1,650.00	$ 19,800.00
City Council Member	CNCL	Elected					$ 2,200.00	$ 26,400.00
City Librarian	066	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84

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Effective 751/2026
Approved 7/7/2026

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Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
City Manager	069	Appointed				$ 211.241712	$ 36,615.23	$ 439,382.76
Communications & Outreach Mgr	083	9	$ 71.934865	$ 12,468.71	$ 149,624.52	$ 93.086423	$ 16,134.98	$ 193,619.76
Communications Operations Mgr	068	9	$ 81.513173	$ 14,128.95	$ 169,547.40	$ 105.486808	$ 18,284.38	$ 219,412.56
Compliance Manager	081	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Contracts Manager	342	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Deputy City Attorney I	170	9	$ 69.272654	$ 12,007.26	$ 144,087.12	$ 89.645712	$ 15,538.59	$ 186,463.08
Deputy City Attorney II	172	9	$ 80.818096	$ 14,008.47	$ 168,101.64	$ 104.590154	$ 18,128.96	$ 217,547.52
Deputy City Clerk	178	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Deputy City Manager	079	9	$ 111.985962	$ 19,410.90	$ 232,930.80	$ 144.912288	$ 25,118.13	$ 301,417.56
Deputy Director	176	9	$ 90.653596	$ 15,713.29	$ 188,559.48	$ 117.317250	$ 20,334.99	$ 244,019.88
Deputy Fire Chief	080	9B	$ 131.573423	$ 22,806.06	$ 273,672.72	$ 170.282250	$ 29,515.59	$ 354,187.08
Development Project Manager	158	9	$ 90.647654	$ 15,712.26	$ 188,547.12	$ 117.307212	$ 20,333.25	$ 243,999.00
Development Review Officer	144	9	$ 87.699577	$ 15,201.26	$ 182,415.12	$ 113.494212	$ 19,672.33	$ 236,067.96
Director of Community Developm	090	9	$ 130.185635	$ 22,565.51	$ 270,786.12	$ 168.478327	$ 29,202.91	$ 350,434.92
Director of Econ Dev and Sust	085	9	$ 118.999615	$ 20,626.60	$ 247,519.20	$ 153.509654	$ 26,608.34	$ 319,300.08
Director of Finance	087	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Human Resources	088	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Inf Technology/CIO	089	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Director of Public Works	091	9	$ 137.706462	$ 23,869.12	$ 286,429.44	$ 178.208250	$ 30,889.43	$ 370,673.16
Director of Silicon Valley Pwr	108	9	$ 164.504596	$ 28,514.13	$ 342,169.56	$ 212.882827	$ 36,899.69	$ 442,796.28
Director of Wtr & Sewer Utils	102	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Division Manager	136	9	$ 86.142519	$ 14,931.37	$ 179,176.44	$ 117.421500	$ 20,353.06	$ 244,236.72
Elec Div Mgr - Engineering	104Q	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr - Generation	104R	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr - Operations	104P	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr - Substations	104M	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr - Transm, Distrib	104S	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Div Mgr-Mkt A & P	107F	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47

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Job Title	**Job Code**	**Union Code**	**Hourly**	**Monthly**	**Annual**	**Hourly**	**Monthly**	**Annual**
Elec Division Manager	104	9E	$ 117.750558	$ 20,410.10	$ 244,921.16	$ 144.684361	$ 25,078.62	$ 300,943.47
Elec Program Manager	424	9E	$ 94.038750	$ 16,300.05	$ 195,600.60	$ 121.689404	$ 21,092.83	$ 253,113.96
Elec Util Chief Oper Officer	116	9	$ 143.939192	$ 24,949.46	$ 299,393.52	$ 186.277096	$ 32,288.03	$ 387,456.36
Elec Util Risk Control Analyst	697	9E	$ 84.217038	$ 14,597.62	$ 175,171.44	$ 108.990058	$ 18,891.61	$ 226,699.32
Emergency Services Officer	106	9	$ 97.889481	$ 16,967.51	$ 203,610.12	$ 126.673096	$ 21,956.67	$ 263,480.04
Environmental Programs Mgr	461	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Executive Assistant	187	9	$ 61.452923	$ 10,651.84	$ 127,822.08	$ 79.525269	$ 13,784.38	$ 165,412.56
Fire Chief	117	9B	$ 157.405038	$ 27,283.54	$ 327,402.48	$ 203.689962	$ 35,306.26	$ 423,675.12
Fire Marshal	120	9B	$ 119.594942	$ 20,729.79	$ 248,757.48	$ 154.758000	$ 26,824.72	$ 321,896.64
Fleet Manager	034	9	$ 75.500654	$ 13,086.78	$ 157,041.36	$ 97.701808	$ 16,934.98	$ 203,219.76
Housing Development Officer	749	9	$ 71.253692	$ 12,350.64	$ 148,207.68	$ 92.210654	$ 15,983.18	$ 191,798.16
Information Technology Svc Mgr	112	9	$ 83.980673	$ 14,556.65	$ 174,679.80	$ 108.670385	$ 18,836.20	$ 226,034.40
Inspection Manager	134	9	$ 89.868115	$ 15,577.14	$ 186,925.68	$ 116.309308	$ 20,160.28	$ 241,923.36
Legal Executive Assistant	185	9	$ 61.452923	$ 10,651.84	$ 127,822.08	$ 79.525269	$ 13,784.38	$ 165,412.56
Library Div Mgr -Support Svcs	127G	9	$ 75.445038	$ 13,077.14	$ 156,925.68	$ 97.646192	$ 16,925.34	$ 203,104.08
Management Analyst	008	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Mayor	MAYOR	Elected					$ 2,750.00	$ 33,000.00
Park Maint & Operations Superv	131	9	$ 74.576192	$ 12,926.54	$ 155,118.48	$ 96.499327	$ 16,726.55	$ 200,718.60
Parks & Recreation Director	132	9	$ 129.926538	$ 22,520.60	$ 270,247.20	$ 168.137423	$ 29,143.82	$ 349,725.84
Parks Const, Mtc & Repair Mgr	130	9	$ 74.576192	$ 12,926.54	$ 155,118.48	$ 96.499327	$ 16,726.55	$ 200,718.60
Performance Auditor I	203	9	$ 51.992769	$ 9,012.08	$ 108,144.96	$ 67.290519	$ 11,663.69	$ 139,964.28
Performance Auditor II	204	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Plan Review Manager	629	9	$ 90.834346	$ 15,744.62	$ 188,935.44	$ 117.539654	$ 20,373.54	$ 244,482.48
Planning Manager	072	9	$ 94.726788	$ 16,419.31	$ 197,031.72	$ 122.586000	$ 21,248.24	$ 254,978.88
Police Captain	138	9A	$ 150.016096	$ 26,002.79	$ 312,033.48	$ 181.432385	$ 31,448.28	$ 377,379.36
Police Chief	141	Elected					$ 29,473.88	$ 353,686.56
Police Records Manager	647	9	$ 64.268019	$ 11,139.79	$ 133,677.48	$ 83.174423	$ 14,416.90	$ 173,002.80
Power System Scheduler/Trader	674	9E	$ 80.651250	$ 13,979.55	$ 167,754.60	$ 104.374673	$ 18,091.61	$ 217,099.32

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Power Trader	673	9E	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Principal Accountant	148	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Electric Utility Eng	145	9E	$ 102.998365	$ 17,853.05	$ 214,236.60	$ 137.794630	$ 23,884.40	$ 286,612.83
Principal Eng - Water & Sewer	142W	9	$ 99.870462	$ 17,310.88	$ 207,730.56	$ 129.244962	$ 22,402.46	$ 268,829.52
Principal Eng/City Surveyor	140	9	$ 104.864135	$ 18,176.45	$ 218,117.40	$ 135.709212	$ 23,522.93	$ 282,275.16
Principal Engineer	142	9	$ 99.870462	$ 17,310.88	$ 207,730.56	$ 129.244962	$ 22,402.46	$ 268,829.52
Principal Financial Analyst	149	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Planner	143	9	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Power Analyst	154	9E	$ 80.547058	$ 13,961.49	$ 167,537.88	$ 104.228712	$ 18,066.31	$ 216,795.72
Principal Util Info System Mgr	146	9E	$ 103.074923	$ 17,866.32	$ 214,395.84	$ 133.401577	$ 23,122.94	$ 277,475.28
Public Information Officer	077	9	$ 97.889481	$ 16,967.51	$ 203,610.12	$ 126.673096	$ 21,956.67	$ 263,480.04
Public Records Manager	082	9	$ 62.391346	$ 10,814.50	$ 129,774.00	$ 80.748577	$ 13,996.42	$ 167,957.04
Recreation Manager	150	9	$ 81.311654	$ 14,094.02	$ 169,128.24	$ 105.222635	$ 18,238.59	$ 218,863.08
Sr Counsel for SVP	179	9	$ 119.543827	$ 20,720.93	$ 248,651.16	$ 154.211538	$ 26,730.00	$ 320,760.00
Sr Deputy City Attorney	161	9	$ 85.906096	$ 14,890.39	$ 178,684.68	$ 111.179712	$ 19,271.15	$ 231,253.80
Sr Elec Div Mgr	173	9E	$ 118.943712	$ 20,616.91	$ 247,402.92	$ 153.941538	$ 26,683.20	$ 320,198.40
Sr Elec Div Mgr-Mkt A&P	174A	9E	$ 118.943712	$ 20,616.91	$ 247,402.92	$ 153.941538	$ 26,683.20	$ 320,198.40
Sr Information Tech Svcs Mgr	743	9	$ 92.022923	$ 15,950.64	$ 191,407.68	$ 119.089731	$ 20,642.22	$ 247,706.64
Sr Management Analyst	742	9	$ 68.630192	$ 11,895.90	$ 142,750.80	$ 88.823250	$ 15,396.03	$ 184,752.36
Sr Performance Auditor	202	9	$ 73.067827	$ 12,665.09	$ 151,981.08	$ 94.553135	$ 16,389.21	$ 196,670.52
Sr Power System Schedlr/Trader	772	9E	$ 86.684654	$ 15,025.34	$ 180,304.08	$ 112.187423	$ 19,445.82	$ 233,349.84
Street Superintendent	159	9	$ 82.409885	$ 14,284.38	$ 171,412.56	$ 106.654558	$ 18,486.79	$ 221,841.48
Transportation Manager	171	9	$ 100.781135	$ 17,468.73	$ 209,624.76	$ 130.426558	$ 22,607.27	$ 271,287.24
Utility Business Systems Mgr	898	9	$ 80.414942	$ 13,938.59	$ 167,263.08	$ 104.061923	$ 18,037.40	$ 216,448.80
Utility Operations Engineer	155	9	$ 84.891288	$ 14,714.49	$ 176,573.88	$ 109.851981	$ 19,041.01	$ 228,492.12
Water & Sewer Operations Mgr	180	9	$ 83.438596	$ 14,462.69	$ 173,552.28	$ 107.989154	$ 18,718.12	$ 224,617.44
Water & Sewer Superintendent	029	9	$ 75.445038	$ 13,077.14	$ 156,925.68	$ 97.646192	$ 16,925.34	$ 203,104.08
Web & Digital Media Manager	073	9	$ 71.934865	$ 12,468.71	$ 149,624.52	$ 93.086423	$ 16,134.98	$ 193,619.76

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REPORT TO STADIUM AUTHORITY BOARD

SUBJECT
Action on Stadium Authority Bills and Claims for the Month of May 2026

BACKGROUND
Disbursements made by the Stadium Authority are based on invoices submitted for payment. Prior to payment, staff reviews all disbursement documents to ensure that the invoiced goods or services have been provided.

The Bills and Claims listing represents the cash disbursements required of normal and usual operations during May 2026. Budget control is set by the Stadium Authority Board through the budget adoption process.

DISCUSSION
At its March 10, 2026 meeting, the Stadium Authority Board adopted the Santa Clara Stadium Authority Fiscal Year 2026-27 Operating, Debt Service, and Capital Budget which runs from April 1, 2026 to March 31, 2027. Significant expenditures (greater than $5,000) paid in May 2026 include:

- Payments totaling $218,400.99 to the City of Santa Clara for the following:
  - $185,570.45 for reimbursement of General and Administrative (G&A) City payroll costs (e.g., Executive Director's Office (City Manager's Office), Stadium Authority Counsel's Office (City Attorney's Office), and Treasurer's Office (Finance Department))
  - $4,348.72 for reimbursement of Stadium Authority Special Liability Claims related to Levi's Stadium
  - $4,592.27 reimbursement of G&A non-payroll costs (e.g., Stadium Authority office expenses)
  - $6,129.56 for reimbursement of Capital Expense (CapEx) Project: Kubota Storage Box
  - $10,215.42 for reimbursement of CapEx Project: Replacement of end of life End User equipment
  - $7,320.68 for reimbursement of CapEx Project: Secure Law Enforcement Resource Area
  - $223.89 reimbursement of Celebrate Santa Clara Public Safety Costs
- Payment totaling $15,756.30 to Consor PMCM Inc. for CapEx Project: Plumbing - Boilers
- Payments totaling $524,528.00 to Cupertino Electric for CapEx Project: Distribution - High Voltage (PSG 12 KV Electrical Power Study, Assessment and Replacement at Quad Substations)
- Payment totaling $1,624,473.80 to Forty Niners Stadium Management Company, LLC for May 2026 Stadium Manager Expenses, inclusive of Shared Stadium Expenses
- Payment totaling $29,644.75 to Giant Construction, Inc. for CapEx Project: Women's Locker

Room
- Payment totaling $22,682.10 for Legal Services (March 2026)
- Payment totaling $39,445.19 to Jones Sign Company for CapEx Project: Levi's Naming Rights Signage Refurbishment
- Payment totaling $34,430.78 to LRG Technologies Inc. for CapEx Project: Security - General Allowance
- Payment totaling $49,908.60 to O.C. McDonald Co., Inc. for CapEx Project: Plumbing - Boilers

Names of law firms have been redacted from the Bills and Claims report. The Supreme Court of California in Los Angeles County Board of Supervisors v. Superior Court, (2016) 2 Cal.5th 282, held that invoices specifying the amounts billed by a law firm to a client fall within the scope of attorney-client privilege while the matters are active. In accordance with the Supreme Court's ruling, the names of law firms retained by the Stadium Authority, and the specific amounts billed by each, have been redacted from the public report to maintain the confidentiality of billing records for specific legal services. The aggregate amount spent on legal services in the subject time period has been provided.

ENVIRONMENTAL REVIEW
The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to section 15378(b)(4) of Title 14 of the California Code of Regulations in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT
The fiscal impact to the Stadium Authority is $2,562,082.46.

COORDINATION
This report has been coordinated with the Executive Director and Stadium Authority Counsel's Offices.

PUBLIC CONTACT
Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION
Approve the list of Stadium Authority Bills and Claims for May 2026.

Reviewed by: Kenn Lee, Treasurer
Approved by: Jovan D. Grogan, Executive Director

ATTACHMENTS
1. May 2026 Stadium Authority Bills and Claims

Santa Clara Stadium Authority

Bills and Claims
Expenses Paid by Wire or ACH Transfer
For the Month of May 2026

Payment Date	Vendor	Invoice No.	Description	Fund		Amount
05/06/26	City of Santa Clara	N/A	B2609 SCSA Admin Payroll Costs	Operating	$ 70,323.39	
05/06/26	City of Santa Clara	98431	Reimbursement of Stadium Authority Special Liability Claims related to Levi's Stadium	Operating	4,348.72	
05/08/26	City of Santa Clara	N/A	Reimbursement of General & Administrative Costs	Operating	4,592.27	
05/08/26	City of Santa Clara	N/A	Reimbursement of Capital Expenditure Costs: Kubota Storage Box	CapEx	6,129.56	
05/08/26	City of Santa Clara	N/A	Reimbursement of Capital Expenditure Costs: Replacement of end of life End User equipment	CapEx	10,215.42	
05/08/26	City of Santa Clara	N/A	Reimbursement of Capital Expenditure Costs: Secure Law Enforcement Resource Area	CapEx	7,320.68	
05/22/26	City of Santa Clara	N/A	B2610 SCSA Admin Payroll Costs	Operating	115,247.06	
05/27/26	City of Santa Clara	98476	Celebrate Santa Clara Public Safety Costs	Operating	223.89	
						$ 218,400.99
05/01/26	Consor PMCM Inc.	24-070 TO2-04	CapEx Project: Plumbing - Boilers	CapEx		15,756.30
05/01/26	Cupertino Electric	116340	CapEx Project: Distribution - High Voltage (PSG 12 KV Electrical Power Study, Assessment and Replacement at Quad Substations)	CapEx	181,719.00	
05/13/26	Cupertino Electric	117756	CapEx Project: Distribution - High Voltage (PSG 12 KV Electrical Power Study, Assessment and Replacement at Quad Substations)	CapEx	290,356.20	
05/13/26	Cupertino Electric	118092	CapEx Project: Distribution - High Voltage (PSG 12 KV Electrical Power Study, Assessment and Replacement at Quad Substations)	CapEx	52,452.80	
						524,528.00
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Engineering	Operating	302,745.80	
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Groundskeeping	Operating	61,882.32	
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Guest Services	Operating	40,891.45	
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Insurance	Operating	79,556.59	
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Other General & Administrative	Operating	116,032.18	
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Stadium Builder License Sales & Service	Operating	211,897.04	
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Security	Operating	186,514.81	
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Use of StadCo Tenant Improvements	Operating	196.04	
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Stadium Operations	Operating	310,429.67	
05/01/26	Forty Niners Stadium Management Co, LLC	S-INV103003	May 2026 Stadium Manager Expenses - Utilities	Operating	314,327.90	
						1,624,473.80
05/01/26	Giant Construction, Inc.	Application 7	CapEx Project: Women's Locker Room	CapEx	13,460.55	
05/01/26	Giant Construction, Inc.	Application 6	CapEx Project: Women's Locker Room		16,184.20	
						29,644.75
05/01/26	[redacted]	1553834	March 2026 Legal Services	Operating	[redacted]	
05/01/26		1553833	March 2026 Legal Services	Operating		
						22,682.10
05/13/26	Hellmuth, Obata & Kassabaum, Inc.	21.04091.30-9	CapEx Project: LED Retrofit Project - Phase 1	CapEx		1,070.00
05/13/26	Jones Signs Company	Application 7.0	CapEx Project: Levi's Naming Rights Signage Refurbishment	CapEx		39,445.19
05/13/26	LRG Technologies Inc.	3-1217-3845	CapEx Project: Security - General Allowance	CapEx		34,430.78
05/13/26	Medline Industries LP	2421221190	CapEx Project: Medical Equipment - General Allowance	CapEx	(302.89)	
05/13/26	Medline Industries LP	2421221189	CapEx Project: Medical Equipment - General Allowance	CapEx	(21.75)	
05/13/26	Medline Industries LP	2416304560	CapEx Project: Medical Equipment - General Allowance	CapEx	2,066.59	
						1,741.95
05/01/26	O.C. McDonald Co., Inc.	Application 15	CapEx Project: Plumbing - Boilers	CapEx	36,622.50	
05/01/26	O.C. McDonald Co., Inc.	Application 16	CapEx Project: Plumbing - Boilers	CapEx	13,286.10	
						49,908.60
			May 2026 Total			**$ 2,562,082.46**

26-352 Agenda Date: 7/7/2026

REPORT TO COUNCIL

SUBJECT

Adoption of Resolution Approving the Execution, Delivery and Performance of a Revolving Credit Agreement with TD Public Finance, LLC for Capital Costs for the Electric System in the Amount Not-to-Exceed $350,000,000 and Authorizing the Execution, Delivery and Performance of Related Documents and Certain Other Actions in connection with this Financing

BACKGROUND

The City of Santa Clara's Electric Utility, Silicon Valley Power (SVP), has provided dependable electric service for over 128 years and is experiencing significant continued growth. SVP has developed a City Council-approved Capital Improvement Strategy to address near-term and long-term impacts from potential load growth and aged infrastructure to maintain system reliability. In 2025, SVP registered a peak load of nearly 745 Megawatt (MW), another new record, and delivered approximately 5,100 Gigawatt-hours (GWh) to customers, continuing its rapid pace of growth. This represents a 6-year compound annual growth rate of almost 5% in energy delivery, starting from 2020.

On September 28, 2021, the City Council accepted SVP's Three-Year System Growth Strategy Plan (RTC #21-871). This plan identified $300 million of proposed projects to install new facilities and replace aged infrastructure with higher capacity infrastructure where needed. On November 15, 2022, the City Council accepted SVP's System Expansion Plan report for the California Independent System Operator's (CAISO) Transmission Planning Process (TPP) FY 2023/24 (RTC #22-1172). This report included a comprehensive list of $200 million of additional projects for SVP's System Growth Strategy during the study period for a total of over $500 million of proposed projects required to serve an additional projected load of 1,306 MW by 2032. The main projects include the Kifer Receiving Station (KRS) Rebuild and Replacement, Scott Receiving Station (SRS) Rebuild and Replacement, and Northern Receiving Station (NRS) Upgrades and Expansion (collectively, "Receiving Station Projects").

In the updated CAISO TPP FY 2024/25, to meet continued Greater Bay Area load growth, the CAISO Board approved modifications to the prior TPP-approved High Voltage Direct Current projects and a new San Jose B - NRS 230kV line project. To complement those scope changes and increase load serving capability, SVP requires improvements and upgrades at NRS ("New 230kV T-Line Improvements"). A project for the New 230kV T-Line Improvements was established in the FY 2026/27 5-Year Adopted Capital Improvement Program Budget under the title "CAISO 3rd 230kV T-Line into NRS." The Receiving Station Projects and New 230kV T-Line Improvements project (altogether called the "Projects") are enhancements needed to support both SVP's future load growth and overall system reliability.

SVP issued $112.2 million in principal amount of tax-exempt bonds in October 2024 (2024 Electric

Revenue Bonds per RTC 24-46), that produced, including bond premium, $130.6 million of proceeds (1st Tranche) to fund equipment and design costs for the Receiving Station Projects. Estimated construction costs of these three existing projects and the added New 230kV T-Line Improvements total approximately $350 million.

While a 2nd Tranche of bonds was always planned, staff worked in consultation with the City's municipal advisor (PFM Financial Advisors LLC) and determined an interim credit facility financing instrument would be the best financing option at this time. This option provides SVP with maximum flexibility to fund the large and often unpredictable construction cashflow requirements of the Projects and, if funding is available, other Capital Improvement Plan projects. Similar to a commercial line of credit, this form of financing allows the City to draw funds as needed over time to pay project costs, with the expectation that long-term, fixed rate financing will be secured in the future to retire the interim credit facility. Given the current economic environment and uncertain construction cashflow needs, a revolving short-term financing instrument provides SVP with the most cost-effective financial flexibility. The proposed financing also provides the City flexibility to provide interim financing for other electric projects in the Capital Improvement Plan.

The attached Resolution authorizes actions related to the proposed revolving credit agreement (Credit Agreement) and the related Series 2026 Bond to finance, on a short-term basis, a portion of the costs of the Projects and any other electric projects in the Capital Improvement Plan. Staff will bring a future resolution for City Council consideration to refinance the Credit Agreement with long-term fixed rate debt.

DISCUSSION

Following the sale of 2024 Electric Revenue Bonds (RTC 24-46), SVP and Finance contemplated a second long-term fixed rate bond issuance (2nd Tranche) of $246 million in calendar year 2025, pending project deployment progress, to further fund the Receiving Station Projects. In June 2025, the issuance of the 2nd Tranche was postponed in order to evaluate other options that better align with the anticipated project cost milestones. The plan to issue a new short term financing instrument and/or long-term debt was factored into the FY 2025/26 and FY 2026/27 Adopted Operating Budget as described under Electric Debt Planned in the Debt Service section of the budget.

Due to further uncertainties and SVP project needs, Finance requested PFM Financial Advisors LLC to assist with the solicitation of offers for an interim short-term tax-exempt Credit Agreement financing in lieu of issuing the 2nd Tranche of long-term fixed rate bonds. The Credit Agreement will help to avoid higher carrying costs and debt service payments earlier than necessary.

On January 26, 2026, a request for proposals was sent to 17 banks, and five proposals were received on February 9, 2026. Each bank proposed rates for terms of 2 - 5 years, as requested. Best and final offer (BAFO) discussions ensued with three of the financial institutions. Following an analysis of the BAFO, Finance entered into contract negotiations with TD Public Finance, LLC (the "Lender"), as the proposer with the lowest financing cost and most advantageous financing terms.

Presented for the City Council's review and adoption is a Resolution authorizing and approving the following documents and actions relating to the financing of the Projects and other Capital Improvement Plan projects.

Authorizing Resolution. Through its approval of the attached resolution, the City Council authorizes

the City to:

1. Enter into a Credit Agreement in the aggregate principal amount of not to exceed $350,000,000 with TD Public Finance, LLC as Lender;
2. Authorize a Series 2026 Bond and approve Fifth Supplemental Indenture;
3. Engage professional services in connection with the financing; and
4. Authorize various officers of the City to execute all documents that may be necessary to close the transaction, make any changes necessary to finalize the documents in consultation with the City Attorney and the City's Bond Counsel, and certain other related actions.

Revolving Credit Agreement and Fee Agreement. The agreements were created with input from Finance, its bond counsel, Stradling Yocca Carlson & Rauth LLP, and municipal advisor, as well as the Lender and its outside legal counsel. Key terms include a 5-year tenor with a final maturity date in 2031, applicable interest rate based on Secured Overnight Financing Rate (SOFR) when the credit facility is drawn, and an unutilized fee of 20 basis points (0.20%), all predicated on a credit rating of A+ or above.

Fifth Supplemental Electric Revenue Bond Indenture and Series 2026 Bond. In 2011, the City entered into its Electric Revenue Bond Indenture (Indenture) with the bond trustee that serves as trustee on behalf of the owners of bonds of the City's Electric Enterprise. The Fifth Supplemental Electric Revenue Bond Indenture (Supplemental Indenture) relating to the Series 2026 Bond, which will evidence the City's indebtedness created under the Credit Agreement, supplements the Indenture and provides the terms. Under the Indenture and Supplemental Indenture, the City is obligated to set rates to provide adjusted net revenues sufficient in each year to cover 1.0 times the annual debt service on the City's outstanding electric revenue bonds, including the Series 2026 Bond, and any other debt of the Electric Enterprise payable from adjusted net revenues of the Electric Enterprise in accordance with the Indenture.

All documents have been presented for approval as to form and will contain certain blanks related to dates that will be completed when the Credit Agreement is executed.

Projects. Based on preliminary cash flow projections without contingencies, estimated funding needs and sources are detailed below. It is important to note that projections can vary materially due to various dynamics and factors during Project construction.

(in $ Millions)	KRS	SRS	NRS	New 230kV T-Line Improvements	Total*
Total Project Cost	$113.8	$107.4	$148.5	$109.3	$479.0
Funding Sources:					
1st tranche Debt Issued	$ 35.0	$ 35.0	$ 60.0	-	$130.0
Load Development Fee	$ 6.0	$ 9.0	$ 16.0	-	$ 31.0
Customer Service Charges	$ 2.2	$ 1.9	$ 2.9	$ 5.4	$ 12.4
Funded To-Date	$ 43.2	$ 45.9	$ 78.9	$ 5.4	$173.4
Remaining Debt-Funded Costs	$ 70.6	$ 61.5	$ 69.6	$103.9	$305.6

*Amounts are based on estimated preliminary project cash flow projections and do not include contingencies. These figures do not align to budget appropriation amounts which include contingencies that factor in potential tariffs and additional equipment options that can be exercised. The first tranche excludes the cost of issuance of $0.6 million.

Construction contracts for the Receiving Station Projects were all awarded in July 2025 with Notice to Proceed issued on or about August 2025. As of May 2026, approximately $42 million of the $130.6 million 1st Tranche has been spent. The majority of cash expenditures for these three projects are expected to occur in late 2026-early 2027. NRS construction is expected to be completed by June 2028, followed by SRS in March 2029, and KRS in June 2029. The New 230kV T-Line Improvements are at their preliminary stage with plans to award a design contract mid-2027 with the majority of cash expenditures expected in FY 2029/30.

ENVIRONMENTAL REVIEW

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

FISCAL IMPACT

Over 90% of SVP’s retail rate revenues are attributable to industrial customers and less than 6% come from residential customers. Financing the costs of the Projects is consistent with SVP’s ongoing strategy to spread costs over the life of the assets in order to maintain reasonable and equitable electric utility rates and have current users who benefit from the capital projects pay for such improvements. Staff evaluated financing options to best meet SVP needs.

The original plan was to issue long-term debt to cover Electric Utility project costs. Based on preliminary project cash flow requirements, a 2nd and 3rd tranche (Initial Plan) of debt would be split and issued in July 2026 and July 2029. Using the preliminary cash flow projections, a 5% coupon, and a final maturity of July 1, 2046, annual debt service payments were estimated to be approximately $14.76 million. All payments, including costs of issuance, resulted in a Net Present Value (NPV) cost of approximately $290 million. When comparing debt service costs, NPV helps borrowers see the true cost of borrowing over time, accounting for the time value of money.

Given the continued uncertainty of project cash flows, a Credit Agreement provides SVP flexibility in terms of liquidity and timing since SVP can draw down and borrow amounts as needed to fund Electric Utility project costs. The Finance Department explored various financing alternatives to fund the Projects, including the two scenarios described below, to help identify the lowest cost financing option. The following scenarios assume that amounts borrowed under the Credit Agreement will ultimately be refinanced with proceeds of a future long-term, fixed rate issuance of electric revenue bonds (subject to future approval by Council).

- Scenario 1: The Credit Agreement would be in place to ensure available funding for the Projects. However, SVP cash would be used to fund the Projects on a short-term basis before the issuance of long-term debt. Under IRS regulations, Project costs during the 18-month period before the issuance of long-term debt can be reimbursed. SVP cash would be used on an interim basis during this reimbursement period and then long-term fixed rate bonds would be issued in January 2028. There would be administrative costs to maintain the credit facility

as well as the loss of interest earnings on SVP cash during the 18-month period. Approximately $14.55 million of debt service and costs of issuance are avoided in FY 2026/27 and FY 2027/28 and SVP realizes NPV savings of $2.19 million over the life of the bonds.

- Scenario 2: The Credit Agreement would be used to fund Project costs between now and the issuance of long-term fixed rate bonds in July 2028, based on 50% of projected cash flows. The Credit Agreement is drawn down only when needed to cover actual Project costs, thus avoiding interest costs before funds are needed. Total cost avoidance amounts to approximately $24.86 million and SVP realizes NPV savings of $11.51 million over the life of the bonds.

The following table provides a summary of the scenarios, including assumptions and NPV savings:

Scenario (in $ Millions)	Initial Plan (2nd Tranche)	Scenario 1	Scenario 2
Assumptions	LT Bonds issued 7/2026 & 7/2029	Credit Agreement + LT Bonds issued 1/2028	Credit Agreement + LT Bonds 7/2028
Bond True Interest Cost (TIC)	3.59%	3.47%	3.48%
Total Credit Agreement and Cash/Short Term Costs[1]	N/A	$4.68	$4.67
Total Long Term (LT) Bond Debt Service	$415.90	$413.0	$401.4
Net Present Value (NPV) at 3.50%	$290.23	$288.04	$278.72
NPV Savings	N/A	$2.19	$11.51
Credit Agreement Termination Date	N/A	12/31/2027	6/30/2028
LT Bond Debt Service Payments until Termination Date	N/A	$19.23	$29.53
LT Bond Cost Avoidance	N/A	$14.55	$24.86

1). Includes cost of issuance, interest expense, unutilized fees, and lost cash interest earnings

Based on the analysis above, the use of the Credit Agreement under Scenarios 1 and 2 will result in overall cost savings to SVP and will provide more flexibility to address any changes in project schedules. While the financial analysis and budget are based on the assumption that these Projects will be funded by the Credit Agreement, given the preliminary nature of the New 230kV T-Line Improvements that will be more defined as the project is designed and possibility for changing infrastructure needs, the Credit Agreement can be used on other capital projects in the Electric Utility's system.

After the Credit Agreement is executed, staff will return to the City Council with budget amendments as part of the FY 2025/26 Year End Close Report to reconcile the previously assumed 2nd Tranche issuance and the issued Credit Agreement.

The use of the Credit Agreement was factored into the FY 2026/27 and FY 2027/28 Adopted Biennial Capital Budget, and payments for future years will be incorporated into the Electric Utility budget as part of future budget cycles. Debt service payments will be made from adjusted net revenues of the Electric Utility and have been contemplated in the Electric Utility's long-range financial plan and rate

structure.

Data Centers and Resiliency

Revenue to fund the Credit Agreement and future debt service are collected from all customers, including data centers. Non-residential customers, including data centers, pay for 95% of the costs of the credit agreement and this percentage will continue to grow as SVP goes from today's 780 MW peak demand to 1300 MW in the next few years. The data centers located in Santa Clara serve diverse purposes, from cloud services to research and development and some AI. This diversification helps reduce financial risk to SVP. In addition, data centers and other large customers pay for the cost of building and connecting to SVP's electrical system up front as part of the design and construction of the projects. Load Development Fees are charged to these customers separately to reflect the system-wide impact for increased load, with the fees intended to capture infrastructure investments to increase capacity.

SVP does not have Take or Pay provisions in its substation agreements, but a rate structure to capture stranded capacity is being evaluated by staff. Several ideas being explored include: a Capacity Reservation Charge to ensure large customers pay for the load they are requesting; a Minimal Annual Revenue Requirement, which is similar to the capacity reservation charge but is tied to the total revenue collected, not the load; or the large customers pay for their capacity up front and reimbursements are issued at key energy milestones. Impacts to new and current customers will be part of the discussions when evaluating these strategies.

SVP has weathered fluctuations of technology cycles in the past and maintains reserves to adapt to changing financial conditions. These reserves along with other financial mechanisms, like the line of credit being recommended in this memorandum, are in place to ensure there are funds available to cover unforeseen events such as a correction in the data center market. SVP's non-residential customers, including data centers, contribute 95% of the revenues towards funding reserves and the increases that are in current projections.

COORDINATION

This report has been coordinated with the Electric Department and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the meeting agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. That the City Council by Resolution authorize and approving the execution, delivery and performance of Revolving Credit Agreement with TD Public Finance, LLC in an amount not to exceed $350,000,000 to provide interim financing for capital costs of the Electric Utility consistent with the Capital Improvement Plan, approving the execution of financing documents and authorizing certain other related actions consistent with the financing; and
2. Authorize the City Manager, Director of Finance, Director of Silicon Valley Power, City Attorney, and Assistant City Clerk to execute all required agreements necessary to consummate

any of the transactions contemplated by the agreements and documents approved under the Resolution and to make any changes necessary to complete the financing transaction.

Reviewed by: Kenn Lee, Acting Assistant City Manager / Chief Financial Officer
Reviewed by: Nico Procos, Director of Silicon Valley Power
Approved by: Jovan D. Grogan, City Manager

ATTACHMENTS
1. Authorizing Resolution
2. Revolving Credit Agreement
3. Fee Agreement
4. Fifth Supplemental Electric Revenue Bond Indenture

RESOLUTION NO. 26-_____

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA AUTHORIZING AND APPROVING THE EXECUTION, DELIVERY AND PERFORMANCE OF A REVOLVING CREDIT AGREEMENT WITH TD PUBLIC FINANCE, LLC AND THE BORROWINGS BY THE CITY THEREUNDER TO BE EVIDENCED BY THE CITY OF SANTA CLARA, CALIFORNIA ELECTRIC REVENUE BOND, SERIES 2026 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $350 MILLION; AND THE EXECUTION, DELIVERY AND PERFORMANCE OF RELATED DOCUMENTS AND AUTHORIZING CERTAIN OTHER ACTIONS RELATING THERETO

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the City of Santa Clara (the "City") is a duly constituted charter city of the State of California authorized to exercise the powers granted by its Charter; and

WHEREAS, Section 1321(e) of the City's Charter authorizes the City to issue revenue bonds for the purpose of financing the generation, production, transmission and distribution of electric energy; and

WHEREAS, on May 8, 1984, the City Council adopted its Resolution No. 4796 entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Electric Utility Revenue Bonds," as amended by Resolution No. 4804, adopted on May 29, 1984, and as amended by Resolution No. 7313, adopted on April 25, 2006; and on April 30, 1985, the City Council adopted its Resolution No. 4934 entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Refunding Electric Utility Revenue Bonds," as amended by Resolution No. 4966, adopted on July 9, 1985, as supplemented by Resolution No. 4967, adopted on July 9, 1985, and as amended by Resolution No. 7314, adopted on April 25, 2006 (collectively, the "Procedural Resolution"); and

WHEREAS, pursuant to the City Charter and the Procedural Resolution, and for the purposes of securing the Bonds (as defined below) issued thereunder, the City entered into a Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (the "Original Subordinated Electric Revenue Bond Indenture"), by and between the City and BNY Western Trust Company (which has been succeeded by The Bank of New York Mellon Trust Company, N.A.), as trustee (the "Trustee"), as amended and supplemented by a number of supplemental subordinated electric revenue bond indentures pursuant to which various series of the City's then subordinated electric revenue bonds were issued; and

WHEREAS, the City amended and restated the Original Subordinated Electric Revenue Bond Indenture by execution and delivery of an Amended and Restated Electric Revenue Bond Indenture, dated as of March 1, 2011 (the "Amended and Restated Electric Revenue Bond Indenture"), by and between the City and The Bank of New York Mellon Trust Company, N.A., as Trustee, in order to reflect that electric revenue bonds (the "Bonds") issued pursuant thereto were no longer subordinated to certain previously issued bonds of the City, to eliminate the references to "subordinated" contained

therein and to reflect certain amendments made thereto pursuant to the fourth and fifth supplemental subordinated electric revenue bond indentures; and

WHEREAS, pursuant to the Amended and Restated Electric Revenue Bond Indenture, as amended and supplemented by (i) a First Supplemental Electric Revenue Bond Indenture, dated as of March 1, 2011, by and between the City and the Trustee, the City's Electric Revenue Refunding Bonds, Series 2011 A were issued (all of which Bonds have been retired); (ii) a Second Supplemental Electric Revenue Bond Indenture, dated as of April 1, 2013, by and between the City and the Trustee, the City's Electric Revenue Refunding Bonds, Series 2013 A were issued (all of which Bonds have been retired); (iii) a Third Supplemental Electric Revenue Bond Indenture, dated as of December 1, 2018, by and between the City and the Trustee, the City's Electric Revenue Refunding Bonds, Series 2018 A were issued; and (iv) a Fourth Supplemental Electric Revenue Bond Indenture, dated as of October 1, 2024, by and between the City and the Trustee, the City's Electric Revenue Bonds, Series 2024 A were issued; and

WHEREAS, following a request for proposals process and a review of proposals received in connection therewith, the City has determined that in order to provide additional funds for capital expenditures, it is necessary to incur additional indebtedness, through the execution and delivery of a Revolving Credit Agreement to be entered into between the City and TD Public Finance, LLC (the "Lender") pursuant to which the Lender has agreed to make loans ("Loans") to the City on the terms and conditions set forth therein (the "Revolving Credit Agreement") and in the related fee agreement (the "Fee Agreement'), by and between the City and the Lender, and the obligations of the City to repay such Loans and other amounts payable to the Lender under the Revolving Credit Agreement and the Fee Agreement will be secured by and payable from Adjusted Net Revenues (as defined in the Amended and Restated Electric Revenue Bond Indenture) on a parity with the Bonds; and

WHEREAS, the repayment obligations of the City for the Loans to be made to the City under the Revolving Credit Agreement will be evidenced by an additional series of Bonds issued pursuant to the Amended and Restated Electric Revenue Bond Indenture, as supplemented by a Fifth Supplemental Electric Revenue Bond Indenture, by and between the City and the Trustee, to be designated "City of Santa Clara, California Electric Revenue Bond, Series 2026" (the "Series 2026 Bond") in a principal amount not to exceed $350 million; and;

WHEREAS, California Government Code Section 5852.1 requires that the City Council obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with California Government Code Section 5852.1, the City Council has obtained from PFM Financial Advisors LLC, the City's municipal advisor in connection with the Series 2026 Bond, the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto; and

WHEREAS, it is desirable that the City Council provide for the execution, delivery and performance of the Revolving Credit Agreement and the Fee Agreement and the execution, delivery, and securing of the Series 2026 Bond at this time; and

WHEREAS, there has been presented to this meeting proposed forms of the Revolving Credit Agreement, the Fee Agreement and certain financing documents relating to the Series 2026 Bond and the execution and delivery thereof; and

WHEREAS, the City Council has reviewed all proceedings previously taken relative to the transactions contemplated by the foregoing, and has found as a result of such review, and hereby determines and declares that all conditions, things and acts required by law to exist, happen or be performed precedent to the transactions contemplated by the foregoing do exist, and were performed in due time, form and manner as required by law, and the City Council is now authorized to undertake the transactions contemplated by the foregoing.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. Approval of Revolving Credit Agreement. The City Manager of the City (the "City Manager") or any duly authorized designee thereof is hereby authorized and directed to execute for and on behalf of the City, and the City Clerk shall attest thereto, the Revolving Credit Agreement, in substantially the form submitted to this meeting, with such changes therein and additions thereto as the City Manager or the Director of Finance of the City (the "Director of Finance") shall approve after consultation with the City Attorney of the City (the "City Attorney") and Stradling Yocca Carlson & Rauth LLP, the City's Bond Counsel ("Bond Counsel"), such approval to be evidenced by the execution and delivery thereof. The Revolving Credit Agreement, as executed and delivered, is hereinafter referred to as the "Revolving Credit Agreement" and such Revolving Credit Agreement and the performance thereof is hereby approved.

2. Approval of Fee Agreement. The City Manager or any duly authorized designee thereof is hereby authorized and directed to execute for and on behalf of the City, and the City Clerk shall attest thereto, the Fee Agreement, in substantially the form submitted to this meeting, with such changes therein and additions thereto as the City Manager or the Director of Finance shall approve after consultation with the City Attorney and Bond Counsel, such approval to be evidenced by the execution and delivery thereof. The Fee Agreement, as executed and delivered, is hereinafter referred to as the "Fee Agreement" and such Fee Agreement and the performance thereof hereby is hereby approved.

3. Approval of Fifth Supplemental Electric Revenue Bond Indenture. The City Manager or any duly authorized designee thereof is hereby authorized and directed to execute for and on behalf of the City, and the City Clerk shall attest thereto, the Fifth Supplemental Electric Revenue Bond Indenture, in substantially the form submitted to this meeting, with such changes therein and additions thereto to reflect the terms of Series 2026 Bond as the City Manager or the Director of Finance shall approve after consultation with the City Attorney and Bond Counsel for the Series 2026 Bond, such approval to be evidenced by the execution and delivery thereof. The Fifth Supplemental Electric Revenue Bond Indenture, as executed and delivered, is hereinafter referred to as the "Fifth Supplemental Electric Revenue Bond Indenture" and such Fifth Supplemental Electric Revenue Bond Indenture is hereby approved.

4. Authorization of Series 2026 Bond. The issuance of the Series 2026 Bond and the borrowings under the Revolving Credit Agreement evidenced thereby, on the terms and conditions set forth in, and subject to the limitations specified in, the Revolving Credit Agreement, the Amended and Restated Electric Revenue Bond Indenture and the Fifth Supplemental Electric Revenue Bond Indenture, for the purpose of providing additional funds for capital expenditures is hereby authorized and approved.

The proposed form of the Series 2026 Bond, as set forth in such Fifth Supplemental Electric Revenue Bond Indenture, is hereby approved and the Mayor of the City is hereby authorized and directed to execute for and on behalf of the City (by manual signature) the Series 2026 Bond in substantially such form and the City Clerk of the City or any Acting City Clerk or Assistant City Clerk performing functions of the City Clerk (the "City Clerk") is authorized and directed to attest thereto (by manual signature), and the Trustee is hereby authorized and directed to authenticate and deliver the Series 2026 Bond to the Lender in accordance with the Revolving Credit Agreement, the Amended and Restated Electric Revenue Bond Indenture and the Fifth Supplemental Electric Revenue Bond Indenture; provided, however, that (i) the aggregate principal amount to be borrowed by the City under the Revolving Credit Agreement at any time outstanding to the Lender (including successors and assigns) and evidenced by the 2026 Bond shall not exceed $350 million, (ii) the final maturity of the Series 2026 Bond shall not be later than June 21, 2031 (subject to extension as set forth in the Revolving Credit Agreement), (iii) the maximum interest rate on the Series 2026 Bond shall not exceed the maximum rate permitted by law, and (iv) no original issue discount or bond premium shall be applicable.

5. Additional Actions. The City Manager, any Assistant City Manager, the Director of Finance, any Assistant Director of Finance, the Utility Director for Silicon Valley Power, the City Clerk and any and all other officers of the City are hereby authorized and directed, individually and collectively, (i) to take all actions and execute any and all documents necessary: to engage The Bank of New York Mellon Trust Company, N.A., the Trustee under the Amended and Restated Electric Revenue Bond Indenture, as trustee for the Series 2026 Bond and to effect the delivery of the Series 2026 Bond pursuant to the terms of the Revolving Credit Agreement and the Amended and Restated Electric Revenue Bond Indenture, as supplemented by the Fifth Supplemental Electric Revenue Bond Indenture; (ii) to do any and all things and to execute and deliver such other agreements, documents and certificates, including (without limitation) a tax certificate and, upon the advice of Bond Counsel, a tax compliance policy relating to the Series 2026 Bond and the Loans, any investment agreements relating to the investment of the proceeds of the Loans, and such amendments to the Amended and Restated Electric Revenue Bond Indenture if such changes are determined by the City Manager or the Director of Finance, after consultation with the City Attorney and Bond Counsel, to be necessary or advisable; (iii) to give any notices, directions, certificates or other documents, and to seek any consents or acknowledgements, in connection with the issuance of the Series 2026 Bond, as may be necessary, convenient or advisable in order to consummate the issuance, execution and delivery of the Series 2026 Bond; and (iv) to take all actions and execute any and all documents necessary to otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Revolving Credit Agreement, the Series 2026 Bond, the Amended and Restated Electric Revenue Bond Indenture, and the Fifth Supplemental Electric Revenue Bond Indenture relating to the Series 2026 Bond and the transactions herein authorized. All such actions heretofore taken by such officers or their designees are hereby ratified, confirmed and approved.

6. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 9th DAY OF JUNE, 2026, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST:_____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:
1. Exhibit A – Good Faith Estimate

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided in connection with the execution and delivery by the City of a Revolving Credit Agreement with TD Public Finance, LLC (the "Revolving Credit Agreement") and the delivery of the City of Santa Clara, California Electric Revenue Bond, Series 2026 (the "Series 2026 Bond"), evidencing the indebtedness incurred thereunder, in compliance with Section 5852.1 of the California Government Code. Such good faith estimates have been provided to the City by PFM Financial Advisors LLC, as municipal advisor to the City (the "Municipal Advisor") in connection with the Series 2026 Bond.

True Interest Cost of the Series 2026 Bond. The Municipal Advisor has informed the City that, assuming that the maximum principal amount is borrowed by the City under the Revolving Credit Agreement and of the 2026 Bond ($350,000,000), and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Series 2026 Bond, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Series 2026 Bond, is 3.52%.

Finance Charge of the Series 2026 Bond. The Municipal Advisor has informed the City that, assuming that the maximum principal amount is borrowed by the City under the Revolving Credit Agreement and of the Series 2026 Bond ($350,000,000), and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Series 2026 Bond, which means the sum of all fees and charges paid to third parties (or costs associated with the Revolving Credit Agreement and issuance of the Series 2026 Bond), is $150,000.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the maximum principal amount is borrowed by the City under the Revolving Credit Agreement and of the Series 2026 Bond ($350,000,000), and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the City for sale of the Series 2026 Bond, less the finance charge of the Revolving Credit Agreement and the Series 2026 Bond, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Series 2026 Bond, is $350,000,000.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the maximum principal amount is borrowed by the City under the Revolving Credit Agreement and of the Series 2026 Bond ($350,000,000), and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the loans received under the Revolving Credit Agreement and the Series 2026 Bond, plus the finance charge for the Series 2026 Bond, as described above, not paid with the proceeds of the Revolving Credit Agreement and the Series 2026 Bond, calculated to the final maturity of the Series 2026 Bond, is $411,637,072.

The foregoing estimates constitute good faith estimates only.

The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of the draws on the Revolving Credit Agreement, the amount of the draws under the Revolving Credit Agreement, the

amortization of the draws under the Revolving Credit Agreement and the applicable variable market interest rates over the term of the Revolving Credit Agreement and the Series 2026 Bond. The date or dates of such draws and the amount of the draws will be determined by the issuer based on need for funds and other factors. The actual interest rates at which interest on the draws will accrue interest will depend on market rates. The actual amortization of the draws under the Revolving Credit Agreement will also depend, in part, on whether the Stated Maturity Date (as defined in the Revolving Credit Agreement) of the Revolving Credit Agreement is extended and the City's ability to access the capital markets to refinance the draws on or before the Stated Maturity Date. Market interest rates are affected by economic and other factors beyond the City's control.

[Remainder of Page Intentionally Left Blank]

REVOLVING CREDIT AGREEMENT

by and between

CITY OF SANTA CLARA, CALIFORNIA

and

TD PUBLIC FINANCE, LLC

Dated as of June 1, 2026

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Exhibit A — Form of Authorized City Representative Certificate
Exhibit B — Form of Compliance Certificate

Exhibit C — Form of Revolving Credit Advance Request
Exhibit D — Form of Notice of Extension/Conversion

REVOLVING CREDIT AGREEMENT

This REVOLVING CREDIT AGREEMENT (*"Agreement"*) is dated as of June 1, 2026, and entered into by and between the CITY OF SANTA CLARA, CALIFORNIA, a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State of California (the *"City"*), and TD PUBLIC FINANCE, LLC, together with its successors and assigns (the *"Lender"*).

WITNESSETH:

WHEREAS, the City provides electric service within the City through the Electric Utility (as defined herein) and offers such service through the trademarked name of "Silicon Valley Power"; and

WHEREAS, the City owns and operates the Electric Utility, which includes generation, transmission and distribution facilities; and

WHEREAS, the City makes expenditures from time to time to pay the costs of acquisition and construction of extensions, additions and improvements to the Electric Utility system; and

WHEREAS, Section 1321(e) of the City's Charter authorizes the City to issue revenue bonds for the purpose of financing the generation, production, transmission and distribution of electric energy, including the acquisition and/or construction of land and facilities therefor, and provides that the City may avail itself of the procedures authorized by the general laws of the State for the issuance of such revenue bonds or the City Council of the City (the *"City Council"*) may, by ordinance or resolution effective upon adoption, set up and establish a procedure for the issuance of such revenue bonds and all matters pertaining to the issuance and sale of such bonds; and

WHEREAS, on May 8, 1984 the City Council adopted its Resolution No. 4796, entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Electric Utility Revenue Bonds," as amended by Resolution No. 4804, adopted by the City Council on May 29, 1984, and as amended by Resolution No. 7313, adopted by the City Council on April 25, 2006; and, on April 30, 1985 the City Council adopted its Resolution No. 4934, entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Refunding Electric Utility Revenue Bonds," as amended by Resolution No. 4966, adopted by the City Council on July 9, 1985, as supplemented by Resolution No. 4967 adopted by the City Council on July 9, 1985, and as amended by Resolution No. 7314 adopted by the City Council on April 25, 2006 (collectively, the *"Procedural Resolution"*); and

WHEREAS, pursuant to the City Charter, the Procedural Resolution, and the Amended and Restated Electric Revenue Bond Indenture, dated as of March 1, 2011 (as amended, modified, supplemented or restated to date, the *"Master Indenture"*) by and between the City and the Trustee, as further amended and supplemented by the Fifth Supplemental Electric Revenue Bond Indenture, dated as of June 1, 2026 (the "*Supplemental Indenture*" and, together with the Master Indenture as the same may be amended, modified, supplemented or restated from time to time, the

"*Indenture*"), by and between the City and the Trustee, the City has heretofore issued its Electric Revenue Bonds (as defined herein); and

WHEREAS, the City Council has determined that it is in the best interests of the City to enter into a credit facility with a bank for the purpose of borrowing moneys, to be applied, together with other available funds to be made available upon the delivery thereof, solely for the purposes of making capital expenditures relating to the Electric Utility; and for the indebtedness created under such credit facility to be evidenced by an electric revenue bond known as the "City of Santa Clara, California Electric Revenue Bond, Series 2026" (the *"2026 Bond"* as further defined herein) to be issued by the City and delivered to the Lender as authorized by Resolution No. 26-_____ adopted by the City Council on _____, 2026 (the *"Authorizing Resolution"* and pursuant to the City Charter, the Procedural Resolution, the Indenture and such credit facility; and

WHEREAS, the Lender is willing to provide a credit facility for such purposes on the terms and conditions set forth in this Agreement; and

WHEREAS, pursuant to the Authorizing Resolution, the City Council has authorized the City to enter into this Agreement in order to establish and declare the terms and conditions upon which such indebtedness shall be incurred and, in accordance with the Authorizing Resolution and the Indenture, such 2026 Bond shall be issued and secured and to provide for the repayment thereof; and

WHEREAS, pursuant to the Authorizing Resolution, the City Council has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the City is now duly authorized to execute and enter into this Agreement;

NOW, THEREFORE, in consideration of the respective agreements contained herein and to induce the Lender to make loans and extensions of credit, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the City and the Lender hereby agree as follows:

ARTICLE I. DEFINITIONS AND INTERPRETATION.

Section 1.1. Terms Defined. As used in this Agreement, the following terms have the following respective meanings:

"Adjusted Net Revenues" has the meaning set forth in the Indenture on the Closing Date. For the sake of clarity, the definition set forth in the Indenture is, as of the Closing Date, as follows:

> *"Adjusted Net Revenues"* for any period means the sum of (a) the Revenues for such period plus (b) for purposes of determining compliance with Section 5.10 only, (i) the amounts approved by City Council to be withdrawn from the Rate Stabilization Fund for inclusion in Adjusted Net Revenues for such period in

accordance with Section 4.06, and (ii) the amount of Available Reserves budgeted by the City for the payment of Operating Expenses and/or Debt Service for such period (which amounts, in either case, shall be deposited in the Net Revenue Fund in accordance with Section 4.01(B) hereof to the extent such amounts are to be included in Adjusted Net Revenues for the purpose of determining compliance with Section 5.10), and (c) any interest paid and other income derived from the investment of funds as herein provided, less the sum of (d) all Operating Expenses for such period, (e) moneys received with respect to the sale of assets financed with the proceeds of Bonds or Parity Debt, which amounts shall be applied in accordance with Section 5.06, (f) moneys received with respect to any Special Facility, and (g) any charges collected by any person to amortize or otherwise relating to the payment of the uneconomic portion of costs associated with assets and obligations (*"stranded costs"*) of the Electric Utility or of any joint powers agency in which the City participates which the City has dedicated to the payment of obligations other than the Bonds or Parity Debt, the payments of which obligations will be applied to or pledged to or otherwise set aside for the reduction or retirement of outstanding obligations of the City or any joint powers agency in which the City participates relating to such "stranded costs" of the City or of any such joint powers agency to the extent such "stranded costs" are attributable to, or the responsibility of, the City.

In the event of a conflict between the definition of the term *"Adjusted Net Revenues"* set forth above and the definition of the same term set forth in the Indenture, the definition set forth in the Indenture on the Closing Date shall control. Capitalized terms used in the definition of the term *"Adjusted Net Revenues"* set forth above but not otherwise defined herein shall have their respective meanings set forth in the Indenture on the Closing Date.

"Advance(s)" means any monies advanced or credit extended to the City by the Lender under Section 2.1 hereof.

"Advance Request" has the meaning as set forth in Section 2.2(b)(ii) hereof.

"Affiliate" means, with respect to any Person, (a) any Person which, directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such Person, or (b) any Person who is a director or officer (i) of such Person, (ii) of any Subsidiary of such Person, or (iii) any person described in clause (a) above. For purposes of this definition, control of a Person shall mean the power, direct or indirect, (x) to vote 5% or more of the Capital Stock having ordinary voting power for the election of directors (or comparable equivalent) of such Person, or (y) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise. Control may be by ownership, contract, or otherwise.

"Anti-Terrorism Laws" means any statute, treaty, law (including common law), ordinance, regulation, rule, order, opinion, release, injunction, writ, decree or award of any Governmental Authority relating to terrorism or money laundering, including Executive Order No. 13224 and the USA Patriot Act.

"Applicable Factor" means 79%.

"Applicable Spread" has the meaning set forth in the Fee Agreement.

"Audited Financial Statements" means the audited consolidated balance sheet of the Electric Utility for the Fiscal Year ended June 30, 2025, and the related consolidated statements of income or operations, and cash flows for such Fiscal Year of the Electric Utility, including the notes thereto.

"Authorized City Representative" means the City Manager, the Director of Finance or the Director of Silicon Valley Power of the City or any designee of any of the foregoing duly authorized to perform the act in question and shall also include any other person designated by an Authorized City Representative and who has been identified in an Authorized City Representative Certificate delivered to the Lender prior to or during the term of this Agreement, and whose signature has likewise been certified to the Lender.

"Authorized City Representative Certificate" means the certificate substantially in the form of Exhibit A hereto.

"Authorizing Resolution" has the meaning set forth in the recitals hereof.

"Availability Period" means the period from and including the Closing Date to the Termination Date.

"Available Commitment" means, at any time, an amount equal to the Commitment less the aggregate outstanding principal amount of all Advances made by the Lender hereunder that have not been repaid as of such time.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is removed from the definition of "Interest Period" pursuant to Section 2.13(d) hereof.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now or hereinafter in effect, or any successor statute.

"Base Rate" means a variable base index rate equal to the *greater of*: (a) the greater of zero (0%) percent and then current rate of interest published by *The Wall Street Journal* from time to time as the U.S. *"Prime Rate"* and (b) the greater of zero (0%) percent and the then-current weighted average of the rate of overnight Federal funds transactions with members of the Federal Reserve System as published by the Federal Reserve Bank of New York (*"Federal Funds Effective Rate"*) *plus* one half of one (0.5%) percent. Any change in the Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate, as applicable, shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate,

respectively. The Base Rate is not necessarily the lowest or best rate of interest offered by the Lender to any borrower or class of borrowers.

"Base Rate Loans" means that portions of the Loans accruing interest based on a rate determined by reference to the Base Rate.

"Benchmark" means, initially, the Term SOFR Reference Rate; *provided* that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.13(a) hereof.

"Benchmark Replacement" means, with respect to any Benchmark Transition Event the sum of: (i) the greater of (x) the alternate benchmark rate that has been selected by the Lender giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for U.S. dollar-denominated commercial credit facilities and (y) the Floor and (ii) the related Benchmark Replacement Adjustment.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by Lender giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated commercial credit facilities.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of Section 2.12 hereof and other technical, administrative or operational matters) that Lender decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Agreement and the other Related Documents).

"Benchmark Replacement Date" means, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; *provided,* that such non-representativeness or non-compliance will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component)

has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, the "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Start Date" means, in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

"Benchmark Unavailability Period" means, with respect to any Benchmark, the period (if any) (i) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Related Document in accordance with Section 2.13 hereof and (ii) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Related Document in accordance with Section 2.13 hereof.

"*Blocked Person*" has the meaning set forth in Section 5.27 hereof.

"Bond Counsel" means a nationally recognized bond counsel firm selected by the City.

"Bond Law" has the meaning set forth in the Indenture.

"Business Day" means a day other than Saturday or Sunday when the Lender is open for business in New York, New York; *provided* that, when used in connection with the SOFR Loans, or any other calculation or determination involving SOFR, the term "Business Day" means a U.S. Government Securities Business Day.

"Capital Lease" means any lease of Property which in accordance with GAAP is required to be capitalized on the balance sheet of the lessee, including, without limitation, finance leases.

"Capitalized Lease Obligation" means the amount of the liability shown on the balance sheet of any Person in respect of a Capital Lease as determined in accordance with GAAP.

"Capital Expenditures" means, for any period, the aggregate of all expenditures (including that portion of Capitalized Lease Obligations attributable to that period) made in respect of the purchase, construction or other acquisition of fixed or capital assets, determined in accordance with GAAP.

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all other ownership interests in a Person (other than a corporation) and any and all warrants or options to purchase any of the foregoing.

"Change in Law" means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III or any successor Basel accord, shall in each case be deemed to be a *"Change in Law,"* regardless of the date enacted, adopted or issued.

"City" has the meaning set forth in the introductory paragraph hereof.

"City Council" has the meaning set forth in the recitals hereof.

"Closing" has the meaning set forth in Section 4.5 hereof.

"Closing Date" means June 1, 2026, subject to the satisfaction or waiver by the Lender of the conditions precedent set forth in Article IV hereof.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commitment" means, initially, Three Hundred Fifty Million U.S. Dollars ($350,000,000), as such amount may be reduced from time to time pursuant to Sections 2.18, 2.19 and 7.2 hereof.

"Compliance Certificate" means a certificate substantially in form of Exhibit B hereto.

"Computation Date" means the day that is two (2) U.S. Government Securities Business Days prior to each Rate Determination Date; *provided, however,* if no SOFR Loan is outstanding hereunder on the date any SOFR Loan is made hereunder, the Computation Date shall mean the second U.S. Government Securities Business Day prior to the immediately preceding Rate

Determination Date, and the related Term SOFR Rate established as of such date shall be in effect until the next Rate Determination Date.

"Debt Service" has the meaning set forth in the Indenture on the Closing Date. For the sake of clarity, the definition set forth in the Indenture is, as of the Closing Date, as follows:

> *"Debt Service"* means the amount of principal and interest becoming due and payable on all Bonds and Parity Debt; provided, however, that for the purposes of computing Debt Service:
>
> (a) Excluded Principal Payments shall be excluded from such calculation and Assumed Debt Service shall be included in such calculation;
>
> (b) if the Bonds or Parity Debt are Variable Rate Indebtedness. the interest rate thereon for periods when the actual interest rate cannot yet be determined shall be assumed to be equal to the rate that is ninety percent (90%) of the average RBI during the twelve (12) calendar month period immediately preceding the date in which the calculation is made (the *"assumed RBI-based rate"*);
>
> (c) principal and interest payments on Bonds and Parity Debt shall be excluded to the extent such payments are to be paid from amounts on deposit with the Trustee or another fiduciary in escrow specifically therefor and to the extent that such interest payments are to be paid from the proceeds of Bonds or Parity Debt held by the Trustee or another fiduciary as capitalized interest;
>
> (d) in determining the principal amount, payment shall (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) be assumed to be made in accordance with any amortization schedule established for such debt, including any Mandatory Sinking Account Payments or any scheduled redemption or payment of Bonds or Parity Debt constituting Capital Appreciation Indebtedness or Convertible Capital Appreciation Indebtedness at or prior to the expiration of the Accretion Period on the basis of Accreted Value, and for such purpose, the redemption period or payment of Accreted Value shall be deemed a principal payment and interest that is compounded and paid as Accreted Value shall be deemed due on the scheduled redemption or payment date of such Capital Appreciation Indebtedness or Convertible Capital Appreciation Indebtedness at or prior to the expiration of the Accretion Period;

(e) if any interest rate swap agreement is in effect with respect to, and is payable on a parity with, the Bonds or Parity Debt to which it relates, no amounts payable under such interest rate swap agreement shall be included in the calculation of Debt Service unless the sum of (i) interest payable on such Bonds or Parity Debt, plus (ii) amounts payable by the City under such interest rate swap agreement, less (iii) amounts receivable by the City under such interest rate swap agreement are greater than the interest payable on the Bonds or Parity Debt to which it relates, then, in such instance, the amount of such payments to be made that exceed the interest to be paid on the Bonds or Parity Debt shall be included in such calculation. For such purposes, the variable amount under any such interest rate swap agreement shall be assumed to be equal to the assumed RBI-based rate; and

(f) if any Bonds or Parity Debt include an option or an obligation to tender all or a portion of such Bonds or Parity Debt to the City, the Trustee or another fiduciary or agent and require that such Bonds or Parity Debt or portion thereof be purchased if properly presented, then for purposes of determining the amounts of principal and interest due, the options or obligations to tender shall be treated as a principal maturity occurring on the first date on which holders or owners thereof may or are required to tender, except that any such option or obligation to tender shall be ignored and not treated as a principal maturity, if (1) such Bonds or Parity Debt are rated in one of the two highest long-term Rating Categories by Moody's and/or Fitch and by Standard & Poor's or such Bonds or Parity Debt are rated in the highest short-term, note or commercial paper Rating Categories by Moody's and/or Fitch and by Standard & Poor's and (2) funds for the purchase price are to be provided by a letter of credit or standby bond purchase agreement and the obligation of the City with respect to the provider of such letter of credit or standby bond purchase agreement, other than its obligations on such Bonds or Parity Debt, shall be subordinated to the obligation of the City on the Bonds and Parity Debt.

In the event of a conflict between the definition of the term *"Debt Service"* set forth above and the definition of the same term set forth in the Indenture, the definition set forth in the Indenture on the Closing Date shall control. Capitalized terms used in the definition of the term *"Debt Service"* set forth above but not otherwise defined herein shall have their respective meanings set forth in the Indenture on the Closing Date.

"Default" means any event, act, condition or occurrence which with notice, or lapse of time or both, would constitute an Event of Default hereunder.

"Default Rate" means, for any day, a fluctuating rate of interest per annum equal to the sum of the interest rate applicable to the Loans on such day from time to time in effect *plus* three percent (3.00%); *provided*, that if no Loans are outstanding, the Default Rate applicable to Obligations means, for any day, a fluctuating rate of interest per annum equal to the sum of the Base Rate from time to time in effect *plus* three percent (3.00%).

"Determination of Taxability" means and shall be deemed to have occurred on the first to occur of the following:

(i) on the date when the City files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability has occurred;

(ii) on the date when the Lender notifies the City that it has received a written opinion by a nationally recognized firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within one hundred eighty (180) days after receipt by the City of such notification from the Lender, the City shall deliver to the Lender a ruling or determination letter issued to or on behalf of the City by the Commissioner of the IRS or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the IRS (or any other government official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the City shall be advised in writing by the Commissioner of the IRS or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the IRS (or any other government official exercising the same or a substantially similar function from time to time, including an employee subordinate to one of these officers who has been authorized to provide such advice) that, based upon filings of the City, or upon any review or audit of the City or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on the date when the City shall receive notice from the Lender that the IRS (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of Lender the interest on the Loans or the 2026 Bond due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) hereunder unless the City has been afforded the reasonable opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; *provided further, however,* that upon demand from the Lender, the City shall promptly reimburse Lender for any payments, including any taxes, interest, penalties or other charges, the Lender shall be obligated to make as a result of the Determination of Taxability.

"Dollar, Dollars and U.S. Dollars and the Symbol $" means lawful money of the United States of America.

"Electric Revenue Bonds" means the City of Santa Clara Electric Revenue Bonds, authorized by, and at any time Outstanding pursuant to the Indenture.

"*Electric Utility Enterprise Fund*" means the City of Santa Clara Electric Utility Enterprise Fund (Silicon Valley Power) of the City.

"*Electric Utility*" or *"Enterprise"* has the meaning set forth in the Indenture on the Closing Date. For the sake of clarity, the definition set forth in the Indenture is, as of the Closing Date, as follows:

> *"Enterprise"* or *"Electric Utility"* means the whole and each and every part of the existing electric energy system of the City, including facilities of others to which City has special right to some of the output from or the use of such facilities, comprising all facilities for the generation, production, transmission and distribution of electric energy and otherwise conducting the business of the electric energy system of the City, together with all additions, betterments, extensions and improvements to such system, or any part thereof, hereafter acquired or constructed or financed; *provided, however,* that the term does not include any Special Facility which has not been designated by the City to be included as part of the Enterprise or Electric Utility hereunder.

In the event of a conflict between the definition of the terms "*Electric Utility*" or *"Enterprise"* set forth above and the definition of the same terms set forth in the Indenture, the definition set forth in the Indenture on the Closing Date shall control. Capitalized terms used in the definition of the terms "*Electric Utility*" or *"Enterprise"* set forth above but not otherwise defined herein shall have their respective meanings set forth in the Indenture on the Closing Date.

"EMMA" means Electronic Municipal Market Access as provided by the Municipal Securities Rulemaking Board.

"Enterprise Property" means Property owned or controlled by the City and used by the Enterprise.

"Environmental Laws" means any and all Federal, foreign, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees and any and all common law requirements, rules and bases of liability regulating, relating to or imposing liability or standards of conduct concerning pollution, protection of the environment, or the impact of pollutants, contaminants or toxic or hazardous substances on human health or the environment, as now or may at any time hereafter be in effect from time to time.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of City directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the

generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"ERISA" means the Employee Retirement Income Security Act of 1974, as the same may be in effect, from time to time.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the City within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"Event of Default" with respect to this Agreement has the meaning set forth in Section 7.1 hereof and, with respect to any Related Document, has the meaning assigned therein.

"Event of Taxability" means a (i) change in Law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the City, or the failure to take any action by the City, or the making by the City of any misrepresentation herein or in any certificate required to be given in connection with the Loans or the 2026 Bond) which has the effect of causing interest paid or payable on the Loans or the 2026 Bond to become includable, in whole or in part, in the gross income of the Lender for federal income tax purposes or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the IRS or the Department of the Treasury (or any other government agency exercising the same or a substantially similar function from time to time), which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on the Loans or the 2026 Bond to become includable, in whole or in part, in the gross income of the Lender for federal income tax purposes with respect to the Loans or the 2026 Bond.

"Excluded Taxes" means, with respect to the Lender, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the laws of which the Lender is organized or in which its principal office is located, and (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which the Lender is located.

"Excluded Principal Payments" has the meaning set forth in the Indenture on the Closing Date. For the sake of clarity, the definition set forth in the Indenture is, as of the Closing Date, as follows:

> *"Excluded Principal Payments"* shall mean each payment of principal (or the principal component of lease or installment purchase payments) of Bonds or Parity Debt which the City determines on a date not later than the date of issuance thereof that the City intends to pay with moneys which are not Revenues or

Adjusted Net Revenues but from the proceeds of future debt obligations of the City and the Trustee may rely conclusively on such determination of the City.

In the event of a conflict between the definition of the term *"Excluded Principal Payments"* set forth above and the definition of the same term set forth in the Indenture, the definition set forth in the Indenture on the Closing Date shall control. Capitalized terms used in the definition of the term *"Excluded Principal Payments"* set forth above but not otherwise defined herein shall have their respective meanings set forth in the Indenture on the Closing Date.

"Executive Order No. 13224" means the Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, as the same may be in effect from time to time.

"Expenses" has the meaning set forth in Section 8.6 hereof.

"FCPA" has the meaning as set forth in Section 5.24(b) hereof.

"Fee Agreement" means the Fee Agreement dated June 1, 2026, between the City and the Lender, as the same may be amended, supplemented, modified or restated from time to time in accordance with its terms.

"Fiscal Year" means any twelve (12) consecutive calendar days commencing with the first day of July and ending on the last day of the following June or such other twelve-month period as the City Council may designate.

"Fitch" means Fitch Ratings, Inc., and any successor rating agency.

"Floor" means a rate of interest equal to zero (0) percent (0.0%).

"FRB" means the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

"GAAP" means generally accepted accounting principles in the United States applicable to governmental entities as in effect from time to time, applied by the City on a basis consistent with the City's most recent financial statements furnished to the Bank pursuant to Section 6.1(a) hereof.

"Governmental Approval" means an authorization, consent, approval, permit, license, certificate of occupancy or an exemption of, a registration or filing with, or a report to, any Governmental Authority.

"Governmental Authority" means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, agency, body, authority, bureau or entity (including the Federal Reserve Board, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantee" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Indebtedness of any other Person of the type described in clauses (a), (b), (c), (d), (e) or (f) of the defined term "Indebtedness."

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"Hedging Instrument" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a *"Master Agreement"*), including any such obligations or liabilities under any Master Agreement.

"Indebtedness" of any person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, loan agreements, bank agreements or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under Capital Leases, (e) all Indebtedness of others secured by a lien on any asset of such Person, whether or not such Indebtedness are assumed by such Person, (f) all Guarantees by such Person of Indebtedness of other Persons, other than Guarantees pursuant to financial guaranty insurance policies or similar instruments, (g) all Hedging Instruments and (h) the maximum amount of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments.

"Indenture" has the meaning set forth in the recitals hereof.

"Indenture Event of Default" means an "Event of Default" as defined in the Indenture.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Interest Payment Date" means (a) as to any Base Rate Loan, the first Business Day of each calendar month and the Termination Date, and (b) as to any SOFR Loan, the first Business Day of each calendar month and the Termination Date.

"Interest Period" means a period from one Rate Determination Date through, but not including, the next Rate Determination Date; *provided, that* (i) (A) if no SOFR Loans are outstanding hereunder on the date a new Loan is advanced hereunder, the Interest Period for such new Loan shall mean the period from the date on which such Loan is advanced through, but not including, the next Rate Determination Date and (B) if any SOFR Loan is outstanding hereunder on the date a new Loan is advanced hereunder, the Interest Period for such new Loan shall be the Interest Period then in effect for the outstanding SOFR Loan(s) and (ii) no Interest Period shall extend beyond the Stated Maturity Date.

"Investment Policy" means the investment policy of the City delivered to the Lender, pursuant to Section 4.1(a)(v) hereof.

"IRS" means the Internal Revenue Service.

"Laws" means, collectively, all international, foreign, federal, state and local laws, statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lender" has the meaning set forth in the introductory paragraph hereof.

"Lender Affiliate" means, with respect to the Lender, any Person which, directly or indirectly, is in control of, is controlled by, or is under common control with the Lender. For purposes of this definition, control of a Person shall mean the power, direct or indirect, (x) to vote 25% or more of any class of Capital Stock having ordinary voting power for the election of directors of such Person or other Persons performing similar functions for any such Person, or (y) to direct or cause the direction of the management and policies of such Person whether by ownership of Capital Stock, contract or otherwise.

"Lien" means any mortgage, lien, security interest, pledge, claim, charge or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, Capital Lease or other title retention arrangement.

"Loan" means each Advance made by the Lender in accordance with the applicable Advance Request. The term *"Loan"* means, individually, a Base Rate Loan or a SOFR Loan and *"Loans"* means Base Rate Loans or SOFR Loans, or a combination thereof, as applicable.

"Margin Rate Factor" means the product of (a) one (1.0) minus the Maximum Federal Corporate Tax Rate in effect as of such day *multiplied by* (b) the quotient of (A) one (1.0) divided by (B) (x) one (1.0) *minus* (y) the Maximum Federal Corporate Tax Rate on the Closing Date, rounded upward to the second decimal place. The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum

Federal Corporate Tax Rate resulting in such change. On the Closing Date the Margin Rate Factor is equal to 1.00.

"Margin Stock" has the meaning ascribed to such term in Regulation U promulgated by the FRB, as now and hereafter from time to time in effect.

"Master Indenture" has the meaning as set forth in the recitals hereof.

"Material Adverse Effect" means: (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the City; (b) a material impairment of the ability of the City to perform its obligations under any Related Document to which it is a party; (c) a material adverse change in, or material adverse effect upon, the legality, validity, binding effect or enforceability against the City of any Related Document to which it is a party; or (d) a material adverse change in, or a material adverse effect upon, or the rights, security, interests or remedies of Lender hereunder or under any other Related Document.

"Maximum Federal Corporate Tax Rate" means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Lender, the maximum statutory rate of federal income taxation which could apply to the Lender).

"Maximum Interest Rate" means the maximum, non-usurious rate of interest on the relevant obligation permitted by applicable law.

"Moody's" means Moody's Investors Service, Inc. and any successor rating agency.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which City or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including City or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"*Net Revenue Fund*" means the City of Santa Clara Electric Utility Net Revenues Fund as established pursuant to the Indenture.

"Notice of Conversion/Extension" means a written notice of conversion of a SOFR Loan to a Base Rate Loan, or of a Base Rate Loan to a SOFR Loan or extension of a SOFR Loan, in each case substantially in the form of Exhibit D attached hereto.

"Obligations" means all debts, liabilities and obligations owing by the City to the Lender pursuant to this Agreement and the other Related Documents, whether principal, interest, fees,

indemnification obligations hereunder or Expenses (specifically including interest accruing after the commencement of any bankruptcy, insolvency or similar proceeding with respect to the City, whether or not a claim for such post-commencement interest is allowed), including, without limitation, debts, liabilities and obligations in respect of this Agreement and any extensions, modifications, substitutions, increases and renewals thereof; the payment of all amounts advanced by the Lender to preserve, protect and enforce rights hereunder; and all Expenses incurred by the Lender.

"Outstanding" has the meaning set forth in the Indenture on the Closing Date. For the sake of clarity, the definition set forth in the Indenture is, as of the Closing Date, as follows:

> *"Outstanding"* when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 10.09) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except (1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation; (2) Bonds with respect to which all liability of the City shall have been discharged in accordance with Section 9.02, including Bonds (or portions of Bonds) referred to in Section 10.10; and (3) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture.

In the event of a conflict between the definition of the term *"Outstanding"* set forth above and the definition of the same term set forth in the Indenture, the definition set forth in the Indenture on the Closing Date shall control. Capitalized terms used in the definition of the term *"Outstanding"* set forth above but not otherwise defined herein shall have their respective meanings set forth in the Indenture on the Closing Date.

"Overadvance" has the meaning as set forth in Section 2.8(b) hereof.

"Parity Debt" has the meaning set forth in the Indenture on the Closing Date. For the sake of clarity, the definition set forth in the Indenture is, as of the Closing Date, as follows:

> *"Parity Debt"* means any indebtedness, installment sale obligation, lease obligation or other obligation of the City for borrowed money or interest rate swap agreement incurred in connection with the Enterprise having an equal lien and charge upon the Adjusted Net Revenues and therefore payable on parity with the Bonds (whether or not any Bonds are Outstanding).

In the event of a conflict between the definition of the term *"Parity Debt"* set forth above and the definition of the same term set forth in the Indenture, the definition set forth in the Indenture on the Closing Date shall control. Capitalized terms used in the definition of the term *"Parity Debt"* set forth above but not otherwise defined herein shall have their respective meanings set forth in the Indenture on the Closing Date.

"Patriot Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 10756 (signed into law October 26, 2001).

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by City and any ERISA Affiliate or with respect to which City or any ERISA Affiliate has any liability and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity or organization, including a government or political subdivision or any agency or instrumentality thereof.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of City or any ERISA Affiliate or any such Plan to which City or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Procedural Resolution" has the meaning set forth in the recitals hereto.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

"Rate Determination Date" means the first Business Day of each month.

"Rate Stabilization Fund" has the meaning set forth in the Indenture.

"Rating Agency" means any of Fitch, Moody's or S&P, as applicable.

"Reference Time" means, with respect to any setting of the then-current Benchmark (1) if such Benchmark is Term SOFR, then 3:00 p.m. (New York City time) one (1) Business Day prior to such setting, and (2) if such Benchmark is not Term SOFR, then the time determined by the Lender in accordance with the Benchmark Replacement Conforming Changes.

"Related Documents" means, collectively, this Agreement, the Authorizing Resolution, the 2026 Bond, the Procedural Resolution, the Fee Agreement and the Indenture, and all agreements, instruments and documents executed and/or delivered in connection therewith, all as may be supplemented, restated, superseded, amended or replaced from time to time.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Relevant Governmental Body" means the FRB or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the FRB or the Federal Reserve Bank of New York, or any successor thereto.

"Revenues" has the meaning set forth in the Indenture on the Closing Date. For the sake of clarity, the definition set forth in the Indenture is, as of the Closing Date, as follows:

> *"Revenues"* means all gross income and revenue received or receivable by the City from the ownership and operation of the Enterprise, calculated accordance with Generally Accepted Accounting Principles Applicable to Governments, including all rates, fees and charges received by the City thy electric energy service and all other income and revenue howsoever derived by the City from the Enterprise or arising from the Enterprise, and including any interest paid and other income derived from the investment of funds as provided in this Indenture, but excluding any gain or loss on the extinguishment of any debt of the City.

In the event of a conflict between the definition of the term *"Revenues"* set forth above and the definition of the same term set forth in the Indenture, the definition set forth in the Indenture on the Closing Date shall control. Capitalized terms used in the definition of the term *"Revenues"* set forth above but not otherwise defined herein shall have their respective meanings set forth in the Indenture on the Closing Date.

"S&P" means S&P Global Ratings, and any successor rating agency.

"Secured Debt" means the Electric Revenue Bonds, Parity Debt, the Loans, the Obligations and all other Indebtedness secured by and/or payable from all or any portion of the Adjusted Net Revenues.

"SOFR" means a rate equal to the secured overnight financing rate as administrated by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"SOFR Loan" means a Loan that bears interest at a rate based on Term SOFR.

"Stated Maturity Date" means May **[30]**, 2031, or, if such day is not a Business Day, the next preceding Business Day.

"Subsidiary" means, with respect to any Person at any time, (i) any corporation more than fifty percent (50%) of whose voting stock is legally and beneficially owned by such Person or owned by a corporation more than fifty percent (50%) of whose voting stock is legally and

beneficially owned by such Person; (ii) any trust of which a majority of the beneficial interest is at such time owned directly or indirectly, beneficially or of record, by such Person or one or more Subsidiaries of such Person; and (iii) any partnership, joint venture, limited liability company or other entity of which ownership interests having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions are at such time owned directly or indirectly, beneficially or of record, by, or which is otherwise controlled directly, indirectly or through one or more intermediaries by, such Person or one or more Subsidiaries of such Person.

"Supplemental Indenture" has the meaning as set forth in the recitals hereof.

"Taxable Date" means the date on which interest on the Loans is first includable in gross income of Lender as a result of an Event of Taxability as such date is established pursuant to a Determination of Taxability.

"Taxable Period" has the meaning set forth in Section 2.3 hereof.

"Taxable Rate" means, with respect to a Taxable Period, the product of (i) the interest rate on the Loans during such period and (ii) the Taxable Rate Factor.

"Taxable Rate Factor" means, for each day that the Taxable Rate is determined, the quotient of (i) one *divided by* (ii) one minus the Maximum Federal Corporate Tax Rate in effect as of such day, rounded upward to the second decimal place.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

"Term SOFR" means, for any calculation with respect to the Loans, the greater of (a) the Term SOFR Reference Rate for a period of one month on each Computation Date, as such rate is published by the Term SOFR Administrator and (b) the Floor; *provided*, *however,* that if as of 5:00 p.m. (New York City time) on any Computation Date the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Computation Date. Any change in the Term SOFR Reference Rate due to a change in Term SOFR shall be effective form and including the first day of each Interest Period without notice to City.

"Term SOFR Administrator" means the CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by Lender in its reasonable discretion).

"Term SOFR Rate" means a fluctuating rate per annum, determined as of each applicable Interest Period, equal to the product of (i) the product of (1) the sum of (A) Term SOFR for such Interest Period and (B) the Applicable Spread and (2) the Applicable Factor and (ii) the Margin Rate Factor, rounded upward to the third decimal place.

"Term SOFR Reference Rate" means the rate per annum determined by Lender as the forward-looking term rate based on SOFR.

"Termination Date" means the earliest of (i) the Stated Maturity Date, (ii) the date the Loans are otherwise payable in full in accordance with Section 7.2 hereof, and (iii) the date of termination of this Agreement pursuant to Section 2.18 hereof.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., as bond trustee under the Indenture, and any successor trustee thereunder.

"*2026 Bond*" means the City of Santa Clara, California Electric Revenue Bond, Series 2026 evidencing the obligation of the City to repay the Loans and interest thereon and the other Obligations, issued under the Bond Law and in accordance with the Authorizing Resolution, the Indenture and this Agreement.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unutilized Fee" has the meaning as set forth in the Fee Agreement.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

Section 1.2. Accounting Principles. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, this shall be done in accordance with GAAP as in effect on the Closing Date, to the extent applicable, except as otherwise expressly provided in this Agreement. If there are any changes in GAAP after the Closing Date that would affect the computation of the financial covenants in Section 6.11 and 6.12 hereof, such changes shall only be followed, with respect to such financial covenants, from and after the date this Agreement shall have been amended to take into account any such changes.

Section 1.3. Construction. No doctrine of construction of ambiguities in agreements or instruments against the interests of the party controlling the drafting shall apply to any Related Documents.

Section 1.4. Rates. The Lender does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Term SOFR Reference Rate, or any component

definition thereof or rates referenced in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Term SOFR Reference Rate or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Benchmark Replacement Conforming Changes. The Lender and its Affiliates or other related entities may engage in transactions that affect the calculation of the Term SOFR Reference Rate, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the City. The Lender may select information sources or services in its reasonable discretion to ascertain the Term SOFR Reference Rate or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the City, the Lender or any other Person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

Section 1.5. Other Interpretive Provisions. With reference to this Agreement and each other Related Document, unless otherwise specified herein or in such other Related Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "*include*," "*includes*" and "*including*" shall be deemed to be followed by the phrase "without limitation." The word "*will*" shall be construed to have the same meaning and effect as the word "*shall*." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any organization document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Related Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "*hereto*," "*herein*," "*hereof*" and "*hereunder*," and words of similar import when used in any Related Document, shall be construed to refer to such Related Document in its entirety and not to any particular provision thereof, (iv) all references in a Related Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Related Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "*asset*" and "*property*" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "*from*" means "*from and including*;" the words "*to*" and "*until*" each mean "*to but excluding*;" and the word "*through*" means "*to and including*."

(c) Section headings herein and in the other Related Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Related Document.

ARTICLE II. THE LOANS.

Section 2.1. Commitment. (a) Subject to the terms and conditions of this Agreement, the Lender hereby establishes for the benefit of the City a revolving credit facility which shall include Advances extended by the Lender to or for the benefit of the City from time to time during the Availability Period hereunder. The aggregate principal amount of unpaid Advances made on any date shall not at any time exceed the Available Commitment on such date and, after giving effect to any Advance, the total unpaid Advances outstanding shall not exceed the Commitment. Subject to such limitation, the outstanding balance of Advances hereunder may fluctuate from time to time, to be reduced by repayments made by the City, to be increased by future Advances which may be made by the Lender, to or for the benefit of the City, and, subject to the provisions of Section 2.8 hereof, shall be due and payable by the City on the Termination Date.

(b) On or before the Closing Date, the City shall execute and deliver the 2026 Bond to the Lender in the principal amount of the Commitment. The 2026 Bond shall evidence the City's unconditional obligation to repay the Lender for all Advances made hereunder, with interest as herein provided. Each Advance hereunder shall be deemed evidenced and secured by the 2026 Bond, which is deemed incorporated herein by reference and made part hereof. The 2026 Bond shall be in form and substance satisfactory to the Lender. All payments on 2026 Bond shall be deemed to be payments with respect to the corresponding Advances and all payments on Advances shall be deemed to be payments with respect to the corresponding 2026 Bond. The failure to make any payment on any Advance when due shall be a failure to make a payment on the 2026 Bond and the failure to make any payment on the 2026 Bond when due shall be a failure to make a payment on the related Advance.

(c) The Commitment and the Availability Period shall expire on the Termination Date. On such date, unless having been sooner accelerated by the Lender pursuant to the terms hereof, and without impairing any rights under Section 3.1 hereof, all Loans and all other sums owing hereunder shall be due and payable by the City in full, and as of and after such date the City shall not request and the Lender shall not be obligated to make any further Advances hereunder.

Section 2.2. Payments and Advances. (a) Except to the extent otherwise set forth in this Agreement (or in the case of Hedging Instruments under the applicable agreements), all payments of principal and of interest on the Loans and all Expenses, fees, indemnification obligations and all other charges and any other Obligations of the City, shall be made to Lender by wire transfer to the Lender's account at: **[_____]**, in United States Dollars, in immediately available funds. Each payment by the City hereunder shall be made without any set off, counterclaim or deduction whatsoever. Any payments received prior to 2:00 p.m. (New York City time) on any Business Day

shall be deemed received on such Business Day. Any payments (including any payment in full of the Obligations), received after 2:00 p.m. (New York City time) on any Business Day shall be deemed received on the immediately following Business Day.

(b) Advances which may be made by the Lender from time to time hereunder shall be made available by wire transfer to the City's account at: **[JP Morgan Chase Bank, N.A.]**. Such account may be changed only by presentation to the Lender of a notice in form satisfactory to the Bank specifying a different account with the City and executed by the City and authenticated to the Bank's satisfaction.

(i) All Advances requested by the City hereunder that are (i) SOFR Loans must be in the minimum amount of $1,000,000 and integral multiples of $5,000 in excess thereof, and (ii) Base Rate Loans must be in the minimum amount of $1,000,000 and integrated multiples of $5,000 in excess thereof.

(ii) All Advances requested by the City hereunder are to be in writing pursuant to a written request ("*Advance Request*") executed by an Authorized City Representative in the form of Exhibit C attached hereto. Advance Requests for Base Rate Loans must be requested three (3) Business Days in advance and must specify the amount of the Base Rate Loan. Advance Requests for SOFR Loans must be requested three (3) Business Days in advance and must specify the amount of the SOFR Loan and the Interest Period.

(iii) Upon receiving an Advance Request in accordance with subparagraph (ii) above, and subject to the conditions set forth in this Agreement, the Lender shall make the requested Advance available to City on the date requested by the City in the related Advance Request.

Section 2.3. Determination of Taxability. (a) In the event a Determination of Taxability occurs, the City hereby agrees to pay to the Lender within thirty (30) days of demand therefor (i) an amount equal to the difference between (A) the amount of interest that would have been paid to the Lender on the Loans or the 2026 Bond during the period for which interest on the Loans or the 2026 Bond is included in the gross income of the Lender if the Loans had borne interest at the Taxable Rate, beginning on the Taxable Date (the *"Taxable Period"*), and (B) the amount of interest actually paid to the Lender during the Taxable Period, and (ii) an amount equal to any interest, penalties or charges owed by the Lender as a result of interest on the Loans or the 2026 Bond becoming included in the gross income of the Lender, together with any and all attorneys' fees, court costs, or other out-of-pocket costs incurred by the Lender in connection therewith;

(b) Subject to the provisions of paragraph (c) below, the Lender shall afford the City the reasonable opportunity, at the City's sole cost and expense, to contest (i) the validity of any amendment to the Code which causes the interest on the Loans or the 2026 Bond to be included in the gross income of the Lender, or (ii) any challenge to the validity of the tax exemption with respect to the interest on the Loans or the 2026 Bond, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals); *provided* that, in no event shall the Lender be required to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the City or any other Person; and

(c) As a condition precedent to the exercise by the City of its right to contest set forth in paragraph (b) above, the City shall, within thirty (30) days of demand, reimburse the Lender for any and all expenses (including attorneys' fees for services) that may be required or desirable, as determined by the Lender (in its reasonable discretion) that may be incurred by the Lender in connection with any such contest, and shall, within thirty (30) days from demand, reimburse the Lender for any payments, including any taxes, interest, penalties or other charges payable by the Lender for failure to include such interest in its gross income.

Section 2.4. Maximum Interest Rate. (a) If the amount of interest payable on the Loan or such Obligations hereunder for any period in accordance with the terms hereof or the Loan exceeds the amount of interest that would be payable on the Loan or such Obligations hereunder for such period had interest for such period been calculated at the Maximum Interest Rate, then interest for such period shall be payable on the Loan or such Obligations in an amount calculated at the Maximum Interest Rate.

(b) Any interest on the Loan or such Obligations hereunder that would have been due and payable for any period but for the operation of the immediately preceding paragraph (a) shall accrue and be payable as provided in this paragraph (b) and shall, less interest actually paid to the Lender for such period, constitute the *"Excess Interest Amount."* If there is any accrued and unpaid Excess Interest Amount as of any date, then the principal amount with respect to which interest is payable shall bear interest at the Maximum Interest Rate until payment to the Lender of the entire Excess Interest Amount.

(c) Notwithstanding the foregoing, on the date on which no principal amount with respect to the Loan remains unpaid, the City shall pay to the Lender a fee equal to any accrued and unpaid Excess Interest Amount. The Lender and the City agree that any such fee payable pursuant to this clause (c) shall not constitute interest on the Loan.

Section 2.5. Interest. (a) The unpaid principal balance of SOFR Loans hereunder shall bear interest for each Interest Period, subject to the terms hereof, at a per annum rate equal to, at the applicable Term SOFR Rate for such Interest Period. The Lender shall determine the Term SOFR Rate for each Interest Period and such Term SOFR Rate shall become effective on first day of the applicable Interest Period to and including the last day of such Interest Period.

(b) The unpaid principal balance of each Loan shall bear interest for each day such Loan is outstanding at the interest rate applicable thereto from time to time. Interest on each Loan shall be due and payable by the City on each Interest Payment Date (commencing on the first Interest Payment Date occurring after such Loan is drawn) and at the Termination Date, and interest after the Termination Date (whether by lapse of time, acceleration, or otherwise) shall be due and payable by the City upon demand.

(c) While any Loan is a Base Rate Loan, such Loan shall bear interest at a rate per annum equal to the Base Rate. Changes in the interest rate applicable to Base Rate Loans shall become effective on the same day there is a change in the Base Rate.

(d) Interest on Base Rate Loans shall be payable by the City in arrears on each Interest Payment Date applicable thereto. In the event of any conversion of any SOFR Loan prior to the end of the Interest Period therefor, accrued interest on such Loan shall be payable by the City on the effective date of such conversion.

(e) The City may elect from time to time to convert Base Rate Loans to SOFR Loans, by delivering a Notice of Conversion/Extension to the Lender at least three (3) Business Days prior to the proposed date of conversion. In addition, the City may elect from time to time to convert all or any portion of a SOFR Loan to a Base Rate Loan by giving the Lender irrevocable written notice thereof by 12:00 Noon (New York Coty time) two (2) Business Days prior to the proposed date of conversion. SOFR Loans may only be converted to Base Rate Loans on the last day of the applicable Interest Period. If the date upon which a SOFR Loan is to be converted to a Base Rate Loan is not a Business Day, then such conversion shall be made on the next succeeding Business Day and during the period from such last day of an Interest Period to such succeeding Business Day such Loan shall bear interest as if it were a Base Rate Loan. All or any part of outstanding Base Rate Loans may be converted as provided herein; *provided* that no Loan may be converted into a SOFR Loan when any Event of Default has occurred and is continuing.

(f) If the City fails to deliver a timely and complete Notice of Conversion/Extension to the Lender with respect to a SOFR Loan prior to the Interest Payment Date therefor, then, unless such SOFR Loan is repaid as provided herein, such SOFR Loan shall automatically be continued for an additional Interest Period commencing on such Interest Payment Date.

(g) The Bank will, for administrative purposes, consolidate on its systems and in its records the unpaid principal balance of the SOFR Loans so that all SOFR Loans bear interest at the same Term SOFR Rate and all SOFR Loans have the same effective Interest Period. The Bank will, for administrative purposes, consolidate on its systems and in its records the unpaid principal balance of the Base Rate Loans so that all Base Rate Loans bear interest at the same Base Rate.

(h) In no event shall the Lender be required to make more than three (3) Advances per calendar month.

Section 2.6. Additional Interest Provisions. (a) All computations of fees and interest for SOFR Loans and fees (including, without limitation, the Unutilized Fee) and other amounts due hereunder (other than with respect to Base Rate Loans, if applicable) shall be made on the basis of a 360-day year and actual days elapsed. All computations of interest for any Base Rate Loans, if required and applicable due to the circumstances in Section 2.13(e) or 2.14 hereof, shall be made on the basis of a year of 365 days and actual days elapsed. Interest shall accrue on the Loans for the day on which any such Loan is unpaid, and shall not accrue on the Loans, or any portion thereof, for the day on which such Loan or such portion is paid. Each determination by the Lender of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) After the occurrence and during the continuance of an Event of Default hereunder, all Obligations shall bear interest until paid in full at a rate per annum equal to the Default Rate,

payable by the City, to the extent not paid when otherwise due, upon demand. The Default Rate may be applied retroactively to the date of the occurrence of the Event of Default.

(c) All contractual rates of interest chargeable on outstanding principal under the Loans shall continue to accrue and be paid even after Default, an Event of Default, maturity, acceleration, judgment, bankruptcy, insolvency proceedings of any kind or the happening of any event or occurrence similar or dissimilar.

(d) In no contingency or event whatsoever shall the aggregate of all amounts deemed interest hereunder and charged or collected pursuant to the terms of this Agreement exceed the highest rate permissible under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such court determines the Lender has charged or received interest hereunder in excess of the highest applicable rate, the Lender shall apply, in its sole discretion, and set off such excess interest received by the Lender against other Obligations due or to become due, as applicable, and such rate shall automatically be reduced to the maximum rate permitted by such law.

(e) The City shall not request and the Lender shall not make or continue or convert any Loan to a SOFR Loan while an Event of Default exists.

Section 2.7. Obligations Absolute. The obligations of the City under this Agreement and the Related Documents shall be unconditional and irrevocable and shall be paid and performed strictly in accordance with the terms of this Agreement and the Related Documents, as applicable, under all circumstances, including without limitation the following:

(a) any lack of validity or enforceability of this Agreement or any of the other Related Documents;

(b) any amendment or waiver of or any consent to departure from all or any of the Related Documents;

(c) the existence of any claim, set-off, defense or other right which the City may have at any time against Lender or any other person or entity, whether in connection with this Agreement, the other Related Documents, the transactions contemplated herein or therein or any unrelated transaction; or

(d) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

Section 2.8. Prepayments.

(a) *Optional.* The Loans may be prepaid in whole or in part upon ten (10) days prior written notice to the Lender, subject to Section 2.11 hereof. In the event of any prepayment of the Loans on any date other than an Interest Payment Date, whether by voluntary prepayment,

acceleration following default or otherwise the City shall pay a prepayment charge upon prepayment of the principal of the Loans as set forth in Section 2.11 hereof.

(b) *Mandatory*. If the aggregate principal amount of unpaid Advances, at any time exceeds the Commitment (such excess referred to as "*Overadvance*"), the City shall immediately repay the Overadvance in full.

Section 2.9. Use of Proceeds. The extensions of credit under and proceeds of the Loans shall be used solely to finance capital expenditures of the Enterprise in accordance with the Authorizing Resolution.

Section 2.10. Increased Costs.

(a) *Increased Costs Generally.* If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, the Lender or the Lender's parent or holding company, if any;

(ii) subject the Lender or the Lender's parent or holding company, if any, to any taxes on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto (except the imposition of, or any change in the rate of, any Excluded Taxes payable by the Lender); or

(iii) impose on the Lender or any Lender's parent or holding company, if any, any other condition, cost or expense affecting this Agreement;

and the result of any of the foregoing shall be to increase the cost to the Lender or any Lender's parent or holding company, if any, with respect to this Agreement, the Loans, or the making, maintenance or funding of the Loans, or to reduce the amount of any sum received or receivable by the Lender hereunder (whether of principal, interest or any other amount) then, upon the written request of the Lender as set forth in Section 2.10(c) hereof, the City will pay to the Lender, such additional amount or amounts as will compensate the Lender or any Lender's parent or holding company, if any, for such additional costs incurred or reduction suffered.

(b) *Capital Requirements*. If the Lender reasonably determines that any Change in Law affecting the Lender or any Lender's parent or holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on the Lender's capital or liquidity or on the capital or liquidity of the Lender's parent or holding company, if any, as a consequence of this Agreement or the Loans to a level below that which the Lender or the Lender's parent or holding company could have achieved but for such Change in Law (taking into consideration the Lender's policies and the policies of the Lender's parent or holding company with respect to capital adequacy), then from time to time upon written request of the Lender as set forth in clause (c) the City will pay to the Lender, such additional amount or amounts as will compensate the Lender or the Lender's parent or holding company for any such reduction suffered.

(c) *Certificates for Reimbursement*. A certificate of the Lender setting forth the amount or amounts necessary to compensate the Lender or its parent or holding company, as the case may be, as specified in subsection (a) or (b) of this Section 2.10 and delivered to the City shall be conclusive absent manifest error. The City shall pay the Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) *Delay in Requests*. Failure or delay on the part of the Lender to demand compensation pursuant to the foregoing provisions of this Section 2.10 shall not constitute a waiver of the Lender's right to demand such compensation. Notwithstanding the foregoing sentence, the City shall not be required to compensate the Lender pursuant to this Section 2.10 in respect of a period occurring more than six (6) months prior to the date the above-described written demand is given to the City with respect thereto (except that if the imposition of such increased costs is retroactive, then the six-month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) *Survival.* All of the City's obligations under this Section 2.10 shall survive the termination of this Agreement and the repayment, satisfaction or discharge of all other Obligations; *provided* that this paragraph (e) will not be deemed to extend any applicable statute of limitations.

Section 2.11. Funding Indemnity. (i) In the event of (a) the payment of any principal of any SOFR Loan other than on the last day of an Interest Period therefor (including as a result of an Event of Default), (b) the conversion of any SOFR Loan other than on the last day of an Interest Period therefor, (c) the failure to borrow, convert, continue or prepay any SOFR Loan on the date specified in any notice delivered pursuant hereto, or (d) the assignment of any SOFR Loan other than on the last day of an Interest Period therefor, then, in any such event, the City shall compensate the Lender for the Lender's reasonable costs, expenses and Interest Differential (as determined by the Lender) incurred as a result of such prepayment. The term "Interest Differential" means the greater of zero and the financial loss incurred by the Lender resulting from the related event, calculated (as of the date of such event) as the difference between (i) the amount of interest the Lender would have earned on the related SOFR Loan had such event not occurred for the period from and including the date of such event to and including the last day of the related Interest Period and (ii) the interest the Lender will actually earn as a result of the redeployment of funds from such event for the period from and including the date of such event to and including the last day of the related Interest Period. Because of the short-term duration of any Interest Period, the City agrees that the Interest Differential shall not be discounted to its present value. A certificate of the Lender setting forth any amount or amounts that the Lender is entitled to receive pursuant to this Section 2.11 shall be delivered to the City and shall be conclusive absent manifest error. The City shall pay the Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(ii) Notwithstanding anything herein to the contrary, no amount shall be payable under this Section 2.11 as a result of the occurrence of an event set forth in clauses (a) through (d) of Section 2.11(i) hereof if such related event occurs solely as a result of the terms and conditions of any of Section 2.12, 2.13 or 2.14 hereof.

Section 2.12. Inability to Determine Interest Rate (Temporary). Notwithstanding any other provision of this Agreement, if at any time prior to a Benchmark Transition Event, the Lender shall reasonably determine (which determination shall be conclusive and binding absent manifest error) that, (i) by reason of circumstances affecting the relevant market, reasonable and adequate means do not exist for ascertaining the Term SOFR for an Interest Period, or (ii) the Term SOFR does not adequately and fairly reflect the cost to the Lender of maintaining Loans during an Interest Period, the Lender shall forthwith notify the City at least two (2) Business Days prior to the first day of such Interest Period. Thereupon, the Loans shall be converted to a Base Rate Loan.

Section 2.13. Benchmark Replacement Setting.

(a) *Benchmark Replacement*. (i) Notwithstanding anything to the contrary herein or in any other Related Document upon the occurrence of a Benchmark Transition Event, the Lender may replace the then-current Benchmark with a Benchmark Replacement. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 2.13(a)(i) will occur prior to the applicable Benchmark Transition Start Date.

(ii) No swap agreement shall be deemed to be a "Related Document" for purposes of this Section 2.13.

(b) *Benchmark Replacement Conforming Changes*. In connection with the implementation of a Benchmark Replacement, Lender will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Related Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of City.

(c) *Notices; Standards for Decisions and Determinations.* The Lender will promptly notify the City of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Benchmark Replacement Conforming Changes. The Lender will promptly notify the City of the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below. Any determination, decision or election that may be made by the Lender pursuant to this Section 2.13, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from the City.

(d) *Unavailability of Tenor of Benchmark*. Notwithstanding anything to the contrary herein or in any other Related Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Lender may modify the definition of "Interest Period" for any Benchmark settings at or after such

time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Lender may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) *Benchmark Unavailability Period*. Upon City's receipt of notice of the commencement of a Benchmark Unavailability Period, City may revoke any pending request for a SOFR Loan, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, City will be deemed to have converted any such request into a request for a borrowing of, or conversion, to Base Rate Loans. Upon the date of the City's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to SOFR applicable to the Loans, then on the last day of the Interest Period applicable to the Loans (or the next succeeding Business Day if such day is not a Business Day), the Loans shall be converted by Lender to, and shall constitute, a Base Rate Loan on such day.

Section 2.14. Illegality. If the Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for the Lender to make, maintain or fund Loans whose interest is determined by reference to the Term SOFR Reference Rate or SOFR, or to determine or charge interest rates based upon the Term SOFR Reference Rate or SOFR, then, upon notice thereof by the Lender to the City any obligation of Lender to make, and any right of the City to continue the SOFR Loans or to convert Base Rate Loans to SOFR Loans, shall be suspended until the Lender notifies the City that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the City shall, if necessary to avoid such illegality, upon demand from the Lender, prepay or, if applicable, convert the SOFR Loans to Base Rate Loans on the last day of the Interest Period therefor, if the Lender may lawfully continue to maintain the SOFR Loans to such day, or immediately, if the Lender may not lawfully continue to maintain the SOFR Loans to such day. The City hereby agrees to pay the Lender, within thirty (30) days of demand, any additional amounts necessary to compensate the Lender for actual and direct costs (but not including anticipated profits) reasonably incurred by Lender in connection with any repayment in accordance with this Section 2.14, including but not limited to, any interest or fees payable by the Lender to lenders of funds obtained by it in order to make or maintain the SOFR Loans hereunder. A certificate as to any additional amounts payable pursuant to this Section 2.14 submitted by the Lender, to the City shall be presumptive evidence of such amounts owing. The Lender agrees to use reasonable efforts to avoid or to minimize any amounts which may otherwise be payable pursuant to this Section 2.14; *provided however,* that such efforts shall not cause the imposition on the Lender of any additional costs or legal or regulatory burdens deemed by the Lender in its reasonable discretion to be material.

Section 2.15. Allocation of Payment. Any payments received by the Lender on account of this Agreement shall, at the Lender's option, be applied to any accrued unpaid interest, then to outstanding and due amounts of principal; then to any required escrow payment if applicable; then to any debt protection insurance premium if applicable; and then to any fees including late charges and then to any costs. Notwithstanding the foregoing, any payments received after the occurrence

and during the continuance of an Event of Default shall be applied in such manner as the Lender may determine.

Section 2.16. Net of Taxes, Etc. (a) Any and all payments to the Lender by the City hereunder or with respect to the Loans and this Agreement shall be made free and clear of and without deduction or withholding for any and all Indemnified Taxes. If the City shall be required by law to deduct or withhold any Indemnified Taxes imposed by the United States of America or any political subdivision thereof from or in respect of any sum payable hereunder or with respect to the Loans, then (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.16) the Lender receives an amount equal to the sum it would have received had no such deductions been made, (ii) the City shall make such deductions and (iii) the City shall timely pay the full amount deducted to the City shall make any payment under this Section 2.16 to or for the benefit of the Lender with respect to Indemnified Taxes and if the Lender shall claim any credit or deduction for such Indemnified Taxes against any other taxes payable by the Lender to any taxing jurisdiction in the United States of America, then the Lender shall pay to the City an amount equal to the amount by which such other taxes are actually reduced; *provided,* that the aggregate amount payable by the Lender pursuant to this sentence shall not exceed the aggregate amount previously paid by the City with respect to such Indemnified Taxes. In addition, the City agrees to pay any present or future stamp, recording or documentary taxes and any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America or any state of the United States from any payment made hereunder or under the Loans or from the execution or delivery of this Agreement or the Loans, or otherwise with respect to this Agreement or the Loans (hereinafter referred to as *"Other Taxes"*). The Lender shall provide to the City within a reasonable time a copy of any written notification it receives with respect to Indemnified Taxes or Other Taxes owing by the City to the Lender hereunder; *provided,* that the Lender's failure to send such notice shall not relieve the City of its obligation to pay such amounts hereunder.

(b) The City shall, to the fullest extent permitted by law and subject to the provisions hereof, pay the Lender for the full amount of Indemnified Taxes and Other Taxes including any Indemnified Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.16 paid by the Lender or any liability (including penalties, interest and reasonable expenses) arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally asserted; *provided,* that the City shall not be obligated to pay the Lender for any penalties, interest or expenses relating to Indemnified Taxes or Other Taxes arising from the Lender's gross negligence or willful misconduct. The Lender agrees to give notice to the City of the assertion of any claim against the Lender relating to such Indemnified Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; *provided,* that the Lender's failure to notify the City promptly of such assertion shall not relieve City of its obligation under this Section 2.16. Payments by the City pursuant to this Section 2.16 shall be made within thirty (30) days from the date the Lender makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof. The Lender agrees to repay to the City any refund (including that portion of any interest that was included as part of such refund) with respect to Indemnified Taxes or Other Taxes paid by the City pursuant to this Section 2.16 received by the Lender for Indemnified Taxes or Other Taxes that were paid by the City pursuant to this Section 2.16 and to contest, with the cooperation and at the expense of the

City, any such Indemnified Taxes or Other Taxes which the Lender or the City reasonably believes not to have been properly assessed.

(c) Within thirty (30) days after the date of any payment of Indemnified Taxes by the City, the City shall furnish to the Lender the original or a certified copy of a receipt evidencing payment thereof.

(d) Without prejudice to the survival of any other agreement of the City hereunder, the agreements and obligations of the City contained in this Section 2.16 shall survive the termination of this Agreement and the payment in full of the Loans and the obligations of the City thereunder and hereunder.

Section 2.17. Fees; Default Rate. (a) The City agrees to perform the obligations provided for in the Fee Agreement, including, without limitation, the payment of all fees provided for therein. The terms and provisions of the Fee Agreement are incorporated herein by reference. Any reference herein or in any other document to fees and/or other amounts or obligations payable hereunder shall include, without limitation, all fees and other amounts or obligations payable pursuant to the Fee Agreement, and any reference to this Agreement shall be deemed to include a reference to the Fee Agreement. The Fee Agreement and this Agreement are to be construed as one agreement between the City and the Lender.

(b) If the City shall fail to pay any amount payable under the Fee Agreement as and when due and payable, each such unpaid amount shall bear interest for each day from and including the date it was payable pursuant to subsection (c) below until paid in full at the applicable Default Rate.

(c) The City shall pay within thirty (30) days after written demand via electronic invoice provided by the Lender to the City:

(i) the reasonable out-of-pocket expenses of the Lender, including reasonable fees and disbursements of counsel, as described in Section 8.4 and 8.6 herein; and

(ii) any reasonable amounts advanced by or on behalf of the Lender to the extent required to cure any Default, Event of Default or event of nonperformance hereunder or any Related Documents, together with interest at the Default Rate.

(d) Any principal of, and to the extent permitted by applicable law, any interest on, the Loans and any other sum payable hereunder, which is not paid within the cure period due shall bear interest, from the date due and payable until paid, payable by the City on demand therefor, at a rate per annum equal to the Default Rate.

Section 2.18. Optional Termination or Reduction of Commitment. During the Availability Period, the City, upon at least three (3) Business Days' notice to the Lender, (i) terminate the Commitment at any time, if no Loans are outstanding at such time, or (ii) reduce the Commitment from time to time by an aggregate amount of $100,000 or any larger integral multiple of $100,000, which amount shall be not greater than the amount of the Commitment.

Section 2.19. Mandatory Termination or Reduction of Commitment. (a) The Commitment shall terminate on the Termination Date, and any Loans then outstanding (together with accrued interest thereon and all other amounts payable hereunder) shall be due and payable by the City in full on such date.

(b) If at any time an Event of Default shall have occurred and be continuing, the Lender may deliver a written notice to that effect to the City, and the Commitment shall immediately terminate.

Section 2.20. Extension of Maturity Date. The City may request an extension of the Stated Maturity Date, or shorter period as agreed to in the sole discretion of the Lender not less than one hundred twenty (120) days prior to the then current Stated Maturity Date. The Lender shall notify the City if it agrees to such an extension, which shall be in the Lender's sole discretion, within sixty (60) days of such request. The consent of the Lender, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance satisfactory to the Lender. Failure to respond to such a request shall be deemed an election by the Lender not to extend the Stated Maturity Date.

ARTICLE III. PLEDGE.

Section 3.1. Security. The City hereby grants to the Lender a Lien on and pledge of and charge on and security interest in the Adjusted Net Revenues to the payment of the Loans and the 2026 Bond and all Obligations of the City under this Agreement (without duplication) and all other obligations of the City secured by the Adjusted Net Revenues on parity therewith without priority or distinction of one over the other. Said pledge of and lien on Adjusted Net Revenues shall be valid and binding from and after delivery by the City of this Agreement and the 2026 Bond, without any physical delivery thereof or further act. The pledge of Adjusted Net Revenues herein made is irrevocable until the Loan and the 2026 Bond have been paid and retired in full and any related Obligations of the City under this Agreement have been satisfied. The obligations of the City with respect to the payment of the Loan and the 2026 Bond are special, limited obligations of the City payable as to both principal of and interest from and secured solely by such pledge of Adjusted Net Revenues, and the City shall not be required to advance money from any other source other than the Adjusted Net Revenues. The Adjusted Net Revenues constitute a trust fund for the security and payment of the interest on and principal of the Loan and the 2026 Bond and all Obligations of the City under this Agreement (without duplication) and all other obligations of the City secured by the Adjusted Net Revenues on parity therewith; *provided, however,* that for any period, all Adjusted Net Revenues remaining after satisfying the City's payment obligations with respect to the Loan and the 2026 Bond and all Obligations of the City under this Agreement (without duplication) and all other obligations of the City secured by the Adjusted Net Revenues on parity therewith on each payment date therefor shall thereafter be available to the City for all lawful City purposes. The general fund of the City is not liable, and the credit or taxing power of the City is not pledged, for the payment of the Loan or the 2026 Bond or any other Obligations of the City hereunder. The pledge of Adjusted Net Revenues herein made shall be irrevocable until the 2026 Bond and all Obligations of the City are no longer Outstanding and this Agreement has terminated pursuant to its terms.

ARTICLE IV. CONDITIONS PRECEDENT.

Section 4.1. Documentary Requirements. As a condition precedent to the execution and delivery of this Agreement, the Lender shall have received, on or before the Closing Date, the items listed below in this Section 4.1, each dated and in form and substance as is satisfactory to the Lender and its counsel.

(a) The following City documents and financial information:

(i) copies of the resolutions of the City Council of the City approving the execution and delivery of the Related Documents to which the City is a party, approving the form of the Related Documents to which it is not a party and the other matters contemplated hereby, certified by an Authorized City Representative as being true and complete and in full force and effect on the Closing Date;

(ii) the Audited Financial Statements;

(iii) a copy of the City's Investment Policy in effect as of the Closing Date; and

(iv) (i) a certificate dated the Closing Date and executed by an Authorized City Representative certifying the names, titles, offices and signatures of the persons authorized to sign, on behalf of the City, the Related Documents to which it is a party and the other documents to be delivered by it hereunder or thereunder and (ii) an executed Authorized City Representative Certificate.

(b) An executed original or certified copy, as applicable, of each of the Related Documents.

(c) The following opinions, dated the Closing Date and addressed to the Lender and the Lender is otherwise expressly authorized to rely:

(i) from counsel to the City, opinions as to the due authorization, execution, delivery and enforceability of the Related Documents to which the City is a party, and such other customary matters as the Lender may reasonably request; and

(ii) from Bond Counsel, opinions to the effect that the interest on the 2026 Bond is excludable from gross income for federal income tax purposes and such other customary matters as the Lender may reasonably request, including, without limitation, valid security interest and pledge opinions with respect to the pledge of Adjusted Net Revenues created hereby.

(d) The following documents and other information:

(i) a certificate dated the Closing Date and executed by an Authorized City Representative certifying (A) that there has been no event or circumstance since June 30, 2025, that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect, (B) that the representations and warranties contained in Article V hereof and the other Related Documents are true and correct in all material respects on the Closing Date, (C) no event has occurred and is continuing, or would result from entry into this Agreement, which would constitute a Default or Event of Default and (D) the unenhanced long-term debt ratings assigned to the outstanding Electric Revenue Bonds and Parity Debt of the City are "AA-" by Fitch, and "AA-" by S&P and have not been reduced, withdrawn, suspended or reduced since the dated date of such ratings; and

(ii) true and correct copies of all Governmental Approvals, if any, necessary for the City to execute, deliver and perform the Related Documents to which it is a party.

Section 4.2. Litigation. The Lender shall have received a written description of all actions, suits or proceedings pending or threatened against the City and/or any of its Affiliates in any court or before any arbitrator of any kind or before or by any governmental or non-governmental body which could reasonably be expected to result in a Material Adverse Effect, if any, and such other statements, certificates, agreements, documents and information with respect thereto as the Lender may reasonably request.

Section 4.3. Other Matters. All other legal matters pertaining to the execution and delivery of this Agreement and the Related Documents shall be satisfactory to the Lender and its counsel, and the Lender shall have received such other statements, certificates, agreements, documents and information with respect to the City and the other parties to the Related Documents and matters contemplated by this Agreement as the Lender may reasonably request.

Section 4.4. Payment of Fees and Expenses. Within thirty (30) days of the Closing Date, the Lender shall have received reimbursement (or direct payment) of the Lender's fees and expenses (including the legal fees and expenses of Chapman and Cutler LLP) and any other fees incurred in connection with the transaction contemplated by the Related Documents.

Section 4.5. Conditions for Advances. The making of Advances hereunder in any form following the Closing Date is subject to the following conditions precedent (all instruments, documents and agreements to be in form and substance satisfactory to Lender and its counsel) following the Closing Date:

(a) This Agreement and each of the other Related Documents shall be effective;

(b) No event or condition shall have occurred or become known to the City, or would result from the making of any requested Advance, which could have a Material Adverse Effect;

(c) No Default or Event of Default then exists or after giving effect to the making of the Advance would exist;

(d) Each Advance is within and complies with the terms and conditions of this Agreement including, without limitation, the notice provisions contained in Section 2.2 hereof;

(e) Each representation and warranty set forth in Article V and any other Related Document in effect at such time (as amended or modified from time to time) is then true and correct in all material respects as if made on and as of such date except to the extent such representations and warranties are made only as of a specific earlier date;

(f) After giving effect to any Advance, the aggregate principal amount of all unpaid Advances made on any date shall not at any time exceed the Available Commitment on such date and, after giving effect to any Advance, the total unpaid Advances outstanding shall not exceed the Commitment.

(g) The Termination Date shall not have occurred;

(h) Such Advance shall not violate any order, judgment or decree of any court or authority of competent jurisdiction or any provision of law as then in effect; and

(i) Neither the Lender nor the City shall have received written notice from Bond Counsel that the opinion delivered pursuant to Section 4.1(c)(ii) hereof may no longer be relied upon.

Each Advance Request submitted by the City shall be deemed to be a representation and warranty that the conditions specified in subsections (a) through (h) of this Section 4.5 have been satisfied on and as of the date of the applicable Advance.

Section 4.6. Waiver of Rights. By completing the Closing hereunder, or by making Advances hereunder, the Lender does not thereby waive a breach of any warranty or representation made by the City hereunder or under any agreement, document, or instrument delivered to Lender or otherwise referred to herein, and any claims and rights of the Lender resulting from any breach or misrepresentation by the City are specifically reserved by the Lender.

Section 4.7. No Bond Rating; DTC; Offering Document; CUSIP. The 2026 Bond shall not be (i) assigned a specific rating by any Rating Agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of official statement, private placement memorandum or other offering document, (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service or (v) placed or offered by a broker-dealer in the capacity of an underwriter or a placement agent.

ARTICLE V. REPRESENTATIONS AND WARRANTIES.

The City warrants and represents to the Lender that:

Section 5.1. Organization, Powers, Etc. The City is a municipality and chartered city of the State of California duly organized and validly existing under and pursuant to the Constitution and laws of the State of California, including its City Charter and has: (a) full power and authority under the Constitution and the laws of the State of California, including its City Charter, to enter into and perform its obligations under this Agreement and the other Related Documents and (b) all material governmental licenses, authorization, consents and approvals required to carry on the business of the Enterprise as now conducted and to enter into and perform its obligations under this Agreement and the other Related Documents.

Section 5.2. Authorization, No Contravention. The execution, delivery and performance by the City of this Agreement and each other Related Document have been duly authorized by all necessary action and require no action or consent by or in respect of, or filing with, any Governmental Authority not taken or received as of the date hereof; provided that no representation is made as to any blue sky or securities law of any jurisdiction. The execution, delivery and performance by the City of this Agreement and the other Related Documents to which it is a party does not and will not (i) violate in any material respect any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award as currently in effect to which the City is subject; (ii) result in a breach of or constitute a default under the provisions of any resolution, indenture, loan or credit agreement or any other agreement, lease or instrument to which the City may be or is subject or by which it, or any Enterprise Property, is bound; or (iii) result in, or require, the creation or imposition of any mortgage, deed of trust, assignment, pledge, lien, security interest or other charge or encumbrance of any nature or with respect to any Enterprise Properties (other than the pledge of Adjusted Net Revenues created by the Indenture and the pledge of Adjusted Net Revenues created hereby), except in the case of clause (ii) or (iii) any such breach, default, creation or imposition that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 5.3. Binding Effect. (a) This Agreement, the 2026 Bond and each other Related Document to which the City is a party constitute legal, valid and binding obligations of the City, enforceable against the City in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles whether or not sought, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations in the State, and (b) the 2026 Bond has been duly and validly issued under the Indenture and entitled to the benefits thereof.

Section 5.4. Financial Information. The City's audited Electric Utility Enterprise Fund statement of net assets as of June 30, 2025, statement of revenues, expenses and changes in fund net assets for the year ended June 30, 2025, and statement of cash flows for the year ended June 30, 2025, and the unqualified opinion letter dated December 2, 2025, of Maze & Associates, independent certified public accountants, copies of which have been delivered to the Lender, are in all respects complete and correct and fairly present the financial condition of the City as at such dates for the periods covered by such statements, all in conformity with GAAP. Since June 30, 2025, there has been no Material Adverse Effect.

Section 5.5. Litigation. There is no action, suit or proceeding pending against or, to the knowledge of the City, overtly threatened in writing against the City or relating to the Bond Law, this Agreement, the 2026 Bond, or any other Related Document before any court or other Governmental Authority in which the City determines an adverse decision could reasonably be expected to have a Material Adverse Effect.

Section 5.6. Employee Benefit Plans, Etc. The City is not subject to Title I reporting and disclosure requirements, Title II or Title IV of ERISA and has no obligation or liability under or in respect of any "employee benefit plan" within the meaning of Section 3(3) of ERISA or any other form of bonus, incentive compensation, deferred compensation or other similar plan or arrangement.

Section 5.7. Environmental Laws. The City has not received a written notice from any governmental agency having competent jurisdiction over the matter to the effect that its Enterprise operations are not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could reasonably be expected to result in a Material Adverse Effect.

Section 5.8. No Sovereign Immunity. The City is not entitled to claim the defense of immunity (whether sovereign, governmental or on other similar grounds) in any action, suit or proceeding arising under or relating to this Agreement and the other Related Documents (a) for monetary damages or (b) for the execution or enforcement of any judgment (subject to limitations on legal remedies against public agencies in the State), nor may there be attributed to the City any such immunity (whether or not claimed); *provided* that any such suits shall be subject to all substantive and procedural requirements of California law, including California Government Code, Title 1 Division 3.6 **[and the City's Charter]**.

Section 5.9. Disclosure. All information heretofore furnished (including pursuant to any representation or warranty) by the City to the Lender for purposes of or in connection with the negotiation of this Agreement and the transactions contemplated hereby is, and all such information hereafter furnished by the City to the Lender will be, true, accurate and complete in all material respects on the date as of which such information is stated or certified. There is no fact known to the City which the City has not disclosed to the Lender in writing which the City believes will result in a Material Adverse Effect or, so far as the City can now reasonably foresee, is likely to result in a Material Adverse Effect.

Section 5.10. Status of Obligations. This Agreement creates a valid security interest in the Adjusted Net Revenues as security for the punctual payment of the Loans and the 2026 Bond and the other Obligations of the City hereunder. All Obligations payable by the City under this Agreement are special limited obligations of the City payable solely from Adjusted Net Revenues, and the City shall not be required to advance money from any other source other than Adjusted Net Revenues. The general fund of the City is not liable, and the credit or taxing power of the City is not pledged, for the payment of the Loans or the 2026 Bond or any other Obligations of the City hereunder. The Obligations are Parity Debt (as such term is defined in the Indenture).

Section 5.11. Incorporated Representations. The City makes each of the representations, warranties and covenants contained in the Related Documents to which it is a party to, and for the benefit of, the Lender as if the same were set forth at length herein together with all applicable definitions thereto. No amendment, modification, termination or replacement of any such representations, warranties, covenants and definitions contained in the Related Documents shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of the Lender.

Section 5.12. Pending Legislation. There is no amendment to the Constitution of the State, any State law or any City law, or to the knowledge of the City, proposed amendment to the Constitution of the State, any State law or any City law certified for placement on a ballot within the State or the City, or any legislation that has passed either house of the United States Congress, or, to the knowledge of the City, any published judicial decision interpreting any of the laws of the United States, the Constitution of the State, any State law or any City law, the effect of which could reasonably be expected to result in a Material Adverse Effect.

Section 5.13. No Maximum Rate of Interest. The obligations of the City under this Agreement are not subject to any law, rule or regulation of the State prescribing a maximum rate of interest.

Section 5.14. Compliance. The City is in material compliance with all laws, ordinances, orders, rules and regulations applicable to the Enterprise, except to the extent noncompliance could not reasonably be expected to result in a Material Adverse Effect.

Section 5.15. Default. The City is not in material default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Related Document or other resolution, agreement or instrument to which it is a party which default could reasonably be expected to result in a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.

Section 5.16. Margin Stock. The City is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no portion of the proceeds of 2026 Bond or any Advance will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock.

Section 5.17. Trustee. The Bank of New York Mellon Trust Company, N.A. (or a successor or assign approved in writing by the Lender) is the duly appointed and acting Trustee as of the Closing Date.

Section 5.18. Tax Exempt Status. The City has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other person or entity, which action, if taken or omitted, would adversely affect the exclusion of interest on the 2026 Bond from gross income for purposes of federal income taxation or the exemption of such interest from State of California income taxes.

Section 5.19. Security; Limited Liability. The Indenture creates a valid security interest in the funds and accounts pledged thereunder to the extent provided therein, including, without limitation, the Adjusted Net Revenues as security for the punctual payment of the interest and principal due with respect to the 2026 Bond and all Obligations owing to the Lender. All Obligations payable by the City under this Agreement are special limited obligations of the City payable solely from Adjusted Net Revenues, and the City shall not be required to advance money from any other source other than Adjusted Net Revenues.

Section 5.20. Solvency. The Enterprise is able to pay its debts and satisfy its liabilities as they come due , is "solvent" and has not made any assignment for the benefit of creditors.

Section 5.21. Environmental Matters. The operations of the City are in material compliance with all of the requirements of applicable federal, state and local environmental, health and safety statutes and regulations and are not the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, where a failure to comply with any such requirement or the need for any such remedial action could reasonably be expected to result in a Material Adverse Effect. The City has provided full disclosure to the Lender of any material non-compliance of the foregoing.

Section 5.22. No Public Vote or Referendum. There is no public vote or referendum pending, proposed or concluded, the results of which could reasonably be expected to result in a Material Adverse Effect.

Section 5.23. Hedging Instruments. The City has not entered into any Hedging Instrument relating to Indebtedness (a) wherein any termination payment thereunder is senior to or on a parity with the payment of the Loans or the other Obligations or (b) which requires City to post cash collateral to secure its obligations thereunder.

Section 5.24. Sanctions; Anti-Corruption. (a) None of the City, any of its Subsidiaries, or, to the knowledge of the City, any director, officer, employee, agent, or affiliate of the City or any of its Subsidiaries is an individual or entity (*"person"*) that is, or is owned or controlled by persons that are: (i) the subject or target of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the United Nations Security Council, the European Union, His Majesty's Treasury, or other relevant sanctions authority (collectively, *"Sanctions"*); or (ii) located, organized, or resident in a country or territory that is the subject or target of Sanctions.

(b) The City, its Subsidiaries, and, to the knowledge of the City, the directors, officers, employees, and agents of the City and its Subsidiaries are in compliance in all material respects with all applicable Sanctions and with the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the *"FCPA"*) and any other applicable anti-corruption law.

Section 5.25. Taxes. City has filed or caused to be filed, if any, all material tax returns required by law to be filed and has paid or caused to be paid all material Taxes, assessments and other governmental charges levied upon or in respect of any of its properties, assets or franchises,

other than Taxes the validity or amount of which are being contested in good faith by City by appropriate proceedings and for which City shall have set aside on its books adequate reserves in accordance with GAAP.

Section 5.26. Labor Matters. The City has no knowledge of any existing or pending strike, walkout or work stoppage.

Section 5.27. Anti-Terrorism Laws.

(a) *General*. Neither the City nor any Affiliate of the City is in violation of any Anti-Terrorism Law or engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or *avoiding*, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(b) *Executive Order No. 13224.* Neither the City nor any Affiliate of the City, or to the City's knowledge, any of its respective agents acting or benefiting in any capacity in connection with the Loans or other transactions hereunder, is any of the following (each a "*Blocked Person*"):

(i) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order No. 13224;

(ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order No. 13224;

(iii) a Person with which Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(iv) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order No. 13224;

(v) a Person that is named as a "specially designated national" on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control at its official website or any replacement website or other replacement official publication of such list; or

(vi) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order No. 13224;

(vii) a Person that is named as a "specially designated national" on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control at its official website or any replacement website or other replacement official publication of such list; or

(viii) a Person who is affiliated with a Person listed above.

Section 5.28. No Preferential Repayment. No Person party to any agreement, including, without limitation, any credit facility provider or liquidity provider, which provides credit enhancement or liquidity support to any Electric Revenue Bonds or Parity Debt, or any holder of any Electric Revenue Bonds or Parity Debt, has the right under any indenture, supplemental indenture or other agreement, in each case relating to any Electric Revenue Bonds or Parity Debt to cause the acceleration, tender, redemption or repayment (including by term-out or shortened amortization) of such Electric Revenue Bonds or Parity Debt, as applicable, on a basis that is shorter than or more favorable than the basis that the Lender is entitled to receive payment hereunder.

ARTICLE VI. COVENANTS.

The City will do, or will refrain from doing, as applicable, the following so long the Commitment is in effect or any Obligations remain outstanding, unless the Lender shall otherwise consent in writing:

Section 6.1. Reporting Requirements. The City shall furnish to the Lender:

(a) *Annual Report.* As soon as available and in any event within 210 days after the end of each Fiscal Year, in the audited financial statements of the City's Electric Utility Enterprise Fund (which may be included as a component unit of the City's city-wide audited financial statements case prepared in accordance with GAAP, accompanied by an opinion thereon of a firm of independent public accountants of recognized regional standing, selected by the City (, to the effect that, in the opinion of such firm, that the financial statements have been prepared in accordance with GAAP and that such firm's examination of the financial statements was performed in accordance with generally accepted auditing standards.

(b) *Compliance Certificate*. Simultaneously with the delivery of each set of financial statements referred to in clause (a) above, a Compliance Certificate of the City signed by an Authorized City Representative (or a duly authorized designee of any such officer) stating that, to the best knowledge of such officer executing such certificate after due inquiry, there exists on the date of such certificate no Default or Event of Default or, if any Default or Event of Default then exists, setting forth the details thereof and the action which the City is taking or proposes to take with respect thereto.

(c) *Notice of Default or Event of Default.* Promptly after knowledge thereof by the City, written notice of the occurrence of any Default or Event of Default, together with a statement of the City setting forth the details thereof and the action which the City is taking or proposes to take with respect thereto.

(d) *Litigation.* Promptly after formal notice or service of process has been properly served on the City, notice of any action, suit or proceeding before any court or Governmental Authority against the City in which there is a reasonable probability of an adverse decision which could reasonably be expected to result in a Material Adverse Effect.

(e) *Disclosure*. Promptly upon the availability thereof, a copy of any offering circular, offering memorandum or other disclosure documents relating to the offering of any Electric Revenue Bonds or Parity Debt.

(f) *Ratings.* Promptly after obtaining knowledge thereof, written notice of any change in the long-term ratings assigned by a Rating Agency to any unenhanced Electric Revenue Bonds or Parity Debt.

(g) *Legislation.* As soon as available to the City, copies of all enacted legislation (including new legislation, amended legislation or repealed legislation) the effect of which, in the reasonable judgment of the City, could reasonably be expected to have a Material Adverse Effect.

(h) *Budget.* Promptly upon the adoption thereof, a copy of the Enterprise's Operating and Capital Improvement Program budgets, respectively.

(i) *Other Information.* From time to time such reasonable additional information regarding the financial position, operations or business of the Enterprise as the Lender may reasonably request.

(j) *Amendments.* Promptly after the adoption thereof and to the extent is not required to receive and make notice of the same, copies of any amendments to the Related Documents or to any provisions of the same.

The City will be deemed to have complied with the requirement to provide the information set forth in this Section 6.1 to the extent such information has been duly posted within such time period on the City website (https://www.santaclaraca.gov/) or on EMMA and notice of such posting has been provided by the City to the Lender and such information is publicly available.

Section 6.2. Notices. In addition to the documents and notices described in Section 6.1, the City will provide promptly to the Lender the following:

(a) *Material Adverse Effect.* Notice of any event or circumstance known to the City which in the reasonable judgment of the City could reasonably be expected to result in a Material Adverse Effect.

(b) *Federal inquiry, investigation or audit.* Notice of any inquiry, investigation or audit of the Enterprise by the Securities and Exchange Commission, the Department of Justice or the IRS, of which the City has actual knowledge, whether or not received in writing by the City;

(c) *Master Indenture.* Notice of any proposed amendment or supplement to the Master Indenture and copies of all such amendments and supplements promptly following the execution thereof, in each case, other than any supplement to the Indenture setting forth only the terms of a new series of Electric Revenue Bonds.

(d) *Reportable event notice.* Any reportable event notice relating to the Electric Revenue Bonds (as described in b(5)(i)(C) of Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended) disseminated, distributed or provided by the City in satisfaction of its obligations under any continuing disclosure obligation relating to the Electric Revenue Bonds (or notice that such event notice has been filed by the City with EMMA and is publicly available).

Section 6.3. Further Assurances. The City shall execute, acknowledge where appropriate, and deliver, and cause to be executed, acknowledged where appropriate, and delivered, from time to time promptly at the request of the Lender, all such instruments and documents as in the reasonable opinion of the Lender are necessary to effectuate the provisions of this Agreement and the other Related Documents.

Section 6.4. Inspection of Property, Books and Record. The City shall keep adequate records and books of account in accordance with GAAP, in which complete entries will be made, reflecting all financial transactions of the Enterprise; and at any reasonable time and from time to time upon reasonable notice thereof, permit the Lender or any agents or representatives thereof, at the expense of the Lender, to examine and make copies of and abstracts from the records and books of account of, and to the extent permitted by applicable law, visit the properties of, the Enterprise and to discuss the affairs, finances and accounts of the Enterprise with any of the City's officers, trustees and (with notice to the City) independent auditors (and by this provision, the City authorizes said auditors to discuss with the Lender or its representatives the affairs, finances and accounts of the Enterprise).

Section 6.5. Waiver of Immunity. The City agrees, to the fullest extent permitted by law, not to assert or claim the defense of immunity (whether sovereign, governmental or on other similar grounds) from (i) any action, suit or other proceeding arising under or relating to this Agreement or any other Related Document, (ii) relief by way of injunction, order for specific performance or writ of mandamus or (iii) execution or enforcement of any judgment to which it or its revenues might otherwise be entitled in any such action, suit or other proceeding, and the City hereby irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and the Adjusted Net Revenues (irrespective of their use or intended use), all such immunity.

Section 6.6. Compliance with Laws; Compliance with Agreements. The City covenants that it will comply with the requirements of (a) all applicable laws of any Governmental Authority having jurisdiction over the City and any Enterprise Property, including, without limitation, the Bond Law, all Environmental Laws and ERISA, and (b) all investment policy guidelines of the City; in each case, the non-compliance with which would have a Material Adverse Effect, unless the same is being contested in good faith and by appropriate proceedings and such contest shall operate to stay the Material Adverse Effect of any such non-compliance. The City will observe and perform all of its obligations under this Agreement and the 2026 Bond and all of its material obligations under the Indenture.

Section 6.7. Disclosure to Transferees and Participants. The City shall permit the Lender to disclose any information received by the Lender in connection herewith including, without

limitation, the financial information described in Section 6.1(a) hereof, to any Lender Transferee, Non-Lender Transferee or participant.

Section 6.8. Incorporation of Covenants. The City agrees that it will, for the benefit of the Lender, comply with, abide by, and be restricted by all the agreements, covenants, obligations and undertakings contained in the provisions of the Related Documents, regardless of whether any indebtedness is now or hereafter remains outstanding thereunder, together with the related definitions, exhibits and ancillary provisions, all of which are incorporated herein by reference, mutatis mutandis, and made a part hereof to the same extent and with the same force and effect as if the same had been herein set forth in their entirety, and no termination, amendment, modification or waiver to any of the foregoing shall in any manner constitute a termination, amendment, modification or waiver of the provisions thereof as incorporated herein unless consented to in writing by the Lender.

Section 6.9. Maintenance of Tax-Exempt Status of the 2026 Bond. The City shall not take any action or omit to take any action which, if taken or omitted, would adversely affect the exclusion of interest on the 2026 Bond from gross income for purposes of federal income taxation or the exemption of such interest from California income taxes.

Section 6.10. Insurance Requirements. The City shall insure the properties of the Enterprise against loss or damage and shall maintain general liability insurance coverage against such risks and in such amounts as is customarily maintained by entities similarly situated and operating like properties and businesses to that of the Enterprise by insurance companies believed by the City to be responsible (as determined in its reasonable discretion). Notwithstanding the foregoing, the City may provide self-insurance in order to provide for the coverage described in the immediately preceding sentence. The City shall upon request of the Lender furnish a certificate setting forth in summary form the nature and extent of the insurance maintained pursuant to this Section 6.10.

Section 6.11. Rates and Charges. The City shall fix, prescribe and collect rates, fees and charges in connection with the services and facilities furnished by the Enterprise so as to yield Revenues, in each Fiscal Year, sufficient so that Adjusted Net Revenues for such Fiscal Year shall be at least equal to 1.0 times the amount of Debt Service for such year on all Electric Revenue Bonds, Parity Debt, the Loans and all other Secured Debt secured by and/or payable from all or any portion of the Adjusted Net Revenues. For purposes of determining compliance with this Section 6.11 or Section 6.12, Adjusted Net Revenues shall include the amounts on deposit in the Rate Stabilization Fund (as such term is defined in the Indenture) and the definition of "Debt Service" shall be applicable to debt service on such other Secured Debt secured by and/or payable from all or any portion of the Adjusted Net Revenues. For the purpose of the covenants set forth in this Section 6.11, the definition of "Debt Service" set forth herein shall be also applicable to all other Secured Debt secured by and/or payable from all or any portion of the Adjusted Net Revenues (other than the Electric Revenue Bonds, Parity Debt and the Loans).

Section 6.12. Liens . Except for the parity Lien on the Adjusted Net Revenues created by the Indenture, the City will not hereafter create or suffer to exist any Lien on the Adjusted Net Revenues on a basis that is senior to the Lien created pursuant to this Agreement or the Indenture.

The City will not create or suffer to exist any Lien over any Enterprise Property which could reasonably be expected to have a Material Adverse Effect. Without limiting the foregoing, in the event a Lien attaches after the Closing Date (i) to the Adjusted Net Revenues or (ii) to Enterprise Property and which if not removed could reasonably be expected to have a Material Adverse Effect, in either case the City shall take all reasonable action necessary to remove such Lien as soon as practicable. For avoidance of doubt, the Lender acknowledges that nothing herein is intended to preclude the future issuance by the City of additional Electric Revenue Bonds and Parity Debt in accordance with the terms of the Indenture or the ability of the City to incur Operating Expenses as defined in the Indenture.

Section 6.13. Maintenance of Existence. The City will preserve and maintain its existence as a municipal corporation and chartered city under the Constitution and laws of the State and will maintain exclusive control over the direction and operation of the Enterprise and the Enterprise Property and will not permit the Enterprise to merge or consolidate with or into any other Person or acquire substantially all of the assets of any other Person unless (i) the City continues to maintain exclusive control over the direction and operation of the Enterprise and the Enterprise Property, (ii) no Default or Event of Default has occurred and is continuing or would result from such merger, consolidation or acquisition and (iii) such merger, consolidation or acquisition could not reasonably be expected to result in a Material Adverse Effect.

Section 6.14. Use of Proceeds; Federal Reserve Regulations. The City covenants that it will not knowingly, directly or indirectly, use the proceeds of the Loans to fund any activities of or business with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions. No proceeds from moneys received hereunder shall be used by the City to purchase Margin Stock in violation of Regulation U, as amended, promulgated by the Board of Governors of the Federal Reserve System.

Section 6.15. Accounting Changes. The City shall not change its method of accounting or the times of commencement or termination of Fiscal Years or other accounting periods without first disclosing in writing such change to the Lender. For avoidance of doubt, the Lender's consent is not required prior to the City changing its method of accounting, times of commencement or termination of Fiscal Years or other accounting periods.

Section 6.16. Maintenance of Enterprise Property. The City shall maintain, preserve and keep all of its Enterprise Property in good repair, working order and condition (ordinary wear and tear excepted) and will, from time to time, make all needful and proper repairs, renewals, replacements, and additions and betterments thereto so that at all times the efficiency thereof shall be full preserved and maintained; *provided, however,* that nothing herein shall preclude the City from selling, transferring or disposing of portions of the Enterprise Property which have become nonoperative, worn out, obsolete or are otherwise not needed for the efficient and proper operation of the Enterprise. The City shall not change in any fundamental manner the use to which the Enterprise Property is currently made.

Section 6.17. Hedging Instruments. Without the prior written consent of the Lender, the City will not enter into any Hedging Instrument relating to Debt (a) wherein any termination payments thereunder are senior to or on parity with the payment of the Loans or the other

Obligations or (b) which requires the Lender to post cash collateral to secure its obligations thereunder.

Section 6.18. Underlying Rating. The City shall at all times maintain a rating on its long-term unenhanced Electric Revenue Bonds and Parity Debt from at least one (1) Rating Agency. The City covenants and agrees that it shall not at any time withdraw any long-term unenhanced rating on Electric Revenue Bonds or Parity Debt of the City from any of Fitch, Moody's or S&P if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement or reduce the Applicable Spread.

Section 6.19. Use of Lender's Name. Except as may be required by law (including, but limited to, federal and state securities laws), the City shall not use the Lender's name in any published materials (other than the City's staff reports, annual statements, audited financial statements, and rating agency presentations) without the prior written consent of the Lender.

Section 6.20. Disclosure to Participants and Transferees. The City shall permit the Lender to disclose the financial information received by it pursuant to this Agreement to each participant of the Lender or transferee or assignee pursuant to Section 8.11 hereof, subject to confidentiality restrictions and use restrictions customary for financial institutions.

Section 6.21. Related Documents. The City shall not modify, amend or consent to any modification, amendment, termination, replacement or waiver in any material respect of any Related Document without the prior written consent of the Lender. Notwithstanding the preceding sentence, the City may enter into supplements to the Indenture without the prior written consent of the Bank for any of the purposes set forth in 8.01(B) of the Indenture so long as such supplements could not reasonably be expected to result in a Material Adverse Effect.

Section 6.22. Sanctions; Anti-Corruption Use of Proceeds. The City will not, directly or indirectly, use the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner, or other person, (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of the FCPA or any other applicable anti-corruption law; or (b) (i) to fund any activities or business of or with any person, or in any country or territory, that, is the subject or target of Sanctions, or (ii) in any other manner that would result in a violation of Sanctions by any person (including, without limitation, any person in connection with the Loans, whether as an agent, arranger, lender, issuing bank, underwriter, advisor, investor, or otherwise).

Section 6.23. Preferential Repayment. The City shall not permit any Person party to any agreement, including, without limitation, any credit facility provider or liquidity provider, which provides credit enhancement or liquidity support to any Electric Revenue Bonds or Parity Debt, or any holder of any Electric Revenue Bonds or Parity Debt, to have the right under any indenture, supplemental indenture or other agreement, in each case relating to any Electric Revenue Bonds or Parity Debt, to cause the acceleration, tender, redemption or repayment (including by term-out or shortened amortization) of such Electric Revenue Bonds or Parity Debt, as applicable, on a basis that is shorter than or more favorable than the basis that the Bank is entitled to receive payment hereunder.

Section 6.24. Defeasance. Notwithstanding anything in the Indenture to the contrary, the City shall not defease, or permit the defeasance of, the 2026 Bond without the prior written consent of the Lender, such consent not to be unreasonably withheld.

ARTICLE VII. DEFAULTS.

Section 7.1. Events of Default and Remedies. The occurrence and continuance of one or more of the following events shall constitute an event of default hereunder (*"Event of Default")*:

(a) any written representation or warranty made by the City in this Agreement or in any other Related Document or in any certificate or statement delivered hereunder or thereunder shall prove to have been incorrect or untrue in any material respect when made or deemed to have been made or delivered; or

(b) any Indenture Event of Default shall have occurred and be continuing beyond the applicable grace period or any "event of default" shall have occurred and be continuing under any other Related Document beyond the applicable grace period; or

(c) the City fails to pay, or cause to be paid, when due (i) any Loans or any interest thereon, (ii) any principal of or interest on the 2026 Bond for any reason or (iii) any other Obligation (other than as set forth in clauses (i) and (ii) of this paragraph (c)) owed to the Lender hereunder and such failure shall continue unremedied for a period of five (5) Business Days; or

(d) default in the due observance or performance by the City of any covenant set forth in Section 6.1(c), 6.5, 6.8, 6.11, 6.12, 6.13, 6.14, 6.18, 6.21, 6.22 or 6.24 hereof; or

(e) default in the due observance or performance by the City of any other term, covenant or agreement set forth in (or incorporated by reference in) this Agreement (other than those referred to in Section 7.1 hereof) and such default shall remain unremedied for a period of sixty (60) days after the date on which the Lender has given the City notice thereof; *provided* that so long as the City has provided the Bank with a written plan for curing or correcting such default and the City shall be proceeding with due diligence to remedy any default in the due performance or observance of such covenants which, if begun and prosecuted with due diligence, cannot be completed within a period of sixty (60) days, but can be cured, then such 60 day period shall be extended if necessary to enable the City to begin and complete the remedying of such default through the exercise of due diligence, but in no event shall such period extend more than ninety (90) days after the occurrence of such default;

(f) (i) a court or other Governmental Authority with jurisdiction to rule on the validity of any Related Document to which the City is a party shall find, announce, rule or otherwise determine that (A) such Related Document is invalid and is not a binding agreement of the City; or (B) any provision of such Related Document relating to (I) the security for the 2026 Bond or the Obligations, (II) the City's ability to pay the Obligations

or perform its obligations thereunder or (III) the rights and remedies of the Lender, in any such case is invalid and is not a binding agreement of the City; (ii) the City shall contest the validity or enforceability of, or shall deny or disaffirm its obligations under, (A) any Related Document to which the City is a party or (B) any provision of any Related Document relating to (I) the security for the 2026 Bond or the Obligations, (II) the City's ability to pay the Obligations or perform its obligations thereunder or (III) the rights and remedies of the Lender; or (iii) the City shall seek an adjudication that (A) any Related Document to which the City is a party or (B) any provision of any Related Document relating to (I) the security for the 2026 Bond or the Obligations, (II) the City's ability to pay the Obligations or perform its obligations thereunder or (III) the rights and remedies of the Lender, in any such case is not valid and binding on the City; or

(g) (i) any Related Document to which the City is a party, (ii) any provision of any Related Document relating to (A) the security for the 2026 Bond or the Obligations, (B) the City's ability to pay the Obligations or perform its obligations thereunder or (C) the rights and remedies of the Lender or (iii) any other provision of any Related Document to which the City is a party that directly protects the Lender or any other material provision of this Agreement or any other Related Document, in any such case, shall cease for any reason to be in full force or effect or valid and binding on the City or the validity or enforceability thereof shall be contested by the City or the City shall repudiate its obligations thereunder; or

(h) one or more judgments, decrees, orders, writ or writs or warrant or warrants of attachment, or any similar process or processes, in excess of $15,000,000 payable from revenues of the Enterprise shall have been rendered against the City, which judgments, decrees or orders are not covered by insurance (or, if ostensibly covered by insurance, for which coverage has been denied or disputed by the applicable insurance carrier or carriers), and either (i) enforcement proceedings shall have commenced by any creditor or creditors upon any such uninsured (whether by lack of coverage, denied coverage or disputed coverage) judgments, decrees or orders in excess of $15,000,000 or (ii) there shall be a period of sixty (60) days or more during which either a stay of enforcement of such judgments, decrees or orders, by reason of a pending appeal or otherwise, shall not be in effect or such judgments, decrees or orders shall not be fully bonded, dismissed, discharged, satisfied or vacated; or

(i) (i) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed or declared on the repayment when due and payable of the principal of or interest on any obligation secured by or payable from all or any portion of the Revenues or Adjusted Net Revenues; (ii) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, the City seeks to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or bankrupt or seeking reorganization, arrangement, adjustment, marshalling of assets, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts; (iii) the City seeks appointment of a receiver, trustee, custodian or other similar official for itself or for any substantial part of the Enterprise, or the City shall make a general assignment for the benefit of its creditors; (iv) there shall be commenced against

the City any case, proceeding or other action of a nature referred to in clause (ii) or (iii) above and the same shall remain undismissed; (v) there shall be commenced against the City any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of the Enterprise Property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within sixty (60) days from the entry thereof; (vi) the City takes action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), (iii), (iv) or (v) above; (vii) the City shall become insolvent or shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due, (viii) the City shall make an assignment for the benefit of creditors; or

(j) any of the Rating Agencies shall have downgraded its long-term unenhanced rating of any Electric Revenue Bonds or Parity Debt to below "Baa3" (or its equivalent), in the case of Moody's, "BBB-" (or its equivalent), in the case of Fitch, or "BBB-" (or its equivalent), in the case of S&P, or suspended or withdrawn its rating of the same; or

(k) the rate setting authority of the City shall be limited in any way that precludes the City from fixing, charging or collecting rates and charges for the use and services of the Enterprise in an amount sufficient to pay its debts as they become due; or

(l) the City shall (i) default in any payment of any Indebtedness (other than the 2026 Bond and the Obligations) secured by or payable from all or any portion of the Adjusted Net Revenues on parity basis with the Loans or the 2026 Bond (including, without limitation, Parity Debt and the Electric Revenue Bonds) beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created, or (ii) default in the observance or performance by the City of any agreement or condition relating to any Indebtedness (other than the 2026 Bond and the Obligations) secured by or payable from all or any portion of the Adjusted Net Revenues on parity basis with the Loans or the 2026 Bond (including, without limitation, Parity Debt and the Electric Revenue Bonds) or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required), any such Indebtedness to become due prior to its stated maturity; or

(m) the City shall (i) default in any payment of any Indebtedness secured by or payable from all or any portion of the Adjusted Net Revenues on a subordinate basis to the Loans or the 2026 Bond aggregating in excess of $15,000,000 beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created, or (ii) default in the observance or performance by the City of any agreement or condition relating to any Indebtedness (other than the 2026 Bond and the Obligations) secured by or payable from all or any portion of the Adjusted Net Revenues on a subordinate basis to the Loans or the 2026 Bond aggregating in excess of $15,000,000 or

contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required), any such Indebtedness to become due prior to its stated maturity; or

(n) the City consolidates or merges with or into any entity or sells, leases or otherwise transfers all or any portion of the assets of the Enterprise to any other entity, in each case to the extent that such action could reasonably be expected to result in a Material Adverse Effect; or

(o) any "event of default" as defined in any loan, credit, liquidity, purchase or other similar agreement between the City and the Lender or any Affiliate of the Lender which is not cured within any applicable cure period shall occur.

Section 7.2. Remedies. Upon the occurrence of any Event of Default, the Lender may exercise any one or more of the following rights and remedies in addition to any other remedies herein or by law provided:

(a) by notice to the City, declare all Obligations to be, and such amounts shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the City; *provided* that upon the occurrence of an Event of Default under Section 7.1(i) hereof, such acceleration shall automatically occur without any notice (unless such automatic acceleration is waived by the Lender in writing);

(b) give notice of the occurrence of any Event of Default to the Trustee directing the Trustee to cause a mandatory redemption of the 2026 Bond pursuant to the terms of the Indenture;

(c) by notice to the City terminate the Commitment and the obligation of the Lender to make Advances or extend any further credit hereunder on the date (which may be the date thereof) stated in such notice; *provided, however,* that the obligation of the Lender to make Advances or extend any further credit hereunder shall automatically and without notice terminate upon the occurrence of and Event of Default under Section 7.1(i) hereof without any notice to the City or any other act by the Lender;

(d) pursue and exercise, or cause to be exercised, any and all rights and remedies as it may have under the Related Documents and as otherwise available at law and at equity; or

(e) pursue any other action available at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the City under the Related Documents, whether for specific performance of any agreement or

covenant of the City or in aid of the execution of any power granted to the Bank in the Related Documents.

Section 7.3. Nature of Remedies. All rights and remedies granted the Lender hereunder and under the Related Documents, or otherwise available at law or in equity, shall be deemed concurrent and cumulative, and not alternative remedies, and the Lender may proceed with any number of remedies at the same time until all Obligations are satisfied in full. The exercise of any one right or remedy shall not be deemed a waiver or release of any other right or remedy, and the Lender, upon or at any time after the occurrence of an Event of Default, may proceed against the City, at any time, under any agreement, with any available remedy and in any order.

Section 7.4. Set-Off. In addition to all other rights, options and remedies granted or available to the Lender under this Agreement or the Related Documents (each of which is also then exercisable by the Lender), upon or at any time after the occurrence and during the continuance of an Event of Default, Lender (and any participant) shall have and be deemed to have, without notice to the City, the immediate right of set-off against any bank account of the City with the Lender, or of City with any other subsidiary of the Lender or Lender Affiliate or any participant and may apply the funds or amount thus set-off against any of the City's Obligations hereunder.

If any bank account of the City with the Lender or with any Lender Affiliate or any participant is attached or otherwise liened or levied upon by any third party, the Lender (and such participant) shall have and be deemed to have, without notice to the City, the immediate right of set-off and may apply the funds or amount thus set-off against any of the City's Obligations hereunder.

ARTICLE VIII. MISCELLANEOUS.

Section 8.1. Governing Law; Jurisdiction; Etc.

(a) *GOVERNING LAW*. THIS AGREEMENT, AND ALL MATTERS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND ALL RELATED DOCUMENTS AND DOCUMENTS, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA**.** THE PROVISIONS OF THIS AGREEMENT AND ALL OTHER AGREEMENTS AND DOCUMENTS REFERRED TO HEREIN ARE TO BE DEEMED SEVERABLE, AND THE INVALIDITY OR UNENFORCEABILITY OF ANY PROVISION SHALL NOT AFFECT OR IMPAIR THE REMAINING PROVISIONS WHICH SHALL CONTINUE IN FULL FORCE AND EFFECT.

(b) *SUBMISSION TO JURISDICTION*. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXTENT PERMITTED BY APPLICABLE LAW THE NONEXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT OF THE STATE OF CALIFORNIA, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH CALIFORNIA STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT OF THE STATE OF CALIFORNIA. EACH OF THE PARTIES

HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER RELATED DOCUMENT SHALL AFFECT ANY RIGHT THAT EITHER PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT AGAINST THE ANY OTHER PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

Section 8.2. Integrated Agreement. The other Related Documents, all related agreements, and this Agreement shall be construed as integrated and complementary of each other, and as augmenting and not restricting the Lender's rights and remedies. If, after applying the foregoing, an inconsistency still exists the provisions of this Agreement shall constitute an amendment thereto and shall control.

Section 8.3. Waiver. No omission or delay by the Lender in exercising any right or power under this Agreement or any related agreements and documents will impair such right or power or be construed to be a waiver of any Default, or Event of Default or an acquiescence therein, and any single or partial exercise of any such right or power will not preclude other or further exercise thereof or the exercise of any other right, and as to the City no waiver will be valid unless in writing and signed by the Lender and then only to the extent specified.

Section 8.4. Indemnity. (a) The City agrees (to the extent permitted by law) to indemnify and hold harmless the Lender and each Lender Affiliate and their respective officers, employees and agents (each such Person being called an *"Indemnitee"*), of and from any claims, demands, liabilities, obligations, judgments, injuries, losses, damages and reasonable costs and expenses (including, without limitation, reasonable legal fees) resulting from (i) the execution or delivery of this Agreement, any other Related Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Lender (and any sub-agent thereof) only, the administration of this Agreement and the other Related Documents, (ii) the making of the Loans or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the City, or any Environmental Liability related in any way to the City, (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the City and regardless of whether any Indemnitee is a party thereto, (v) acts or conduct of the City under, pursuant or related to this Agreement and the other Related Documents, (vi) the City's breach or violation of any representation, warranty, covenant or undertaking contained in this Agreement or the other Related Documents, (vii) the City's failure to comply with any Law (including without limitation Environmental Laws, etc.), and (viii) any claim by any other creditor of the City against Lender or its Affiliates arising out of any transaction whether hereunder or in any way related to the Related Documents and all reasonable costs, expenses, fines, penalties or other damages resulting therefrom; *provided* that the City shall not be required to indemnify an Indemnitee for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of such Indemnitee as determined by a court of competent jurisdiction in a final non-appealable judgment.

(b) To the fullest extent permitted by applicable law, the City shall not assert, and hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, the making of Advances or the use of the proceeds thereof. No Indemnitee referred to in subsection (a) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(c) This indemnification shall survive payment of the Obligations, and/or any termination, release or discharge executed by the Lender in favor of the City.

Section 8.5. Time. Whenever the City shall be required to make any payment, or perform any act, on a day which is not a Business Day, such payment may be made, or such act may be performed, on the next succeeding Business Day. If the date for any payment of principal is extended by operation of law or otherwise, interest thereon shall be payable for such extended time. Time is of the essence in the City's performance under all provisions of this Agreement and all related agreements and documents.

Section 8.6. Expenses of the Lender. The City will pay upon demand of the Lender all reasonable costs, fees and expenses of the Lender in connection with (i) the analysis, negotiation, preparation, execution, administration, delivery and termination of this Agreement, and other Related Documents and the documents and instruments referred to herein and therein, and any amendment, amendment and restatement, supplement, waiver or consent relating hereto or thereto, whether or not any such amendment, amendment and restatement, supplement, waiver or consent is executed or becomes effective, search costs, the reasonable fees, expenses and disbursements of counsel for the Lender, any fees or expenses incurred by the Lender under Section 6.4 hereof for which the City is obligated thereunder, and reasonable charges of any expert consultant to the Lender, (ii) the enforcement of the Lender's rights hereunder, or the collection of any payments owing from, the City under this Agreement and/or the other Related Documents or the protection, preservation or defense of the rights of Lender hereunder and under the other Related Documents, and (iii) any refinancing or restructuring of the credit arrangements provided under this Agreement and other Related Documents in the nature of a "work-out" or of any insolvency or bankruptcy proceedings, or otherwise (including the reasonable fees and disbursements of counsel for the Lender and, with respect to clauses (ii) and (iii), reasonable allocated costs of internal counsel) (collectively, the *"Expenses"*). For avoidance of doubt, the fees payable to counsel to the Lender incurred in connection with the execution and delivery of this Agreement shall be subject to the limit set forth in Section 2.2 of the Fee Agreement.

Section 8.7. Brokerage. This transaction was brought about and entered into by the Lender and the City acting as principals and without any brokers, agents or finders being the

effective procuring cause hereof. The City represents that it has not committed the Lender to the payment of any brokerage fee, commission or charge in connection with this transaction. If any such claim is made on the Lender by any broker, finder or agent or other person, the City hereby indemnifies, defends and saves such party harmless against such claim and further will defend, with counsel satisfactory to the Lender, any action or actions to recover on such claim, at the City's own cost and expense, including such party's reasonable counsel fees. The City further agrees that until any such claim or demand is adjudicated in such party's favor, the amount demanded shall be deemed an Obligation of the City under this Agreement.

Section 8.8. Notices. (a) Any notices or consents required or permitted by this Agreement shall be in writing and shall be deemed given if delivered in person to the person listed below or if sent by telecopy or by nationally recognized overnight courier, as follows, unless such address is changed by written notice hereunder:

If to Lender to:	TD Public Finance, LLC One Vanderbilt Avenue, 14th Fl New York, NY 10017 Attention: **[_____]** Telephone: **[_____]** Email: **[_____]**
With copies to:	Chapman and Cutler LLP 320 South Canal Street Chicago, Illinois 60606 Attention: David Field Email: dfield@chapman.com
If to City to:	City of Santa Clara Finance Department 1500 Warburton Avenue Santa Clara, California 95050 Attention: Kenn Lee, Director of Finance Telephone: 408-615-2344 Email: KLee@SantaClaraCA.gov
With copies to:	City of Santa Clara Finance Department 1500 Warburton Avenue Santa Clara, California 95050 Attention: Jensen Barna, Principal Financial Analyst Telephone: 408-615-2346 Email: JBarna@SantaClaraCA.gov

(b) Any notice sent by the Lender, or the City by any of the above methods shall be deemed to be given when so received. Notices received after 5:00 PM (Eastern Time), shall be deemed to be received the following Business Day.

(c) The Lender shall be fully entitled to rely upon any telecopy transmission or other writing purported to be sent by any Authorized City Representative as being genuine and authorized.

Section 8.9. Headings. The headings of any paragraph or Section of this Agreement are for convenience only and shall not be used to interpret any provision of this Agreement.

Section 8.10. Survival. All warranties, representations, and covenants made by the City herein, or in any agreement referred to herein or on any certificate, document or other instrument delivered by it or on its behalf under this Agreement, shall be considered to have been relied upon by the Lender, and shall survive the making of the Loans, regardless of any investigation made by the Lender or on its behalf. All statements in any such certificate or other instrument prepared and/or delivered for the benefit of the Lender shall constitute warranties and representations by the City hereunder. Except as otherwise expressly provided herein, all covenants made by the City hereunder or under any other agreement or instrument shall be deemed continuing until all Obligations are satisfied in full. All indemnification obligations under this Agreement, including under Section 8.4 hereof, shall survive the termination of this Agreement and payment of the Obligations.

Section 8.11. Successors and Assigns. (a) *Successors and Assigns Generally*. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties. The City may not transfer, assign or delegate any of its rights, duties or obligations hereunder. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby any legal or equitable right, remedy or claim under or by reason of this Agreement. The Lender may, in its sole discretion and in accordance with applicable Law, from time to time assign, sell or transfer in whole or in part, this Agreement, its interest in the 2026 Bond and the Related Documents in accordance with the provisions of paragraph (b) or (c) of this Section. The Lender may at any time and from time to time enter into participation agreements in accordance with the provisions of paragraph (d) of this Section. The Lender may at any time pledge or assign a security interest subject to the restrictions of paragraph (e) of this Section.

(b) *Sales and Transfers by Bondholder to a Lender Transferee.* Without limitation of the foregoing generality, the Lender may at any time sell or otherwise transfer to one or more transferees all or a portion of the Loans and the 2026 Bond to a Person that is (i) an Affiliate or (ii) a trust or other custodial arrangement established by the Lender or an Affiliate, the owners of any beneficial interest in which are limited to "qualified institutional buyers" as defined in Rule 144A promulgated under the 1933 Act, or "accredited investors" as defined in Rule 501 of Regulation D under the 1933 Act (each, a *"Lender Transferee"*). From and after the date of such sale or transfer, the Lender (and its successors) shall continue to have all of the rights of the Lender hereunder and under the other Related Documents as if no such transfer or sale had occurred; *provided, however,* that (A) no such sale or transfer referred to in clause (b)(i) or (b)(ii) hereof shall in any way affect the obligations of the Lender hereunder, (B) the City shall be required to deal only with the Lender with respect to any matters under this Agreement and (C) in the case of a sale or transfer referred to in clause (b)(i) or (b)(ii) hereof, only the Lender shall be entitled to enforce the provisions of this Agreement against the City.

(c) *Sales and Transfers by Bondholder to a Non-Lender Transferee.* Without limitation of the foregoing generality, the Lender may at any time sell or otherwise transfer to one or more transferees which are not Lender Transferees but each of which constitutes a "qualified institutional buyer" as defined in Rule 144A promulgated under the 1933 Act or an "accredited investor" as defined in Rule 501 of Regulation D under the 1933 Act (each a *"Non-Lender Transferee"*) all or a portion of the Loans and the 2026 Bond if written notice of such sale or transfer, including that such sale or transfer is to a Non-Lender Transferee, together with addresses and related information with respect to the Non-Lender Transferee, shall have been given to the City and the Lender by such Non- Lender Transferee.

(d) *Certain Pledges*. The Bank may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of the Bank, including any pledge or assignment to secure obligations to a Federal Reserve Bank or the United States Treasury or to any state or local governmental entity or with respect to public deposits; *provided* that no such pledge or assignment shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for the Lender as a party hereto.

Section 8.12. Counterparts. The parties acknowledge and agree that this document and any related documents, and any amendments or waivers hereto or thereto, may be executed and delivered by facsimile, electronic copies in portable document format ("PDF") or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means or by any digital or electronic signature process or program, and that any signature so delivered shall be treated as and have the same force and effect as an original signature, and copies of the same may be used and introduced as evidence at any legal proceedings including, without limitation, trials and arbitrations, relating to or arising under this document. Notwithstanding the foregoing, the Lender may, in its sole and exclusive discretion, also require delivery of this document and any related documents, and any amendments or waivers hereto or thereto, with an original signature for its records and two or more duplicate originals of this Agreement may be signed by the parties, each of which shall be an original but all of which together shall constitute one and the same instrument.

Section 8.13. Modification; Amendment. No modification or amendment hereof or any agreement referred to herein shall be binding or enforceable unless in writing and signed by the City and the Lender; *provided* that this Section 8.13 shall not be applicable to any modification or amendment pursuant to Section 2.13 (Effect of Benchmark Transition Event) of this Agreement and the City acknowledges that any modification or amendment pursuant to Sections 2.13 of this Agreement shall be effective upon notice by the Lender without execution by the City.

Section 8.14. Signatories. Each individual signatory hereto represents and warrants that they are duly authorized to execute this Agreement on behalf of his principal and that they execute the Agreement in such capacity and not as a party.

Section 8.15. Third Parties. No rights are intended to be created hereunder, or under any related agreements or documents for the benefit of any third party done, creditor or incidental beneficiary of the City. Nothing contained in this Agreement shall be construed as a delegation to

the Lender of the City's duty of performance, including, without limitation, the City's duties under any account or contract with any other Person.

Section 8.16. USA PATRIOT Act. The Lender hereby notifies the City that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the City, which information includes the name and address of the City and other information that will allow the Lender to identify the City in accordance with the Patriot Act. The City shall, promptly following a request by the Lender, provide all documentation and other information that the Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

Section 8.17. EMMA Postings. In the event the City files with EMMA, this Agreement, any Related Documents or any description of the material terms thereof or notice of any agreement to covenants, events of default, remedies, priority rights or other similar terms, either voluntarily or as required pursuant a continuing disclosure agreement or Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (the *"Rule"*) (each such posting, an *"EMMA Posting"*), the City shall (i) provide the Lender with a copy of each EMMA Posting prior to submitting or posting on EMMA and (ii) shall not file or permit the filing of any EMMA Posting that includes confidential information. The City acknowledges and agrees that although the Lender may request review, edits or redactions of such materials prior to filing, the Lender is not responsible for the City's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with any continuing disclosure agreement or any applicable securities or other laws, including, but not limited to, those relating to the Rule

Section 8.18. Additional Documentation. The City shall execute and/or re-execute, and cause any other Person party to any Related Document, to execute and/or re-execute and to deliver to the Lender or the Lender's counsel, as may be deemed appropriate, any document or instrument signed in connection with this Agreement which was incorrectly drafted and/or signed, as well as any document or instrument which should have been signed at or prior to the Closing Date, but which was not so signed and delivered. The City agrees to comply with any written request by the Lender within ten (10) days after receipt by the City of such request.

Section 8.19. No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the City acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) (i) the services regarding this Agreement provided by the Lender and any Affiliate thereof are arm's-length commercial transactions between the City, on the one hand, and the Lender and its Affiliates, on the other hand, (ii) the City has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the City is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (b) (i) the Lender and its Affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the City or any other Person and (ii) neither the Lender nor any of its respective Affiliates has any obligation to the City with respect to the transactions

contemplated hereby except those obligations expressly set forth herein and in the other Related Documents; and (c) the Lender and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the City, and neither the Lender nor any of its Affiliates has any obligation to disclose any of such interests to the City. To the fullest extent permitted by law, the City hereby waives and releases any claims that it may have against the Lender or any of its Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

Section 8.20. Waiver of Jury Trial. (a) TO THE FULL EXTENT PERMITTED BY LAW, THE CITY AND THE LENDER EACH WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY FOR ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY OF THE OTHER RELATED DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THE CITY AND THE LENDER FURTHER AGREES THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT JURY. WITHOUT LIMITING THE FOREGOING, TO THE EXTENT PERMITTED BY LAW, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION 8.20 AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT AND/OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT.

(b) IF ANY ACTION OR PROCEEDING IS FILED IN A COURT OF THE STATE OF CALIFORNIA BY OR AGAINST ANY PARTY HERETO IN CONNECTION WITH ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT, AND IF AND TO THE EXTENT THAT THE FOREGOING WAIVER OF THE RIGHT TO A JURY TRIAL IS UNENFORCEABLE FOR ANY REASON IN SUCH FORUM, EACH OF THE PARTIES HERETO HEREBY CONSENTS TO THE ADJUDICATION OF ALL CLAIMS PURSUANT TO JUDICIAL REFERENCE AS PROVIDED IN CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638 AND THE COURT SHALL, AND IS HEREBY DIRECTED TO, MAKE A GENERAL REFERENCE PURSUANT TO CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638 TO A REFEREE (WHO SHALL BE A SINGLE ACTIVE OR RETIRED JUDGE) TO HEAR AND DETERMINE ALL OF THE ISSUES IN SUCH ACTION OR PROCEEDING (WHETHER OF FACT OR OF LAW) AND TO REPORT A STATEMENT OF DECISION, *PROVIDED* THAT AT THE OPTION OF ANY PARTY TO SUCH PROCEEDING, ANY SUCH ISSUES PERTAINING TO A "PROVISIONAL REMEDY" AS DEFINED IN CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 1281.8 SHALL BE HEARD AND DETERMINED BY THE COURT. EACH OF THE PARTIES HERETO REPRESENTS THAT EACH HAS REVIEWED THIS WAIVER AND CONSENT AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS AND CONSENTS TO JUDICIAL REFERENCE FOLLOWING CONSULTATION WITH LEGAL COUNSEL ON SUCH MATTERS. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT OR TO JUDICIAL REFERENCE UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638 AS PROVIDED HEREIN.

(c) The covenants and waivers made pursuant to this Section 8.20 shall be irrevocable and unmodifiable, whether in writing or orally.

Section 8.21. Acknowledgement Regarding Any Supported QFCs. To the extent that the Related Documents provide support, through a guarantee or otherwise, for any Hedging Instrument or any other agreement or instrument that is a QFC (such support, *"QFC Credit Support"* and each

such QFC a *"Supported QFC"*), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the *"U.S. Special Resolution Regimes"*) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a *"Covered Party"*) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States.

(b) As used in this Section, the following terms have the following meanings:

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Covered Entity" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b)

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

Section 8.22. Treatment of Certain Information; Confidentiality Each party hereto agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Related Document or any action or proceeding relating to this Agreement or any other Related Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights and obligations under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the City and its obligations, this Agreement or payments hereunder, (g) on a confidential basis to (i) any rating agency in connection with rating the City or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the City or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Lender or any of its Affiliates on a nonconfidential basis from a source other than the City. For purposes of this Section, "*Information"* means all information received from the City relating to the City or its business other than any such information that is available to the Lender on a nonconfidential basis prior to disclosure by the Bank, *provided* that, in the case of information received from the Bank after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

[SIGNATURES TO FOLLOW ON SEPARATE PAGE]

WITNESS the due execution of this Agreement as a document under seal as of the date first written above.

CITY OF SANTA CLARA, CALIFORNIA,
a chartered California municipal corporation

APPROVED AS TO FORM:

_____
[_____], [City Manager]

_____
[_____], [City Attorney]

ATTEST:

_____
[_____], [[Assistant] City Clerk]

TD PUBLIC FINANCE, LLC

By: _____
Name: _____
Title: _____

EXHIBIT A
AUTHORIZED CITY REPRESENTATIVE CERTIFICATE

Dated June 1, 2026

Re: Revolving Credit Agreement dated as of June 1, 2026,
by and between City of Santa Clara, California
and TD Public Finance, LLC

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement, dated as of June 1, 2026 (the *"Credit Agreement"*), by and between the City of Santa Clara, California (the *"City"*) and TD Public Finance, LLC, as Lender (the *"Lender"*). All capitalized terms used herein have the same meaning herein as such terms are defined in the Credit Agreement. Listed below are the names, titles and genuine signatures of the Authorized City Representatives of the City who are authorized to submit and execute Advance Requests and Notices of Extension/Conversion under the Credit Agreement:

TITLE	NAME	SIGNATURE
		_____
		_____
		_____
		_____

The Lender shall be entitled to conclusively presume that the persons listed above continue to be authorized to act on behalf of the City until otherwise notified in writing by an officer of the City.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS]

Dated as of the date first above written.

CITY OF SANTA CLARA, CALIFORNIA, a chartered California municipal corporation

By: _____
Name: _____
Title: _____

EXHIBIT B

COMPLIANCE CERTIFICATE

Financial Statement Date: _____, ____

To: TD Public Finance, LLC, as Lender
One Vanderbilt Avenue, 14th Fl
New York, New York 10017
Attention: **[_____]**
Telephone: **[_____]**
Email: **[_____]**

Ladies and Gentlemen:

Reference is hereby made to that certain Revolving Credit Agreement dated as of June 1, 2026 (the *"Agreement"*), by and between the City of Santa Clara, California (the *"City"*), and TD Public Finance, LLC, as lender (the "*Lender*"). Unless otherwise defined herein, the terms used in this Certificate shall have the meanings assigned thereto in the Agreement.

The undersigned Authorized City Representative hereby certifies as of the date hereof that he/she is the _____ of City, and that, as such, he/she is authorized to execute and deliver this Certificate to the Lender, on the behalf of the City, and that:

1. Attached hereto as Schedule 1 are the year-end audited financial statements required by Section 6.05(a) of the Agreement for the fiscal year of the City ended as of the above date, together with the report and opinion of an independent certified public accountant required by such section.

2. The undersigned has reviewed and is familiar with the terms of the Agreement and has made or has caused to be made under his/her supervision, a review of the transactions and condition (financial or otherwise) of the City during the accounting period covered by the attached financial statements.

3. A review of the activities of the City during such fiscal period has been made under the supervision of the undersigned with a view to determining whether during such fiscal period the City performed and observed all its Obligations under the Related Documents, and

[select one:]

[to the best knowledge of the undersigned during such fiscal period, the City performed and observed each covenant and condition of the Related Documents applicable to it, and no Default or Event of Default has occurred and is continuing.]

--or--

[the following covenants or conditions have not been performed or observed and the following is a list of each such Default or Event of Default and its nature and status:]

4. The representations and warranties of the City contained in Article V of the Agreement are true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and except that for purposes of this Certificate, the representations and warranties contained in Section 5.6 of the Agreement shall be deemed to refer to the most recent statements furnished pursuant to Section 6.5 of the Agreement, including the statements in connection with which this Certificate is delivered.

5. Attached are true and accurate calculations demonstrating compliance with the financial covenant(s) set forth in Section 6.11 of the Agreement for the periods specified in such attachment.

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (*e.g.* "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Certificate.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____, _____.

CITY OF SANTA CLARA, CALIFORNIA

By:_____
Name: _____
Title: _____

EXHIBIT C

FORM OF REVOLVING CREDIT ADVANCE REQUEST

City of Santa Clara
Finance Department
1500 Warburton Avenue
Santa Clara, California 95050
Attention: **[Director of Finance]**
Telephone: **[_____]**
Email: **[_____]**
(the *"City"*)

TD Public Finance, LLC
One Vanderbilt Avenue, 14th Fl
New York, New York 10017
Attention: **[_____]**
Telephone: **[_____]**
Email: **[_____]**
(the "*Lender*")

The City hereby requests an Advance in the amount of $_____ pursuant to Section 2.2 of that certain Revolving Credit Agreement by and between the City and the Lender dated June 1, 2026 (as amended, restated or otherwise modified from time to time, the *"Agreement"*). **[The City hereby requests that such Advance be a (select one) [Base Rate Loan or SOFR Loan].] [If a SOFR Loan, the Interest Period for such Advance is ____]**. The proposed date of the Advance is _____.

The City hereby represents and warrant to the Lender as follows:

(a) There exists no Default or Event of Default under the Agreement.

(b) All representations, warranties and covenants made in the Agreement are true and correct as of the date hereof.

(c) The aggregate principal amount of all Advances outstanding hereunder are $_____.

[(d) The number of SOFR Loans after giving effect to this Advance are ____ (cannot exceed___).]

CITY OF SANTA CLARA, CALIFORNIA

By: _____
Name: _____
Title: _____

Date: _____, 20__

EXHIBIT "D"

FORM OF NOTICE OF EXTENSION/CONVERSION

Dated as of: _____

TD Public Finance, LLC
One Vanderbilt Avenue, 14th Fl
New York, New York 10017
Attention: **[_____]**
Telephone: **[_____]**
Email: **[_____]**

Ladies and Gentlemen:

This irrevocable Notice of Conversion/Continuation (the *"Notice"*) is delivered to you under Section 2.5 of the Revolving Credit Agreement dated as of _____, 2026 (as amended, restated or otherwise modified from time to time, the *"Agreement"*), by and between the City of Santa Clara, California (the "*City*") and TD Public Finance, LLC, as lender (the *"Lender"*).

1. This Notice is submitted for the purpose of:

(Check one and complete applicable information in accordance with the Agreement.)

☐ Converting all or a portion of a Base Rate Loan into a SOFR Loan

(a) The aggregate outstanding principal balance of such Loan is $_____.

(b) The principal amount of such Loan to be converted is $_____.

(c) The requested effective date of the conversion of such Loan is _____.

(d) The requested Interest Period applicable to the converted Loan is _____.

☐ Converting a portion of SOFR Loan into a Base Rate Loan

(a) The aggregate outstanding principal balance of such Loan is $_____.

(b) The last day of the current Interest Period for such Loan is _____.

(c) The principal amount of such Loan to be converted is $_____.

(d) The requested effective date of the conversion of such Loan is _____.

☐ Continuing all or a portion of a SOFR Loan as a SOFR Loan

(a) The aggregate outstanding principal balance of such SOFR Loan is $_____.

(b) The last day of the current Interest Period for such Loan is _____.

(c) The principal amount of such SOFR Loan to be continued is $_____.

(d) The requested effective date of the continuation of such SOFR Loan is _____.

(e) The requested Interest Period applicable to the continued SOFR Loan is _____.

2. All of the conditions applicable to the conversion or continuation of the Loan requested herein as set forth in the Agreement have been satisfied or waived as of the date hereof and will remain satisfied or waived to the date of such Loan.

3. No Default or Event of Default Exists

4. Capitalized terms used herein and not defined herein shall have the meanings assigned thereto in the Agreement.

IN WITNESS WHEREOF, the undersigned, on behalf of the City, has executed this Notice of Conversion/Continuation this ____ day of _____, 20___.

CITY OF SANTA CLARA, CALIFORNIA

By:_____
Name: _____
Title: _____

FEE AGREEMENT

This Fee Agreement is dated as of June **[1]**, 2026 (as amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms hereof, the *"Fee Agreement"*) and is between CITY OF SANTA CLARA, CALIFORNIA (the *"City"*), and TD PUBLIC FINANCE LLC, and its successors and assigns (the *"Lender"*). Reference is hereby made to that certain Revolving Credit Agreement dated as of June 1, 2026 (as amended, restated, supplemented, or otherwise modified from time to time in accordance with its terms, the *"Agreement"*), between the City and the Lender. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

The purpose of this Fee Agreement is to confirm the agreement between the Lender and the City with respect to the Unused Fees, the Applicable Spread and certain other fees payable to the Lender. This Fee Agreement is the Fee Agreement referenced in the Agreement and the terms of this Fee Agreement are incorporated by reference into the Agreement. This Fee Agreement and the Agreement are to be construed as one agreement between the City and the Lender, and all obligations hereunder are to be construed as obligations thereunder. All references to amounts due and payable under the Agreement will be deemed to include all amounts, fees, and expenses payable under this Fee Agreement.

ARTICLE I

FEES

Section 1.1. Unused Fees. The City agrees to pay to the Lender on September 1, 2026, for the period commencing on the Closing Date, and ending on August 31, 2026, and in arrears on the first Business Day of each December, March, June and September occurring thereafter to and including the Termination Date, and on the Termination Date, a non-refundable commitment fee (the "*Unutilized Fee*") with respect to the Unutilized Commitment for each day in the related fee period, in an amount equal to the product of the rate per annum (the "*Unutilized Fee Rate*") corresponding to the Rating (as defined below) set forth in the applicable Level in the pricing matrix set forth in this Section 1.1 below for each such day in the related fee period and the Unutilized Commitment for each such day in the related fee period:

LEVEL	FITCH RATING	MOODY'S RATING	S&P RATING	UNUTILIZED FEE RATE
Level 1	A+ or above	A1 or above	A+ or above	0.20%
Level 2	A	A2	A	0.22%
Level 3	A-	A3	A-	0.24%
Level 4	BBB+	Baa1	BBB+	0.26%
Level 5	BBB	Baa2	BBB	0.28%
Level 6	BBB-	Baa3	BBB-	0.30%

Level 7	Below BBB-	Below Baa3	Below BBB-	Event of Default

The term *"Rating"* as used above shall mean the lowest long-term unenhanced rating assigned to the long-term unenhanced Electric Revenue Bonds or Parity Debt of the City (without regard to any form of credit enhancement) by Moody's, Fitch or S&P, as applicable. In the event of a split rating (i.e., one of the foregoing Rating Agencies' rating is at a different level than the rating of the other Rating Agencies), the Unutilized Fee Rate shall be based upon the Level in which the lowest Rating appears (for the avoidance of doubt, Level 7 is the Level with the lowest Ratings and Level 1 is the Level with the highest Ratings for purposes of the pricing matrix set forth in this Section 1.1). In the event that a Rating is withdrawn, suspended or otherwise unavailable from S&P, Moody's or Fitch (in each case, to the extent then providing a Rating) or is reduced below "BBB-" (or its equivalent) by S&P, "BBB-" (or its equivalent) by Fitch or "Baa3" (or its equivalent) by Moody's or upon the occurrence and during the continuation of any other Event of Default (whether or not the Lender declares an Event of Default in connection therewith), the Unutilized Fee Rate shall be increased immediately and without notice by four percent (4.00%) per annum over the Unutilized Fee Rate otherwise in effect (or the Unutilized Fee Rate which was most recently in effect if Ratings have been withdrawn, suspended or otherwise unavailable from each of S&P, Moody's and Fitch). All such increases shall be cumulative. Any change in the Unutilized Fee Rate resulting from an Event of Default or change, withdrawal, suspension or unavailability of a Rating shall be and become effective as of and on the date of the Event of Default or the announcement of the change, withdrawal, suspension or unavailability of such Rating, as applicable. References to Ratings are to the rating categories as presently determined by Moody's, S&P and Fitch, and in the event of the adoption of any new or changed rating system or a "global" rating scale by any such Rating Agency, the rating categories shall be adjusted accordingly to a new rating which most closely approximates the requirements as set forth herein. The City acknowledges that as of the date hereof the Unutilized Fee Rate is that specified above for Level 1 of the pricing matrix set forth in this Section 1.1. Unutilized Fees shall be computed on a basis of a year of 360 days and the actual number of days elapsed.

The term *"Unutilized Commitment"* means the Commitment then in effect minus the aggregate principal amount of all Loans then outstanding under the Agreement.

Section 1.2. Amendment Fee. The City also hereby agrees to pay to the Lender on the date of each amendment, modification, or supplement of the Agreement or any amendment, modification, or supplement to any other Related Document which requires the waiver or consent of the Lender, an amendment, modification, supplement, waiver or consent fee, as applicable, in an amount equal to $2,500 (or such other amount as agreed to by the City and the Lender), plus the reasonable fees of any legal counsel retained by the Lender in connection therewith.

Section 1.3. Applicable Spread. For purposes of the Agreement, *"Applicable Spread"* means the rate per annum associated with the Level corresponding to the Rating, specified in the pricing matrix set forth in this Section 1.3.

LEVEL	FITCH RATING	MOODY'S RATING	S&P RATING	APPLICABLE SPREAD
Level 1	A+ or above	A1 or above	A+ or above	0.80%
Level 2	A	A2	A	0.85%
Level 3	A-	A3	A-	0.95%
Level 4	BBB+	Baa1	BBB+	1.05%
Level 5	BBB	Baa2	BBB	1.15%
Level 6	BBB-	Baa3	BBB-	1.25%
Level 7	Below BBB-	Below Baa3	Below BBB-	Default Rate

The term *"Rating"* as used in this Section 1.3 shall have the meaning set forth in Section 1.1 hereof. In the event of a split rating (i.e., one of the foregoing Rating Agencies' rating is at a different level than the rating of the other Rating Agencies), the Applicable Spread shall be based upon the Level in which the lowest Rating appears (for the avoidance of doubt, Level 7 is the Level with the lowest Ratings and Level 1 is the Level with the highest Ratings for purposes of the pricing matrix set forth in this Section 1.3). In the event that a Rating is withdrawn, suspended or otherwise unavailable from S&P, Moody's or Fitch or is reduced below "BBB-" (or its equivalent) by S&P, "BBB-" (or its equivalent) by Fitch or "Baa3" (or its equivalent) by Moody's or upon the occurrence and during the continuation of any other Event of Default (whether or not the Lender declares an Event of Default in connection therewith), all amounts owing to the Lender under the Agreement and amounts owing on Loans and all other Obligations shall bear interest at the Default Rate. All such increases shall be cumulative. Any change in the Applicable Spread resulting from an Event of Default or change, withdrawal, suspension or unavailability of a Rating shall be and become effective as of and on the date of the Event of Default or the announcement of the change, withdrawal, suspension or unavailability of such Rating, as applicable. References to Ratings are to the rating categories as presently determined by Moody's, S&P and Fitch, and in the event of the adoption of any new or changed rating system or a "global" rating scale by any such Rating Agency, the rating categories shall be adjusted accordingly to a new rating which most closely approximates the requirements as set forth herein. The City acknowledges that as of the date hereof the Applicable Spread is that specified above for Level 1 of the pricing matrix set forth in this Section 1.3.

ARTICLE II

MISCELLANEOUS

Section 2.1. Amendments. No amendment to this Fee Agreement shall become effective without the prior written consent of the City and the Lender.

Section 2.2. Out-of-Pocket Expenses; Administration. (a) The City shall pay to the Lender promptly upon receipt of invoice any and all reasonable fees and expenses of the Lender in connection with the preparation, execution, and delivery of the Agreement and this Fee Agreement (including the out-of-pocket expenses of the Lender and the reasonable fees of counsel

to the Lender, plus disbursements of counsel, to the Lender). The fees of counsel to the Lender (in an amount not to exceed $60,000) shall be paid by the City directly to Chapman and Cutler LLP within thirty (30) days following the Closing Date, in accordance with the instructions provided by Chapman and Cutler LLP. The City agrees that all payments to the Lender referred to in this Fee Agreement shall be made in immediately available funds.

(b) The City further agrees to pay all of the Lender's reasonable out-of-pocket expenses (including, without limitation, reasonable fees and disbursements of counsel for the Lender) arising in connection with the administration and enforcement of, preservation of rights in connection with a workout, restructuring or default under, or amendment, waiver or consent with respect to, the Agreement, this Fee Agreement and the other Related Documents.

Section 2.3. Governing Law; Venue. THIS FEE AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA. THIS FEE AGREEMENT IS EXPRESSLY SUBJECT TO THE PROVISIONS OF SECTIONS 8.1 AND 8.21 OF THE AGREEMENT, WHICH PROVISIONS ARE INCORPORATED HEREIN AND MADE APPLICABLE HERETO BY THIS REFERENCE.

Section 2.4. Counterparts. This Fee Agreement may be executed in multiple counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one instrument. This Fee Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by e-mail with a pdf copy attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

Section 2.5. Severability. Any provision of this Fee Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 2.6 Representation by Legal Counsel; Joint Preparation. The parties hereto have participated jointly in the negotiation and drafting of this Fee Agreement, and each of the parties was represented by its respective legal counsel during the negotiation and execution of this Fee Agreement. In the event an ambiguity or question of intent or interpretation arises, this Fee Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Fee Agreement.

Section 2.7. No Disclosure. Unless required by law, the City shall not deliver or permit, authorize or consent to the delivery of this Fee Agreement to any Person or for posting on the Electronic Municipal Market Access website as provided by the Municipal Securities Rulemaking Board unless the Lender provides its prior written consent.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Fee Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

CITY OF SANTA CLARA, CALIFORNIA,
a chartered California municipal corporation

APPROVED AS TO FORM:

_____
[_____], [City Manager]

_____
[_____], [City Attorney]

ATTEST:

_____
[_____], [[Assistant] City Clerk]

TD PUBLIC FINANCE, LLC

By: _____
Name: _____
Title: _____

FIFTH SUPPLEMENTAL ELECTRIC REVENUE BOND INDENTURE

between

CITY OF SANTA CLARA
SANTA CLARA COUNTY, CALIFORNIA

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

Dated as of June 1, 2026

(Supplemental to the Amended and Restated Electric Revenue Bond Indenture dated as of March 1, 2011)

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EXHIBIT A - Form of Series 2026 Bond A-1

Fifth Supplemental Electric Revenue Bond Indenture
(Supplemental to the Amended and Restated Electric Revenue
Bond Indenture dated as of March 1, 2011)
Authorizing the Issuance of Up To
$350,000,000 Aggregate Outstanding Principal Amount of
City of Santa Clara, California
Revolving Credit Facility
Electric Revenue Bonds, Series 2026

This FIFTH SUPPLEMENTAL ELECTRIC REVENUE BOND INDENTURE, dated as of June 1, 2026 (this "Fifth Supplement"), between the CITY OF SANTA CLARA (the "City"), a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State of California, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as trustee (the "Trustee"),

W I T N E S S E T H :

WHEREAS, this Fifth Supplement is supplemental to the Amended and Restated Electric Revenue Bond Indenture, dated as of March 1, 2011 (as amended, restated or otherwise modified from time to time, the "Indenture"), between the City and the Trustee, providing for the issuance of City of Santa Clara, California Electric Revenue Bonds (the "Bonds"); and

WHEREAS, the Indenture provides that the City may issue Bonds from time to time as authorized by a supplemental indenture; and

WHEREAS, Section 1321 of the City's Charter authorizes the City to issue revenue bonds for the purpose of financing the generation, production, transmission and distribution of electric energy; and

WHEREAS, on May 8, 1984, the City Council adopted its Resolution No. 4796, entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Electric Utility Revenue Bonds," as amended by Resolution No. 4804, adopted by the City Council on May 29, 1984, and as amended by Resolution No. 7313, adopted by the City Council on April 25, 2006, and on April 30, 1985, the City Council adopted its Resolution No. 4934, entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Refunding Electric Utility Revenue Bonds," as amended by Resolution No. 4966 of the City Council adopted on July 9, 1985, supplemented by Resolution No. 4967 of the City Council adopted on July 9, 1985, and amended by Resolution No. 7314 of the City Council adopted on April 25, 2006 (collectively, the "Procedural Resolution"); and

WHEREAS, the City Council has determined that it is in the best interests of the City to enter into a Revolving Credit Agreement (the "Credit Agreement" as further defined herein) with TD Public Finance, LLC, as lender (the "Lender"), for the purpose of borrowing moneys to make capital expenditures relating to the City's Electric Utility; and for the indebtedness created under the Credit Agreement (and obligations created under the related Fee Agreement, dated ____, 2026, by and between the City and the Lender) to be evidenced by an electric revenue bond (the "Series 2026 Bond" as further defined herein) to be issued by the City and delivered to the Lender; and

WHEREAS, the City Council has determined that it is necessary and required that the City enter into this Fifth Supplement in order to establish and declare, in conjunction with the Indenture, the terms and conditions upon which the Series 2026 Bond shall be issued and secured and to secure the payment of the principal thereof and premium (if any) and interest thereon; and

WHEREAS, the City Council has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Fifth Supplement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Fifth Supplement;

NOW, THEREFORE, the parties hereto agree, as follows:

ARTICLE XV

SERIES 2026 BOND

Section 15.01. Definitions. The terms defined in this Section shall, for all purposes of this Fifth Supplement and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. Terms defined in the Indenture not otherwise defined in this Fifth Supplement shall have the meanings specified therein.

"Advance(s)" has the meaning given to such term in the Credit Agreement.

"Authorized City Representative" means the City Manager, the Director of Finance of the City or the Utility Director for Silicon Valley Power of the City or any designee of any of the foregoing duly authorized to perform the act in question and shall also include any other person designated by an Authorized City Representative and who has been identified in a Authorized City Representative Certificate delivered to the Lender prior to or during the term of the Credit Agreement, and whose signature has likewise been certified to the Lender.

"Availability Period" has the meaning given to such term in the Credit Agreement.

"Base Rate" has the meaning given to such term in the Credit Agreement.

"Base Rate Loan" has the meaning given to such term in the Credit Agreement.

"Business Day" when used in reference to the Series 2026 Bonds, has the meaning ascribed to such term in the Credit Agreement.

"Credit Agreement" means the Revolving Credit Agreement, dated as of ____, 2026, entered into between the City and the Lender, as amended, restated, modified and supplemented from time to time.

"Credit Agreement Event of Default" means any event or circumstance specified in Section 7.1 of the Credit Agreement.

"Closing Date" means _____, 2026.

"Default Rate" has the meaning given to such term in the Credit Agreement.

"Interest Payment Date" has the meaning given to such term in the Credit Agreement.

"Issuance Date" means the date of the initial delivery of and payment for the Series 2026 Bond.

"Loan" has the meaning given to such term in the Credit Agreement.

"Lender" means TD Public Finance, LLC, together with its successors and assigns.

"Maximum Rate" means, with respect to the Series 2026 Bonds, the Maximum Interest Rate specified in the Credit Agreement, but which in no event shall exceed the maximum rate allowed by law.

"Obligations" means all existing and future debts, liabilities and obligations of every kind or nature at any time owing by the City to the Lender, as further defined in the Credit Agreement.

"Overadvance" has the meaning given to such term in the Credit Agreement.

"SOFR Loan" has the meaning given to such term in the Credit Agreement.

"Stated Maturity Date" means, with respect to the Series 2026 Bonds, May [30], 2031, as such date may be extended in accordance with Section 2.20 of the Credit Agreement.

"Taxable Rate" has the meaning given to such term in the Credit Agreement.

"Term SOFR Rate" has the meaning given to such term in the Credit Agreement.

"Termination Date" has the meaning given to such term in the Credit Agreement.

"Series 2026 Bond" means the Electric Revenue Bond, Series 2026 of the City evidencing the obligation of the City to repay the Loans and interest thereon.

Section 15.02. Findings and Determinations.

(A) The City hereby finds and determines that the principal of the Series 2026 Bond shall be treated as Excluded Principal Payments for purposes of the Indenture.

From and after the issuance of the Series 2026 Bond, the findings and determinations herein shall be conclusive evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the Series 2026 Bond is at issue.

Section 15.03. Authorization of Series 2026 Bond.

(A) A Series of Bonds to be issued under the Indenture is hereby created. Such Series shall be known as the "City of Santa Clara, California Electric Revenue Bond, Series 2026" (herein referred to as the "Series 2026 Bond"). The Series 2026 Bond shall be issued in the maximum principal amount of $350,000,000 in accordance with the Bond Law and the Indenture for the purpose of providing moneys to make capital expenditures relating to the City's Electric Utility. The principal amount of

Series 2026 Bond at any time will be equal to the unpaid principal amount of all Loans disbursed by the Lender to the City (but in no event shall exceed $350,000,000 at any time) in accordance with the Credit Agreement. The Series 2026 Bond shall evidence the repayment obligation of the City with respect to the Loans made by the Lender under the Credit Agreement and all other Obligations (as defined in the Credit Agreement).

(B) On the Issuance Date, the Series 2026 Bond shall be issued in physical, definitive certificated form (which may be typewritten), shall be initially issued registered in the name of the Lender, and shall be evidenced by one 2026 Bond certificate representing the total principal amount of the Series 2026 Bond. The Series 2026 Bond shall be dated the date of delivery thereof, shall be Bonds which are Current Interest Indebtedness. Each Series 2026 Bond may be assigned by the Trustee a distinctive number or letter and number, and a record of the same shall be maintained by the Trustee in the bond register. Registered ownership of the Series 2026 Bond, or any portion thereof, may not thereafter be transferred except as set forth in Section 15.07 hereof.

(C) The Series 2026 Bonds shall mature and the Outstanding principal amount will be payable by or on behalf of the City on the Termination Date. The principal amount of the Series 2026 Bond is subject to adjustment in the event of prepayment by the City in part of the Loans under the Credit Agreement and redemption of portion of the Series 2026 Bond in accordance with Section 15.06.

(D) Interest on the Series 2026 Bond shall be payable by or on behalf of the City on each Interest Payment Date until the principal sum of such Series 2026 Bond has been paid. The Series 2026 Bond shall bear interest at the rates and shall accrue interest in the manner and calculated as provided for the Loans made by the Lender to the City under the Revolving Credit Agreement as set forth below.

(1) *Interest Evidencing Base Rate Loans*. With respect to a Loan made by the Lender that is a Base Rate Loan, the Series 2026 Bond shall bear interest on the corresponding outstanding principal amount of the Series 2026 Bond for each day during the relevant interest period at a rate per annum equal to the Base Rate, calculated on the basis of a 365-day year and actual days elapsed and as otherwise as provided in the Credit Agreement. Interest shall accrue from the later of the Issue Date or the most recent Interest Payment Date to which interest on the Series 2026 Bond has been paid, and shall be payable in arrears on each Interest Payment Date until the earlier of the Stated Maturity Date or prior redemption or other repayment of the Series 2026 Bond, if any.

(2) *Interest Evidencing SOFR Loans*. With respect to a Loan made by the Lender that is a SOFR Loan, the Series 2026 Bond shall bear interest on the corresponding outstanding principal amount of the Series 2026 Bond for each day during the relevant interest period at a rate per annum equal to the Term SOFR Rate, calculated on the basis of a 360-day year and actual days elapsed and as otherwise as provided in the Credit Agreement. Interest shall accrue from the later of the Issue Date or the most recent Interest Payment Date to which interest on the Series 2026 Bond has been paid, and shall be payable in arrears on each Interest Payment Date until the earlier of the Stated Maturity Date or prior redemption or other repayment of the Series 2026 Bond, if any.

(3) *Determination of Taxability*. Only in the event of a Determination of Taxability, the Series 2026 Bonds shall bear interest at the Taxable Rate, calculated (i) in the case of a Base Rate Loan, on the basis of a 365-day year and actual days elapsed or (ii) in the case of a SOFR Loan, on the basis of a 360-day year and actual days elapsed, and as otherwise

as provided in the Credit Agreement. Interest shall accrue from the date of the Determination of Taxability (such date for accrual of interest to be confirmed by the Lender to the City and the Trustee), and shall be payable in arrears on each Interest Payment Date until the earlier of the Stated Maturity Date or prior redemption or other repayment, if any.

(4) *Event of Default*. Only upon the occurrence and during the continuance of an "Event of Default" as defined in the Credit Agreement, the Series 2026 Bond shall bear interest at the Default Rate, calculated (i) in the case of a Base Rate Loan, on the basis of a 365-day year and actual days elapsed or (ii) in the case of a SOFR Loan, on the basis of a 360-day year and actual days elapsed, and as otherwise as provided in the Credit Agreement.

(5) *Maximum Rate*. The interest rate on the Series 2026 Bond shall never exceed the Maximum Rate, subject to the terms and conditions of the Credit Agreement.

All payments of principal of and interest on the Series 2026 Bond made by the City shall extinguish the corresponding payment obligation of the City with respect to the Loans made by the Lender to the City under the Credit Agreement; provided, that for the avoidance of doubt, prior to the Termination Date, the Series 2026 Bond shall not be extinguished by paying principal payments so long as the Credit Agreement is in effect as any amounts paid as or credited against payments of the principal of the Obligations may be reincurred pursuant to the terms of the Credit Agreement.

Notwithstanding anything herein to the contrary, in the event that any payment on or with respect to any of the Obligations or the Series 2026 Bond shall have been made by or on behalf of the City and, by reason of bankruptcy or other act of insolvency, such payment shall be deemed to be a preferential payment, and the owner of the Series 2026 Bond shall be required by a court of competent jurisdiction to surrender such payment, then any credit on the Series 2026 Bond which may have been given as a result of such payment shall be rescinded, and the amount owing on such Series 2026 Bond shall be calculated as if such payment shall not have been made.

Section 15.04. Form of Series 2026 Bonds. The Series 2026 Bonds and the certificate of authentication and registration to be executed thereon shall be in substantially the form set forth as Exhibit A hereto. The Series 2026 Bond designation letters and numbers, maturity dates, principal amount and interest rates shall be inserted therein in conformity with Section 15.03 hereof.

Section 15.05. Issuance of Series 2026 Bond. At any time after the execution and delivery of this Fifth Supplement, the City may execute and the Trustee shall authenticate and deliver the Series 2026 Bond in the maximum aggregate outstanding principal amount of up to $350,000,000 upon the order of the City. Prior to or simultaneously with the delivery of the Series 2026 Bond, there shall be filed with the Trustee an Opinion of Bond Counsel to the effect that the execution of this Fifth Supplement has been duly authorized, executed and delivered by the City in accordance with the Indenture, and the Series 2026 Bond when duly executed by the City and authenticated and delivered by the Trustee, will be valid and binding special limited obligations of the City.

Section 15.06. Redemption of Series 2026 Bond.

(A) The Series 2026 Bond shall be subject to redemption in whole or in part, upon ten (10) days' prior notice (or such shorter period as approved by the Lender), at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest thereon to the date of redemption, together with any prepayment or redemption premium, if any, as provided by the terms of the Credit

Agreement. The Series 2026 Bond shall be redeemed in an amount of any prepayment made by the City under Section 2.8 of the Credit Agreement without further notice. The City hereby directs that all amounts deposited in the Redemption Fund shall be used and withdrawn by the Trustee solely for the purpose of redeeming the Series 2026 Bond in the manner, at the times and upon the terms and conditions specified in the Credit Agreement.

(B) The Series 2026 Bond shall be subject to mandatory redemption if the aggregate principal amount of the unpaid Advances at any time exceeds the Commitment in an amount equal to such Overadvance. Such redemption shall be required to occur immediately.

(C) Any redemption of a portion of the Series 2026 Bond made by the City in accordance with the terms of the Credit Agreement and hereof shall extinguish the corresponding payment obligation of the City with respect to the Loans made by the Lender to the City under the Credit Agreement; provided, that for the avoidance of doubt, prior to the Termination Date, the Series 2026 Bond shall not be extinguished by paying principal payments so long as the Credit Agreement is in effect as any amounts paid as or credited against payments of the principal of the Obligations may be reincurred pursuant to the terms of the Credit Agreement.

Section 15.07. Transfer of the Series 2026 Bond.

(A) Subject the restrictions contained in paragraphs (B) of this Section 15.07 and in the Credit Agreement, the ownership of the Series 2026 Bond may be transferred, upon the register required to be kept pursuant to the provisions of 2.07 of the Indenture, by the Lender or such person in whose name it is hereafter registered, in person or by his duly authorized attorney, upon the delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. No transfer of Series 2026 Bond shall be effective until entered in the bond register.

(B) In addition to any sale or transfer restrictions set forth in the Credit Agreement, the Series 2026 Bond may be sold or otherwise transferred in whole or in part, in authorized denominations of $250,000 or integral multiples of $5,000 in excess thereof, (i) without limitation (subject to Section 15.07(A) hereof) to (1) an Affiliate (as defined in the Credit Agreement) of the Bank or (2) a trust or custodial arrangement established by the Lender or an Affiliate of the Lender, each of the beneficial owners of which are "qualified institutional buyers" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended, or "accredited investors" as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended, and subject to such other limitations as are set forth in the related Loan Agreement; or (ii) to another purchaser (other than an Affiliate of the Bank or a trust or custodial arrangement as described above) only if written notice of such sale or transfer, together with addresses and related information with respect to such purchaser, is delivered to the City and the Trustee by such transferor and that each such purchaser shall constitute and be a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended, or an "accredited investor" as defined in Rule 501 of Regulation D under the 1933 Act. The Series 2026 Bond shall contain a legend indicating that the transferability of such Series 2026 Bond is restricted as described herein.

Section 15.08. Payment of Advances. Advances shall be paid to the City pursuant to Section 2.2(b) of the Credit Agreement and the proceeds of such advances shall be held in the account of the City specified therein. Proceeds shall be applied by the City to finance capital expenditures of the Electric Utility and the City shall not be use the proceeds of such advances for any other purpose.

Section 15.09. Notices. (a) Any notices or consents required or permitted by this Fifth Supplement shall be in writing and shall be deemed given if delivered in person to the person listed below or if sent by telecopy or by nationally recognized overnight courier, as follows, unless such address is changed by written notice hereunder:

If to Lender to:	TD Public Finance, LLC One Vanderbilt Avenue, 14th Floor New York, NY 10017 Attention: **[_____]** Telephone: **[_____]** Email: **[_____]**
If to City to:	City of Santa Clara Finance Department 1500 Warburton Avenue Santa Clara, California 95050 Attention: Kenn Lee, Director of Finance Telephone: 408-615-2344 Email: KLeee@SantaClaraCA.gov
With copies to:	Finance Department 1500 Warburton Avenue Santa Clara, California 95050 Attention: Jensen Barna, Principal Financial Analyst Telephone: 408-615-2346 Email: JBarna@SantaClaraCA.gov

(b) Any notices required to given to the Trustee shall be given pursuant to Section 10.07 of the Indenture.

(c) Any notice sent by the Lender, or the City by any of the above methods shall be deemed to be given when so received.

(d) The Lender shall be fully entitled to rely upon any telecopy transmission or other writing purported to be sent by any Authorized City Representative as being genuine and authorized.

Section 15.10. Parties Interested Herein. Nothing in this Fifth Supplement expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City, the Trustee, the Lender and any other holder of the Series 2026 Bond, any right, remedy or claim under or by reason of this Fifth Supplement or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Fifth Supplement by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Trustee, the Lender and any other holder of the Series 2026 Bond.

Section 15.11. Severability. If any provision of this Fifth Supplement shall be determined to be unenforceable, that shall not affect any other provision of this Fifth Supplement.

Section 15.12. Governing Law. This Fifth Supplement shall be governed by and construed in accordance with the laws of the State of California.

Section 15.13. Terms of Series 2026 Bond Subject to the Indenture. Except as expressly provided in this Fifth Supplement, every term and condition contained in the Indenture shall apply to this Fifth Supplement and to the Series 2026 Bond with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Fifth Supplement.

This Fifth Supplement and all the terms and provisions herein contained shall form part of the Indenture as fully and with the same effect as if all such terms and provisions had been set forth in the Indenture. The Indenture is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby, subject to the next sentence.

Any Adjusted Net Revenues remaining in the Net Revenue Fund after the transfers described in Section 4.02(A) of the Indenture shall be held free and clear of the Indenture by the City unless an Event of Default under the Indenture has occurred, in which case, the terms of Section 6.02 of the Indenture shall control.

Section 15.14. Effective Date of Fifth Supplement. This Fifth Supplement shall take effect upon its execution and delivery.

Section 15.15. Execution in Counterparts. This Fifth Supplement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. This Fifth Supplement may be delivered by the exchange of signed signature pages by facsimile transmission or by attaching a PDF copy to an email, and any printed or copied version of any signature page so delivered will have the same force and effect as an originally signed version of such signature page.

IN WITNESS WHEREOF, the parties hereto have executed this Fifth Supplement by their officers thereunto duly authorized as of the day and year first written above.

CITY OF SANTA CLARA, CALIFORNIA,
a chartered California municipal corporation

APPROVED AS TO FORM:

GLEN R. GOOGINS
City Attorney

ATTEST:

NORA PIMENTEL, MMC
Assistant City Clerk

JŌVAN D. GROGAN
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Facsimile: (408) 241-6771

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.

By_____
Authorized Officer

EXHIBIT A

(FORM OF SERIES 2026 BOND)

THE TRANSFER OF THIS BOND IS RESTRICTED
AS SET FORTH IN THE HEREIN REFERENCED
FIFTH SUPPLEMENTAL INDENTURE

CITY OF SANTA CLARA, CALIFORNIA
ELECTRIC REVENUE BOND, SERIES 2026

Maturity Date	***Dated Date***	***Interest Rate Per Annum***
Termination Date	_____, 2026	As Described Below

PRINCIPAL AMOUNT: UP TO $350,000,000

The CITY OF SANTA CLARA, a municipal corporation and chartered city duly organized and existing under the Constitution and the laws of the State of California (the "City"), for value received, hereby promises to pay (but only out of the Adjusted Net Revenues and funds under the Indenture and as otherwise hereinafter referred to) to TD PUBLIC FINANCE LLC (the "Lender") or registered successors or assigns, (a) the principal sum of Three Hundred Fifty Million Dollars ($350,000,000) or, if less, the aggregate unpaid principal amount of all the Loans made by the Lender to the City from time to time pursuant to the Revolving Credit Agreement, dated as of ____, 2026 (together with any amendments, restatements, modifications or supplements thereto, the "Agreement") between the City and the Lender, payable on the Termination Date, and at such other times as are specified in the Agreement and (b) interest on the unpaid principal amount of all Loans made by the Lender, from the date of each Loan until such principal amount is paid in full, at the per annum interest rate (not to exceed the Maximum Rate), and payable on the first Business Day of each month (and on such other dates as provided in the Agreement), together with all other Obligations under the Agreement, in each case, and at such times and calculated in such manner, all as are specified in the Agreement, in immediately available lawful money of the United States of America.

The Series 2026 Bond (and the Obligations it evidences and secures) is subject to prepayment, and amounts prepaid prior to the last day of the Availability Period may be reborrowed, all pursuant to the terms and under the conditions of the Agreement. Reference is made to the Agreement for provisions as to the prepayment hereof and for reborrowing. Reference is made to the Agreement for provisions as to the redemption of this Series 2026 Bond prior to its maturity and for provisions providing for additional interest and other amounts to be payable under certain circumstances. The City promises to make all other payments owed by it under the Agreement in accordance with the terms of the Agreement.

Interest on this Series 2026 Bond shall be payable by The Bank of New York Mellon Trust Company, N.A., as trustee (together with any successor as trustee under the hereinafter mentioned Indenture, the "Trustee") only to the registered Owner hereof in immediately available funds (by wire transfer or by deposit to an account of the Owner, according to the instructions given by such Owner

to Trustee, or in the event no such instructions have been given, by check mailed on the Interest Payment Date by first-class mail to the Owner at such Owner's address as it appears as of the close of business on the last Business Day before the Interest Payment Date on the bond registration kept by the Trustee. The principal hereof (and premium, if any, due thereon) shall be paid on each due date therefor only to the registered Owner upon presentation and surrender of such Series 2026 Bond at the Corporate Trust Office of the Trustee; provided that so long as the Series 2026 Bond is held by a single Owner, principal installments made prior to the final maturity date will be noted by the Trustee in its official records but will not require the presentation and surrender of the Series 2026 Bonds.

The Lender agrees it will make notation on the schedule attached hereto on all Loans made by the Lender evidenced hereby and all principal payments, prepayments and redemption amounts paid by the City and of the date to which interest hereon has been paid; provided however, that the failure to make any such notation shall not limit or otherwise affect the obligation of the City hereunder with respect to the payment of principal of and interest on this Series 2026 Bond.

This bond is one of a duly authorized issue of City of Santa Clara, California Electric Revenue Bonds (the "Bonds") of the series and designation indicated on the face hereof, issued pursuant to an Amended and Restated Electric Revenue Bond Indenture, dated as of March 1, 2011, between the Trustee and the City, providing for the issuance of such Bonds. Said authorized issue of Bonds is not limited in aggregate principal amount, except as otherwise provided in said Amended and Restated Electric Revenue Bond Indenture, and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as in said Amended and Restated Electric Revenue Bond Indenture provided, all issued and to be issued pursuant to the provisions of the Bond Law (as defined in said Amended and Restated Electric Revenue Bond Indenture). This Bond is issued pursuant to such Amended and Restated Electric Revenue Bond Indenture, as supplemented and amended, including by the Fifth Supplemental Electric Revenue Bond Indenture, dated as of ____, 2026 (together with any amendments, restatements, modifications or supplements thereto, the "Fifth Supplement"), between the Trustee and the City, authorizing the issuance of the series of bonds of which this Bond is one, such series being referred to as the "Series 2026 Bond" (said Amended and Restated Electric Revenue Bond Indenture as supplemented and amended, including by the Fifth Supplement, and together with any further amendments, restatements, modifications or supplements thereto, being collectively referred to as the "Indenture"). Reference is hereby made to the Indenture and to the Bond Law for a description of the terms under which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the Adjusted Net Revenues (as that term is defined in the Indenture), and the rights of the registered owners of the Bonds; and all the terms of the Indenture and the Bond Law are hereby incorporated herein and constitute a contract between the City and the registered owner from time to time of this Bond, and to all the provisions thereof the registered owner of this Bond, by its acceptance hereof, consents and agrees. Additional Bonds and other Parity Debt (as defined in the Indenture) may be issued, and indebtedness may be incurred, on a parity with the Bonds of this authorized issue, subject to the terms and conditions contained in the Indenture.

The Bonds (including this Series 2026 Bond) and the interest thereon (to the extent set forth in the Indenture), together with the Parity Debt heretofore or hereafter issued or incurred by the City, and the interest thereon, are payable from, and are secured by a charge and lien on, the Adjusted Net Revenues (as more particularly defined in the Indenture). All of the Bonds (including this Series 2026 Bonds) and Parity Debt are equally secured by a pledge of, and charge and lien upon, all of the Adjusted Net Revenues, and the Adjusted Net Revenues constitute a trust fund for the security and payment of the interest on and principal of the Bonds; but nevertheless out of Adjusted Net Revenues certain amounts may be applied for other purposes as provided in the Indenture.

The Bonds are limited obligations of the City and are payable, both as to principal and interest, and as to any premiums upon the redemption thereof, out of the Adjusted Net Revenues and certain funds held under the Indenture. The general fund of the City is not liable, and the credit or taxing power of the City is not pledged, for the payment of the Bonds or the interest thereon. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the City or any of its income or receipts, except the Adjusted Net Revenues and said funds held under the Indenture. No registered owner of this Bond shall ever have the right to compel any exercise of the taxing power of the City to pay this Bond or the interest hereon.

Subject to the restrictions contained in the Fifth Supplement, this Bond may be transferred upon the register required to be kept by the Trustee pursuant to the Indenture by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of this Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee, subject to the limitations and upon payment of the charges provided in the Indenture. This Bond may be exchanged at the corporate trust office of the Trustee in Los Angeles, California, or such other or additional office as may be designated by the Trustee, for a like aggregate principal amount of Bonds of other authorized denominations of the same series, tenor, maturity and interest rate but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture.

The City, the Trustee and any paying agent may deem and treat the registered owner hereof as the absolute owner hereof for all purposes, and the City, the Trustee and any paying agent shall not be affected by any notice to the contrary.

The rights and obligations of the City and of the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of the Bonds.

In the event of any conflict or inconsistency between the terms and provisions of this Series 2026 Bond and the terms and provisions of the Indenture, the terms and provisions of the Indenture shall control.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, do exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this Bond, together with all other indebtedness of the City pertaining to the Adjusted Net Revenues, is within every debt and other limit prescribed by the Constitution and the statutes of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture or the Bond Law.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture or if not defined therein, in the Agreement.

IN WITNESS WHEREOF, THE CITY OF SANTA CLARA has caused this Bond to be executed in its name and on its behalf by the Mayor of the City and countersigned by the Assistant City Clerk, and this Bond to be dated as of the _____ day of _____, 2026.

CITY OF SANTA CLARA

By:_____
Mayor

Attested:

By:_____
Nora Pimentel, MMC
Assistant City Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION
AND REGISTRATION]

This is one of the Bonds described in the within mentioned Indenture and registered on the date set forth below.

Dated: _____, 2026

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By:_____
Authorized Signatory

[FORM OF ASSIGNMENT]

For value received _____ hereby sell, assign and transfer unto _____ the within Bond and hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the City at the office of the Trustee, with full power of substitution in the premises.

_____

NOTE: The signature to this Assignment must correspond with the name on the face of the within registered bond in every particular, without alteration or enlargement or any change whatsoever.

Dated:_____

Signature Guaranteed by:

_____

NOTE: Signature must be guaranteed by an eligible guarantor institution.

SCHEDULE FOR SERIES 2026 BOND
DATED _____, 2026 BY THE
CITY OF SANTA CLARA TO
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A

DATE OF LOAN	AMOUNT OF LOAN	MATURITY OF LOAN	DATES OF PRINCIPAL PAYMENT BY CITY	AMOUNT OF CITY PRINCIPAL PAYMENT	DATE OF TRANSFER	TRANSFEREE	NAME AND SIGNATURE OF LENDER OFFICER

26-507 Agenda Date: 7/7/2026

REPORT TO COUNCIL

SUBJECT

Public Hearing: Action to Waive First Reading and, Introduce an Ordinance Granting a Non-Exclusive Franchise to LS Power Grid California, LLC for the Power the South Bay and Power the Valley Connector Projects, and Adopt a Resolution Related to the Power the South Bay Project Environmental Impact Report.

BACKGROUND

Electric transmission line upgrades are essential for ensuring reliable and sufficient electricity supply for Santa Clara and the greater Bay Area. With electricity usage growing, the electrical grid requires increased capacity to help ensure reliable electric service. The California Independent System Operator (CAISO) is a non-profit operator that oversees the operation of California's bulk electric power system, transmission lines, and electricity market generated and transmitted by its member utilities.

Power the South Bay Project: In 2023, CAISO selected LS Power Grid California, LLC (LS Power) to develop, construct, and operate the Power the South Bay Project, which will install a 12-mile high-voltage electric transmission line that will connect the existing Pacific Gas and Electric (PG&E) Newark substation in Fremont, through San Jose, and to the existing Silicon Valley Power (SVP) owned Northern Receiving Station (NRS) substation in Santa Clara (Attachment 1). The Power the South Bay Project is designed as a 230 kilovolt (kV) alternating current (AC) transmission line and will be a combination of overhead and underground systems. In Santa Clara, the project will install an underground electric transmission line along Lafayette Street.

Power the Valley Connector Project: In April 2026, CAISO selected LS Power to develop, construct, and operate the Power the Valley Connector Project, which will install a 7-mile high-voltage electric transmission line between the NRS Substation and PG&E's San Jose B Substation near downtown San Jose (Attachment 2). The Power the Valley Connector Project is currently designed as a 230 kilovolt (kV) alternating current (AC) underground transmission system. In Santa Clara, the project is currently shown to be installed along Lafayette Street, Agnew Road, and Montague Expressway. This alignment is preliminary and coordination with the Department of Public Works (DPW) and SVP has just begun.

Under Santa Clara City Code (SCCC) Chapter 5.20, a franchise grant, implemented through a franchise agreement approved by the City Council, is required to authorize LS Power to install, operate, and maintain transmission lines within the public right-of-way. Granting a franchise to LS Power would authorize the company to install and maintain transmission lines within the City for the Power the South Bay Project and Power the Valley Connector Project (LS Power Projects) and future projects, subject to the terms and conditions of any required encroachment permits.

Since spring 2023, DPW has been coordinating with LS Power and SVP on the future installation and alignment of the Power the South Bay Project's proposed underground electric line and vaults within Lafayette Street. In April 2026, LS Power submitted an application to the City to grant LS Power a non-exclusive franchise to install, construct, maintain, and operate underground electric transmission lines in Santa Clara. They have already entered into non-exclusive franchise agreements with both the City of Fremont and City of San Jose. LS Power indicated their strong desire to begin construction of the Power the South Bay Project in July/August 2026 to have the system operational in June 2028 per CAISO's deadline. For the Power the Valley Connector Project, a preliminary alignment has been identified and coordination with the City and SVP has just begun. CAISO's deadline to complete the Power the Valley Connector Project is June 2030.

DISCUSSION

Procedure to Grant an Electric Franchise: Chapter 5.20 of the SCCC sets forth the procedures applicable for the granting of franchises, including electric franchises. A grant of franchise authorizes companies to use public property, such as streets, sidewalks, or public right-of-way to install and maintain facilities in order to provide specific services. To grant a non-exclusive franchise for the LS Power Projects and support their completion deadline schedules, the following steps are necessary on the dates listed:

- June 9, 2026: Council adopted Resolution No. 26-9568 (Attachment 3) to set a public hearing on July 7, 2026 for the proposed non-exclusive franchise to LS Power.
- July 7, 2026: Council to hold a public hearing on the proposed franchise to LS Power and introduce a proposed ordinance granting a franchise to LS Power.
- July 14, 2026: Council to adopt an ordinance granting a franchise to LS Power.
- August 13, 2026: Ordinance granting a non-exclusive franchise to LS Power takes effect (30 days after Council adopts the ordinance).

Proposed Franchise Terms: The proposed non-exclusive franchise with LS Power presented to the Council at the public hearing will include the following key terms:

- The City grants LS Power Grid California, LLC, a non-exclusive franchise to construct, operate, maintain, relocate and remove electric transmission facilities within City right-of-way.
- Above-ground facilities are not authorized under the franchise and would require separate approval.
- LS Power will pay the City an annual fee of 2.3% of the Santa Clara portion of its gross revenue on an annual basis.
- The term of the franchise will be 10 years with automatic renewals for successive 10-year terms up to 40 years.
- Prior to construction of the LS Power Projects, LS Power will obtain Public Works encroachment permits to install their facilities in the public right-of-way.
- If this franchise expires, is revoked, or is terminated, LS Power will remove all of their facilities in the public right-of-way upon written notice from the City.
- LS Power will maintain their facilities in a good workman-like manner including the pavement and trench that contains their facilities in the public right-of-way.
- The City will retain the right to require that LS Power relocate their facilities for any public City project, including, but not limited to, the construction, repair, relocation, or new installation of any above-ground or underground City facility, utility, storm drain, sewer, waterline, or roadway

improvement.
- LS Power will indemnify the City, post $200,000 in faithful performance security, and will also provide adequate insurance throughout the duration of the franchise.
- LS Power must file a written acceptance of the ordinance terms with the City Clerk within 90 days after adoption, or the franchise becomes null and void.
- Upon request, LS Power must provide the City Engineer an annual certificate under penalty of perjury stating that it has complied in all material respects with applicable law, or identifying any known non-compliance.
- If LS Power causes a release of contaminants or an environmental condition, it must promptly perform required remediation at its sole cost and reimburse the City for remediation costs if the City must act.
- In addition to the franchise fee, LS Power must reimburse the City for its actual and administrative costs related to development, approval, administration, implementation, and enforcement of the franchise, including CEQA-related work and publication costs.

If a franchise is granted by the City, construction of the Power the South Bay Project is expected to begin in Summer 2026 (after the 2026 FIFA World cup matches in Santa Clara) and tentatively complete by Summer 2028. The terms of the franchise do not address the terms of interconnection with SVP which will be handled through a separate agreement.

Resolution Adopting the Final Environmental Impact Report: As a responsible agency under CEQA and pursuant to Sections 15091 and 15096 of the California Code of Regulations, the City of Santa Clara shall consider the Power the South Bay Project's Environmental Impact Report (EIR) and adopt findings related to the City's actions (i.e. issuance of encroachment permits) necessary for completion of the Power the South Bay Project. Staff have reviewed the Power the South Bay Project Final EIR and have determined that the information and analyses contained in it are adequate for the City's use as a decision-making body related to its actions necessary to implement the Project within its jurisdiction. Consequently, staff recommend the adoption of a resolution adopting the findings of the Final EIR for the Power the South Bay Project (Attachment 5). The environmental process for the Power the Valley Connector Project has not been completed yet as the final transmission line alignment is still being developed.

ENVIRONMENTAL REVIEW

The California Public Utilities Commission (CPUC) is the lead agency for the Power the South Bay Project. The CPUC prepared a Final Environmental Impact Report (FEIR) for the Project in accordance with the California Environmental Quality Act. The CPUC granted LS Power Grid California a Certificate of Public Convenience and Necessity (CPCN) and certified the FEIR on March 19, 2026.

The FEIR and Mitigation Monitoring, Compliance, and Reporting Program (MMCRP) are posted on the CPUC's website at https://ia.cpuc.ca.gov/environment/info/esa/psb/index.html.

FISCAL IMPACT

LS Power Grid California will pay the City an annual fee of 2.3% of the Santa Clara portion of its gross revenue on an annual basis, with the first year franchise payment expected to be approximately $175,000. The proposed 2.3% franchise fee was negotiated by the parties, is consistent with the rates charged by San Jose and Fremont, and reflects the fair and reasonable

value of the franchise rights being granted.

There is no additional cost to the City, as LS Power will reimburse the City for staff time and expenses necessary to develop, approve, administer, implement, and enforce the franchise.

COORDINATION

This report has been coordinated with Silicon Valley Power, the City Manager's Office, and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

A Notice of the Public Hearing for the July 7, 2026, City Council meeting regarding this item was published in the Santa Clara Weekly. Additionally, notices of the public hearing were posted in the vicinity of the project site and mailed to neighboring properties.

RECOMMENDATION

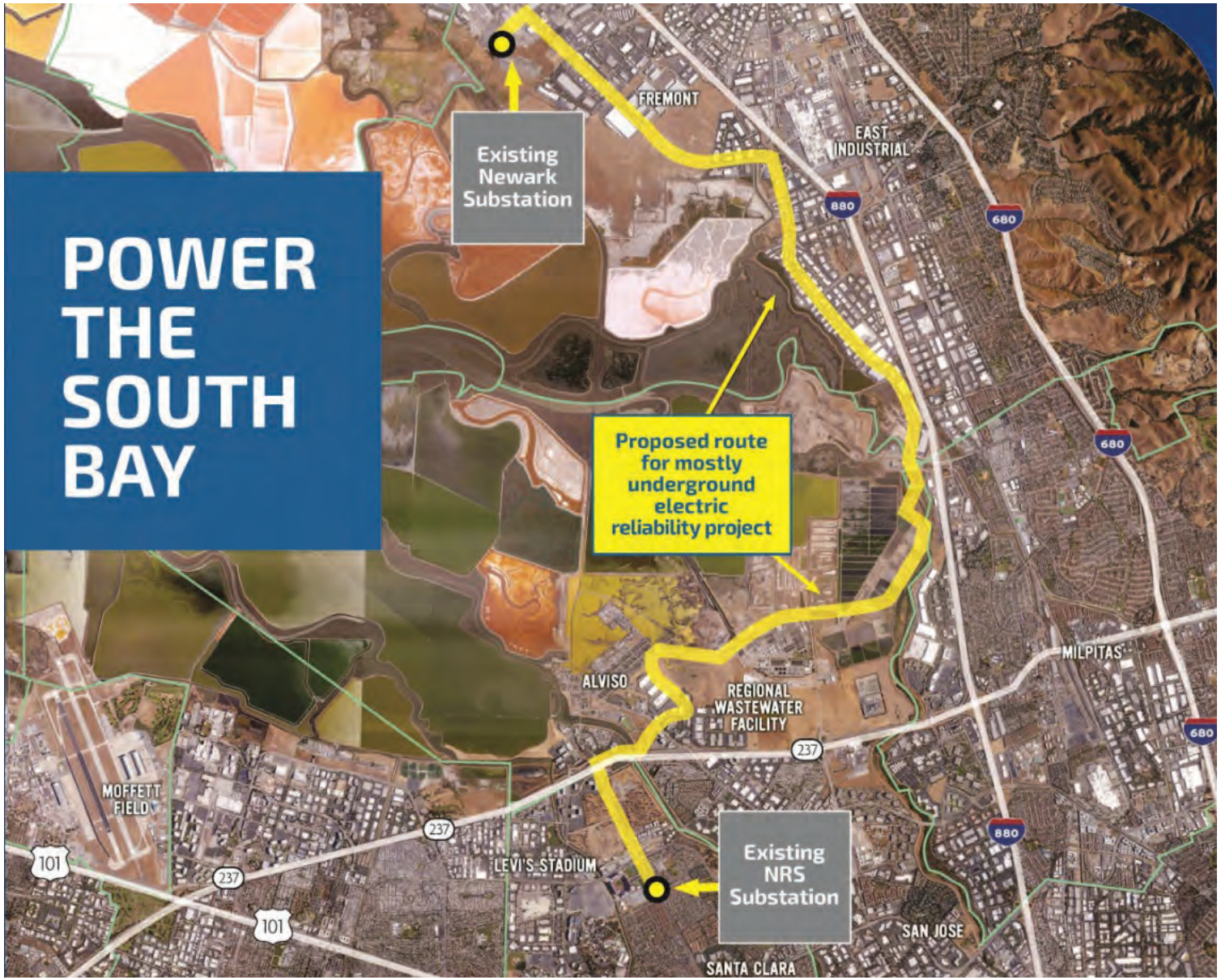
1. Adopt a resolution (1) adopting the Power the South Bay Project Environmental Impact Report, prepared by the California Public Utilities Commission (A.24-05-014; SCH NO. 2024071095); (2) making certain findings as the responsible agency for purposes of and pursuant to the provisions of the California Environmental Quality Act of 1970; and (3) adopting a related Mitigation Monitoring and Reporting Program and Construction Impact Mitigation Plan, in connection with the approval of discretionary actions by the city necessary for the construction and operation of the Power the South Bay Project; and
2. Hold a public hearing, waive first reading, and approve introduction of an ordinance granting a non-exclusive franchise to LS Power Grid California, LLC on terms and conditions set forth in the ordinance for the Power the South Bay and Power the Valley Connector Projects for the purpose of transmitting electric service in the City's public rights-of-way.

Reviewed by: Craig Mobeck, Director of Public Works
Approved by: Jovan Grogan, City Manager

ATTACHMENTS

1. Power the South Bay Project Location Map
2. Power the Valley Connector Project Location Map
3. Resolution No. 26-9568
4. Ordinance
5. Resolution Adopting the Findings of the EIR for the Power the South Bay Project

POWER THE SOUTH BAY PROJECT LOCATION MAP





Newark - Northern Receiving Station HVDC Project

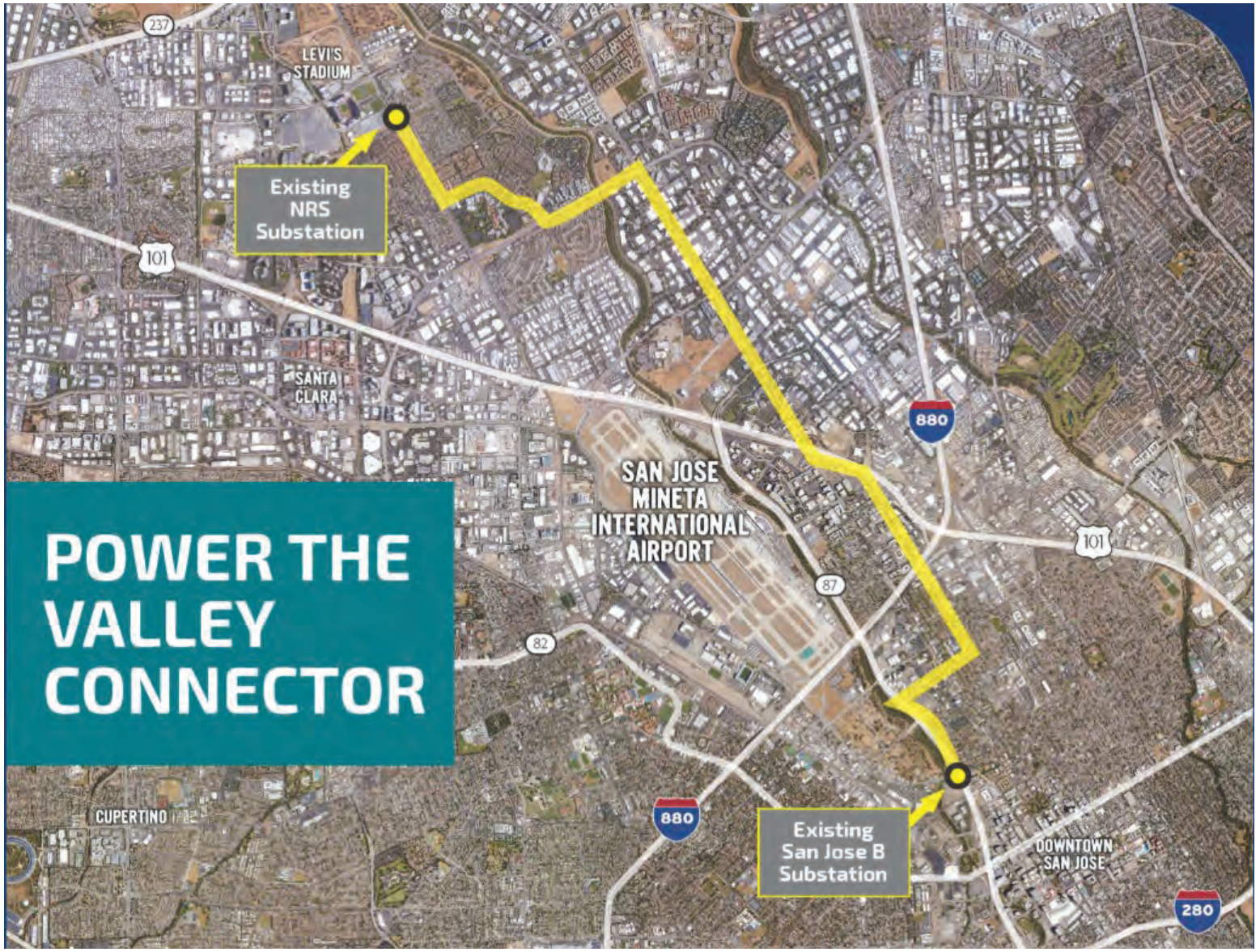
Overview Map

Legend

- Existing Substation
- Preliminary New Project Terminal
- Preliminary Preferred Underground Cable Route (230kV HVAC)
- Preliminary Preferred Overhead Transmission Line Route (230kV HVAC)
- Preliminary Preferred Underground Cable Route (320kV HVDC)
- Preliminary Preferred Overhead Transmission Line Route (320kV HVDC)

N 0 0.5 1 Miles

POWER THE VALEY CONNECTOR PROJECT LOCATION MAP



RESOLUTION NO. 26-9568

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA, DECLARING ITS INTENT TO GRANT A NONEXCLUSIVE ELECTRIC FRANCHISE TO LS POWER GRID CALIFORNIA LLC, SETTING A PUBLIC HEARING FOR JULY 7, 2026, AND DIRECTING THE CITY CLERK TO PUBLISH NOTICE OF THE PUBLIC HEARING

WHEREAS, under Chapter 5.20 of the Santa Clara Municipal Code the City of Santa Clara ("City") is empowered to grant electric franchises by ordinance to any person to use, or to construct and use, poles, wires, conduits, and appurtenances for transmitting and distributing electricity for any purpose;

WHEREAS, LS Power Grid California, LLC (the "Applicant"), has submitted an application to the City Council for a non-exclusive, 10-year electric franchise to install, construct, maintain and operate underground pipes and transmission facilities and appurtenances, to transmit high-voltage electricity and provide electric interconnections, within the City of Santa Clara's ("City") public rights-of-way;

WHEREAS, The Applicant has been selected by the California Independent System Operator ("CAISO") (a non-profit public benefit corporation that operates a competitive wholesale electricity market and manages the majority of California's wholesale electric power grid), to develop, construct, and operate two high-voltage direct current transmission line projects to improve electric reliability in the South Bay – the "Power the South Bay Project" and the "Power the Valley Connector Project";

WHEREAS, the Applicant's franchise application is part of the Power the South Bay Project and Power the Valley Connector Projects approved by CAISO and will result in infrastructure upgrades that are essential for ensuring a reliable and sufficient electricity supply for the City and the South Bay; and

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WHEREAS, Applicant has agreed to pay the required franchise fee for the duration of the franchise, to reimburse the City for costs for application review, permit issuance, inspections and approvals, and to coordinate future joint projects with the City that support clean and renewable energy initiatives.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That The City Council hereby declares its intention to grant an electric franchise to Applicant LS Power Grid California, LLC to operate within the City for a term of 10 years for the purpose of transmitting electric service in the City's public rights-of-way.

2. NOTICE IS HEREBY GIVEN that on July 7, 2026, at the hour of 7 p.m. or as soon thereafter as the matter may be heard, in the City Council Chambers of the City of Santa Clara, 1500 Warburton Ave, Santa Clara, California, is fixed as the time and place or a public hearing to hear any objections to the granting of the franchise.

3. The City Clerk is hereby directed to give notice of the above-mentioned public hearing pursuant to Chapter 5.20.050 of the Santa Clara Municipal Code, by publication.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 9TH DAY OF JUNE, 2026, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Chahal, Cox, Gonzalez, Hardy, Jain, and Park, and Mayor Gillmor
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: _____
NORA PIMENTEL
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SANTA CLARA, CALIFORNIA, GRANTING LS POWER GRID CALIFORNIA, LLC, A NON-EXCLUSIVE FRANCHISE TO CONSTRUCT, INSTALL, LAY, USE, MAINTAIN, OPERATE, REPAIR, IMPROVE, RENEW, RELOCATE AND REMOVE TRANSMISSION LINES AND APPURTENANCES FOR THE PURPOSE OF TRANSMITTING ELECTRICITY IN, ALONG, ACROSS, UPON, AND UNDER CERTAIN PUBLIC STREETS AND RIGHTS-OF-WAY WITHIN THE CITY OF SANTA CLARA

WHEREAS, Chapter 5.20 of the Santa Clara Municipal Code sets forth the procedures applicable to City of Santa Clara ("City") for granting of gas and electric franchises by the City, including the procedure by which the City may grant a franchise to construct or use poles, wires, conduits, and appurtenances for transmitting and distributing electricity for any purpose;

WHEREAS, pursuant to Resolution No. 26-9568, the City declared its intention to grant the franchise pursuant to this Ordinance and notice thereof was published as required by Chapter 5.20.050 of the Santa Clara Municipal Code;

WHEREAS, on or around April 10, 2026, LS Power Grid California, LLC, a Delaware limited liability company ("Franchisee"), submitted an application to the City pursuant to Section 5.20.040 of the Santa Clara Municipal Code requesting that it be granted an electric franchise;

WHEREAS, Franchisee has agreed to pay annual compensation to the City (as provided in **Section 32** below) and reimburse the City for the reasonable costs incurred by the City in relation to the preparation of this Ordinance and the review and inspection of the electric transmission facilities;

WHEREAS, pursuant to the terms and conditions contained in this Ordinance, Franchisee

may construct and operate its electric transmission facilities and related appurtenances within the City;

WHEREAS, the California Public Utilities Commission ("CPUC") is the lead agency under the California Environmental Quality Act of 1970 ("CEQA") and the City Council is the decision-making body for authorization of the Franchise under this Ordinance; and

WHEREAS, the City Council adopted a resolution (1) adopting the Power the South Bay Project Environmental Impact Report prepared by the CPUC (A.24-05-014; SCH NO. 2024071095), (2) making certain findings as the Responsible Agency for purposes of and pursuant to the provisions of CEQA, and (3) adopting a related Mitigation Monitoring and Reporting Program and Construction Impact Mitigation Plan, in connection with the approval of discretionary actions by the City necessary for the construction and operation of the Power the South Bay Project;

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF SANTA CLARA AS FOLLOWS:

SECTION 1. Definitions.

The definitions set forth in this Ordinance shall govern the application and interpretation of this Ordinance.

A. "Actual Costs" means the direct costs associated with purchasing materials and services and paying personnel.

B. "Administrative Costs" means the City's expenses for staff, equipment, supplies, and overhead associated with the administration, implementation, and enforcement of this Ordinance.

C. "Applicable Law" means all present or future federal, state, municipal, or local laws, rules, regulations, ordinances, codes, orders, permit requirements, judgments, injunctions, or decrees, and any judgement, order, or decree of any court applicable to the Franchisee or any of its Facilities or activities.

D. "City" means the City of Santa Clara, California.

E. “City Clerk” means the City Clerk of the City.

F. “City Council” means the City Council of the City of Santa Clara.

G. “City Engineer” means the City Engineer of the City.

H. “City Manager” means the City Manager of the City.

I. “City Property” means the property or facilities owned by the City.

J. “Claims” means all claims, losses, liabilities, causes of action, demands, damages, suits, judgments, debts, costs, expenses (including, but not limited to, attorney's fees and costs), fines, penalties, judgments, orders, injunctions, and liens of every kind and nature, including, but not limited to, claims relating to any Environmental Condition or any Release of any Contaminant, claims for inverse condemnation, claims for personal or bodily injury, wrongful death, injury to real or personal property, natural resources damages, and including claims based on active or passive negligence, gross negligence, contractual, statutory, or strict liability, or otherwise, and any claims seeking judicial or administrative relief, or relating to any administrative proceedings by any governmental agency, whether or not any such claim is ultimately defeated.

K. “Code” means the Santa Clara Municipal Code.

L. “Contaminant” means any material, substance, or constituent originating from the Facilities or from Franchisee’s activities, whether solid, liquid, semi-solid, or gaseous in nature, including any hazardous substance or waste, hazardous material, chemical compound, petroleum (or fraction thereof), or any hydrocarbon substance, pollutant, or contaminant, as those terms are defined by any federal, state, or local law, rule, regulation, or order.

M. “Day” means calendar day unless otherwise provided.

N. “Department” means the Department of Public Works of the City.

O. “Encroachment Ordinance” means Chapter 12.25 of Title 12 of the Code, or any successor ordinance or Code sections adopted by the City.

P. “Environmental Condition” means the presence or evidence of the likely presence of any Contaminant in violation of Applicable Law and originating from the Facility or from Franchisee's activities, in surface water, groundwater, drinking water supply, soil, land surface, subsurface strata, or the air.

Q. “Facility” or “Facilities” means all property owned, controlled, or used by the Franchisee that are located in or on the Street pursuant to the Franchise, including, but not limited to, electric transmission lines and grounding cables to collect and transmit electrical energy and such additional communications or other utility lines, cables, conduits,

duct bank, wires, meters, monitoring equipment, boxes, or vaults, and other necessary and convenient equipment and appurtenances common in the transmission of electricity, whether installed by the Franchisee or not, erected, constructed, laid, operated, or maintained in, upon, over, under, along, or across any Street pursuant to any right or privilege granted by the Franchise.

R. "Fire Chief" means the Fire Chief of the City.

S. "Franchise" means the rights granted to Franchisee as described in **Section 2** of this Ordinance.

T. "Franchisee" means LS Power Grid California, LLC, a Delaware limited liability company, or any Person to whom the Franchise is lawfully assigned, and any Person acting on behalf of the Franchisee, including its officers, employees, agents, consultants, and contractors.

U. "Franchise Fee" means the fee described in **Section 32** of this Ordinance.

V. "Ordinance" means this Ordinance granting the Franchise to Franchisee, unless some other ordinance is mentioned.

W. "Person" means any individual, person, firm, partnership, or corporation.

X. "Public Entity" means a county, city, district, local public body, state board, state commission, federal agency, or joint powers authority. Public Entity does not include any investor or other privately owned public utility.

Y. "Release" means any "release" (as that term is defined in 42 U.S.C. § 9601(22)), or "disposal" (as that term is defined in 42 U.S.C. § 6903(3)), or any discharge, active or passive migration, deposit, storage, burial, emplacement, seepage, filtration, or disposal of a Contaminant into the environment originating from any Facility or from Franchisee's activities.

Z. "Remedial Work" means all "Remedial Action" (as that term is defined in 42 U.S.C. § 9601(24)), and all other actions as are necessary or required to remediate a Release of any Contaminant or an Environmental Condition to a condition which would allow unimpaired and unrestricted use and development and would comply with Applicable Law, and including, but not limited to, all actions necessary to "Remove," "Remedy," or "Respond" (as those terms are defined in 42 U.S.C. § 9601(23), (24), and (25), respectively), a Release of a Contaminant or Environmental Condition.

AA. "Remediation Costs" means all Actual Costs and Administrative Costs incurred by the City, whether in house or by contract, in performing and monitoring any Remedial Work.

BB. "Shall" is mandatory; "may" is permissive.

CC. “Street” means any public street, road, highway, alley, lane, court, right-of-way, property, place, or other public easement, which now exists or may hereafter exist in the City and over which the City has the authority to grant a Franchise.

SECTION 2. Scope of Franchise

A. The City Council hereby grants Franchisee, in accordance with the terms hereof, the right to construct, install, lay, use, maintain, operate, repair, improve, renew, relocate, and remove the Facilities in connection with the transmission of electricity necessary or convenient for the exercise of the Franchise in, along, across, upon, and under the Streets within the City.

B. Franchisee shall have no recourse whatsoever against the City or any official, officer, employee, or agent thereof for any loss, cost, expense, or damage arising out of any provision or requirement of this Franchise or the enforcement thereof. No privilege or exemption is granted or conferred by this Franchise except those specifically prescribed herein.

C. The following rules shall apply to the construction of this Ordinance unless the context requires otherwise: (i) the singular includes the plural, and the plural includes the singular; (ii) words imparting any gender include the other gender; (iii) references to statutes are to be construed as including all statutory provisions consolidating and amending, and all regulations promulgated pursuant to, such statutes; (iv) references to “writing” include printing, photocopy, typing, lithography, and other means of reproducing words in a tangible visible form; (v) the words “including,” “includes,” and “include” shall be deemed to be followed by the words “without limitation”; (vi) references to the introductory paragraph, recitals, articles, sections (clauses or subdivisions of sections), exhibits, appendices, annexes, or schedules are to those of this Ordinance unless otherwise indicated; (vii) references to agreements and other contractual modifications shall be deemed to include all subsequent amendments or other modifications to said instruments, but only to the extent such amendments or other modifications are permitted or not prohibited by the terms of this Ordinance; (viii) section headings in this Ordinance are included herein for convenience of reference only and shall not constitute a part of this Ordinance for any other purpose; (ix) references to Persons include their respective permitted successors and assigns and, in the case of governmental Persons, Persons succeeding to their respective functions and capacities; and (x) in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including,” and the words “to” and “until” each means “to but excluding.”

SECTION 3. [Reserved]

SECTION 4. Location of Facilities

Upon the completion of the construction of the Facilities, Franchisee shall provide the City Engineer with the "as-built" plans and specifications as required by **Section 16.B** of this Ordinance identifying the actual location of the Facilities. Franchisee shall simultaneously provide the City Engineer with a map depicting the actual location of the Facilities for the City Engineer's review.

SECTION 5. Above Ground Facilities

Nothing in this Ordinance shall be construed to permit the Franchisee to construct poles or other Facilities above ground in or along the Streets, unless approval is obtained pursuant to Applicable Law.

SECTION 6. Nonexclusive Franchise

The granting of this Franchise shall not prevent the City from granting any similar franchise to any Person other than the Franchisee.

SECTION 7. Acceptance of Franchise

The Franchisee shall, within ninety (90) days after the adoption of this Ordinance, file with the City Clerk a written acceptance of the terms and conditions of this Ordinance. The Franchise shall be null and void if the written acceptance is not filed within the prescribed time.

SECTION 8. Term

A. The initial term of the Franchise shall be ten (10) years from the effective date of this Ordinance. The effective date of this Ordinance shall be at such time as described in **Section 33** of this Ordinance.

B. At the expiration of the initial term, the Franchise shall automatically renew for successive ten (10) year terms as long as the Facilities continue to be in use providing utility service. No less than one hundred eighty (180) days prior to the expiration of a term, the parties hereto shall commence review of the compensation hereunder and amend **Section 32** as appropriate to reflect the then prevailing valuation of the Franchise. If the parties are unable to agree upon such amendment prior to the expiration of the term, the Franchise shall automatically renew and Franchisee shall continue to pay the Franchise Fee at the rate applicable during the immediately preceding term until such time as the parties reach agreement on the updated compensation structure for the new term and an amendment is executed in respect of the same. Upon reaching agreement on the updated compensation structure and executing such amendment:

(i) if the updated compensation structure results in higher Franchise Fees than were paid by Franchisee during the period between commencement of the new term and the date of the executed amendment, Franchisee shall pay to the City the difference between (a) the amounts actually paid and (b) the amounts that would have been due under the updated compensation structure, within sixty (60) days after the amendment becomes effective; or

(ii) if the updated compensation structure results in lower Franchise Fees than were paid by Franchisee during the period between the commencement of the new term and the date the amendment becomes effective, the City shall credit the difference between (a) the amounts actually paid and (b) the amounts that would have been due under the updated compensation structure, against Franchisee's Franchise Fee obligations in subsequent payment periods until such overpayment amount has been fully applied.

SECTION 9. Forfeiture

The Franchise is granted and shall be held and enjoyed upon each and every condition contained in this Ordinance. The Franchise shall grant only those rights that are stated in plain and unambiguous terms. Failure or refusal to comply with any of the conditions of the Franchise, including the failure to comply with all Applicable Law, shall constitute grounds for the suspension or forfeiture of the Franchise subject to the terms and conditions of this Ordinance. The City Council, prior to any suspension or forfeiture of the Franchise, shall give to the Franchisee (in accordance with **Section 18** hereinafter) and any Mortgagee (in accordance with **Section 12** below) not less than ninety (90) days' notice (or such longer period of time as is reasonably necessary to cure the applicable default) in writing of any default thereunder. If the Franchisee does not, within ten (10) business days of receiving the written notice, begin the work of compliance or after such beginning does not prosecute the work with due diligence to completion, the City Council may hold a hearing, at which the Franchisee shall have the right to appear and be heard, and thereupon, but subject to **Section 12** below, the City Council may determine, in its sole discretion, whether such conditions are material and essential to the Franchise and whether the Franchisee is in default with respect thereto and may declare the Franchise suspended or forfeited, or whether the City Council will impose additional conditions on the Franchisee as an alternative to suspension or forfeiture. Notice of said hearing shall be given to the Franchisee and any Mortgagee required under **Section 12** below by certified mail not less than ten (10) business days before said hearing.

SECTION 10. State Highways

If any Street or portion thereof becomes a state highway, except for such rights as by law remain with the City, the State of California shall succeed to all rights reserved to the City by the Franchise. This **Section 10** does not apply to any change of location in a state highway for a temporary purpose.

SECTION 11. Eminent Domain

The Franchise granted hereunder shall not in any way to any extent impair or affect any right of the City to acquire the property of the Franchisee hereof either by purchase or through the exercise of the right of eminent domain, and nothing herein contained shall be construed to contract away or to modify or abridge, either for a term or in perpetuity, the City's or the Franchisee's rights of eminent domain before any court or other public authority in any proceeding of any character. Notwithstanding the foregoing or anything contained in the Franchise granted hereunder, all Facilities shall remain the personal property of Franchisee, removable by Franchisee at any time during the term of the Franchise (subject to **Section 20** hereinafter).

SECTION 12. Assignment

A. The Franchisee shall not sell, transfer, assign or lease the Franchise or any part thereof without the prior written consent of the City Council, which consent shall not be unreasonably withheld, conditioned or delayed. The Franchisee shall not allow another Person or entity (except the Franchisee's affiliates and contractors and other California electric utility companies adequately experienced and credentialed to operate the Facilities) to operate the Facilities subject to the Franchise, except with the prior written consent of the City Manager, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Franchisee may hypothecate the Franchise and/or Facilities without such consent and, in the event of foreclosure, a secured party or agent thereof (a “Mortgagee”) may be assigned the Franchise and/or Facilities provided that: (a) the Facilities within the Streets are properly maintained; (b) the Mortgagee agrees in writing to be bound by the terms of the Franchise and not to further assign the Franchise without the consent of the City Manager; and (c) the Mortgagee pays to the City the required administrative fee to process the assignment. In no event shall Franchisee have the right to encumber, in any manner whatsoever, City's fee or other underlying ownership interest in the Streets subject to the Franchise.

B. Upon delivery to the City of notice of its name and address, and for as long as the lien of the Mortgagee exists, such Mortgagee shall be entitled to the following protections:

1. The City and Franchisee will not modify or terminate this Franchise without the prior written consent of the Mortgagee which consent will not be unreasonably withheld, conditioned or delayed.

2. Mortgagee shall have the right to do any act or thing required to be performed by Franchisee under this Franchise and any such act or thing shall be as effective to cure any default under this Franchise as if done by Franchisee itself.

3. To the extent Franchisee’s failure to perform under this Franchise results in the City being afforded the right to terminate this Franchise pursuant to the terms hereof (each a "Default"), then the City will not terminate this Franchise unless it has first given notice of such uncured Default

and its intent to terminate to Mortgagee and has given Mortgagee the same period after receipt of a written notice of Default to cure the Default as is given to Franchisee plus at least thirty (30) additional days to cure the Default to prevent such termination of this Franchise.

4. In the case of any termination of this Franchise, the City shall, upon written request of Mortgagee, made within sixty (60) days after such notice to Mortgagee, enter into a new franchise agreement with Mortgagee, or its designee, within twenty (20) days after receipt of such request. Such new franchise agreement shall be effective as of the date of the termination of this Franchise and shall be on the same terms and conditions of this Franchise.

C. All of the limitations, uses, obligations, covenants, restrictions, permissions, and conditions stated herein shall run with the terms of this Franchise and shall be binding on all parties having or acquiring any right, title, or interest in the Franchise, and shall inure to the benefit of and be binding upon each lawful successor in interest of the owners thereof. Each and all these limitations, uses, obligations, covenants, conditions, permissions, and restrictions shall be deemed to be and shall be construed, as equitable servitudes, enforceable by the City against any other owner, contractor, subcontractor, or supplier of Franchisee and by Franchisee against the City.

D. Nothing in this Ordinance shall be construed as a waiver of the City's rights or remedies pursuant to the Franchise Act of 1937, as amended, or any other Applicable Law.

SECTION 13. City Officers

Any right or power conferred, or duty imposed upon any officer, employee, or department of the City shall be subject to transfer to any other officer, employee, or department of the City.

SECTION 14. City Approval of Location of Facilities

Franchisee may not install or operate any Facilities in any Street within the City without first obtaining the prior written approval of the City Engineer through the issuance of any necessary encroachment permit. Franchisee acknowledges that as of the effective date of this Ordinance, Franchisee is aware of all governmental requirements, site and physical conditions (including sub-surface conditions) to the best of its knowledge through reasonable efforts, and other matters affecting the use and condition of any Street in which the Facilities are to be located.

SECTION 15. Release of Products or Contaminants

Notwithstanding any other provision herein, in the event of Release of a Contaminant by Franchisee or from any Facility of Franchisee or the discovery of an Environmental

Condition caused by Franchisee or any Facility of Franchisee, Franchisee shall immediately conduct such Remedial Work and pay all Remediation Costs, at its sole expense, as is necessary to fully mitigate and remediate the same in accordance with all Applicable Law; provided, however, notwithstanding the foregoing to the contrary, that Franchisee shall have no obligation or liability for any Release preexisting the grant of this Franchise or any Environmental Condition not otherwise caused by Franchisee. In the event that Franchisee fails to perform necessary remediation work in accordance with Applicable Law as required by any final Remedial Action plan approved by the regulatory agency with oversight responsibility, City may commence a nuisance abatement action or take any other legal action the City deems appropriate in the circumstances to cause the conduct of the Remedial Work and, as may be applicable, to recover any and all Remediation Costs.

SECTION 16. General Requirements

A. Hazardous Substance Testing. Franchisee shall, upon request, provide to the City the results of any hazardous substances testing within the Street conducted during construction of any Facilities.

B. Plans and Specifications. Franchisee shall provide to the City Engineer an electronic copy in PDF and AutoCAD file format of "as-built" plans and specifications for its Facilities within the Street no later than one hundred eighty (180) days after the Facilities have been fully constructed. Franchisee shall maintain for the term of this Ordinance a current and accurate set of maps and plans showing all of the Facilities as installed. Franchisee shall make such maps and plans available to the City at no cost in order to facilitate other projects within the Streets and for public safety purposes; notwithstanding the foregoing, Franchisee shall not be required to make information available to the public which, in its sole discretion, may compromise sensitive details of the electrical grid.

C. Fire Risk Training. Franchisee shall annually meet with fire department staff having fire suppression responsibilities for the Facilities to discuss and review contingency plans for emergencies.

D. Damage to Facilities. Franchisee shall promptly repair any damage to its Facilities. If any private property shall be damaged by damage to the Facilities or by reason of any cause arising from the operation or existence of the Franchise, Franchisee shall, at its own cost and expense, immediately repair and restore such private property to as good condition as the same was before the commencement of such work to the reasonable satisfaction of the City Engineer, or Franchisee shall equitably compensate the affected private property owner.

SECTION 17. Compliance with Applicable Law

A. Until such time as (i) the Franchise terminates; and (ii) the decommissioning or abandonment in place by Franchisee of all of its Facilities in accordance with **Section 20**; and (iii) the completion by Franchisee of any necessary Remedial Work, Franchisee will

comply with all Applicable Law relating to this Franchise and work performed hereunder. All work performed by Franchisee or at the behest of Franchisee within the Streets shall be in accordance with the provisions of this Franchise, including, but not limited to, this **Section 17**, and all Applicable Law.

B. Upon City's request, Franchisee shall annually file with the City Engineer in a form and manner reasonably acceptable to the City Engineer a certificate under penalty of perjury that states that, to the best of the signing person's knowledge, Franchisee has complied with Applicable Law relating to this Franchise and work performed hereunder in all material respects, or that describes any known non-compliance.

SECTION 18. Notices and Records

Upon City's request, Franchisee will transmit to City copies of all material notices, orders, or statements, other than those relating to taxes, sent to or received from any governmental agency concerning the safety or maintenance of any Facility or any operations conducted by Franchisee in the City pursuant to the Franchise, including, but not limited to, repair, replacement, or the physical condition of any Facility.

All notices permitted or required hereunder shall be addressed as follows and shall be deemed to have been completed at the time of deposit in the post office:

If to the City:

City Engineer
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

and

City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

If to Franchisee:

LS Power Grid California, LLC
16150 Main Circle Dr., Ste. 310
Chesterfield, MO 63017
Attn: Asset Manager

and

LS Power Grid California, LLC
16150 Main Circle Dr., Ste. 310
Chesterfield, MO 63017
Attn: Legal Department

SECTION 19. Access to Records and Property

Upon request, the Franchisee shall permit the City or its duly authorized representative to examine all of its Facilities, together with any appurtenant property of the Franchisee, provided that Franchisee shall be entitled to accompany (through an agent of Franchisee's choosing) City or its duly authorized representative during any such inspection and City or its duly authorized representative shall adhere to all safety and security measures required by Franchisee. At Franchisee's expense, Franchisee's maintenance and repair records concerning its operations under this Franchise shall be provided to the City for examination and copying at City Hall located at 1500 Warburton Avenue in Santa Clara, within a reasonable time after City's request, during normal business hours.

SECTION 20. Removal or Abandonment of Facilities

A. Subject to Applicable Law, at the time of the expiration (unless renewed), revocation, or termination of this Franchise, or the permanent discontinuance of the use of its Facilities, or any portion thereof, the Franchisee shall, within thirty (30) days thereafter make written application to the City Engineer for authority to either abandon all or a portion of such Facilities in place or to remove all or a portion of such Facilities. For purposes of this **Section 20**, “permanent discontinuance” shall mean for a continuous period of more than one calendar year after the completion of the initial construction of the Facilities, the Facilities have either: (i) not been in use or (ii) have not been functional. Thereupon the City Engineer shall determine whether any abandonment or removal is deemed necessary at some or all locations and whether any abandonment or removal which is thereby proposed may be affected without detriment to the public interest or under what conditions such proposal of abandonment or removal may be safely affected and shall then notify the Franchisee according to such requirements as shall be specified in the City Engineer's order. Within one hundred eighty (180) days thereafter, or such other time as the City and Franchisee deem reasonable, Franchisee shall, pursuant to such order of the City Engineer, either (i) remove all or a portion of such Facilities; or (ii) abandon in place all or a portion of such Facilities in accordance with all conditions prescribed.

B. The Franchisee shall pay to the City the Actual Costs and Administrative Costs of all reasonable tests required to determine whether the Facilities shall be abandoned or removed.

C. If any Facilities to be abandoned in place, subject to prescribed conditions, are not abandoned in accordance with all of such conditions, then the City Engineer may make additional appropriate orders, including, if deemed appropriate, an order that the Franchisee shall remove all such Facilities. If the Franchisee fails to comply therewith, the City Engineer may cause said Facilities to be removed at the Franchisee's expense, and the Franchisee shall pay to the City the Actual Costs and Administrative Costs of removing the Facilities.

D. If the Franchisee applies for authority to abandon all or a portion of its Facilities in

place, and the City Engineer determines that abandonment in place of all or part of such Facilities may be affected without detriment to the public interest, the Franchisee shall pay to the City the Actual Costs and Administrative Costs related to the abandonment.

E. Within one hundred eighty (180) days following the date on which any Facilities have been fully removed or abandoned under the Franchise, the Franchisee shall file a plan with the City Engineer showing the location, depth, and size of the Facilities so removed or abandoned.

SECTION 21. Appeal

Any decision made by the City Engineer pursuant to authority delegated in this Ordinance may be appealed by Franchisee to the City Manager. For purposes of seeking judicial review, the decision of the City Manager shall be final when notice of the decision is given in accordance with **Section 18**. Nothing in this Ordinance shall be construed as a waiver of the City's rights or remedies pursuant to Applicable Law, including with respect to forfeiture in accordance with Section 6291 of the Public Utilities Code. The remedies set forth in this Ordinance shall not be construed to limit other lawful enforcement remedies that the City may have under the Santa Clara City Code to the extent that they are applicable and not inconsistent with the terms of this Ordinance.

SECTION 22. Maintenance and Replacement

A. Maintenance Requirements. All Facilities shall be maintained in a good workman-like manner and in conformity with Applicable Law.

B. Replacement. Any replacement of Facilities shall be constructed or installed in compliance with Applicable Law. All such reinstallations or replacements shall be reviewed by the City Engineer as to the most desirable location in the Streets of the City and his or her decision shall be final and binding on the Franchisee subject to appeal pursuant to **Section 21**.

C. Permits. Where the provisions of any Applicable Law, which shall be in force at the time, require the issuance of an excavation, encroachment, or other type of permit, the Franchisee shall not commence any excavation or encroachment work under the Franchise until it shall have obtained such permits, except in cases of emergency affecting public health, safety, or welfare or the preservation of life or property, in which case the Franchisee may immediately address the emergency but shall apply for such permits as soon as practicable thereafter. The Franchisee's application for a permit under Applicable Law shall show the length and proposed location of the Facility intended to be installed, and such other information as the Department may require. The Franchisee shall pay all permit inspection fees established by City Council resolution to the Department.

D. Work on and Restoration of Street. The work of constructing, replacing, maintaining, repairing, relocating, or removing Facilities authorized under the provisions of this Ordinance in, over, under, along, or across any Street shall be conducted to minimize

hindrance to the use of the Street for purposes of travel, and as soon as such work is completed, all portions of the Street which have been excavated or otherwise damaged thereby shall promptly and in a workman-like manner be repaired, replaced, or restored and placed in as good condition as the same was before the commencement of such work. All restoration, relocation, repair, or replacement work shall be done to the satisfaction of the City Engineer at the expense of the Franchisee in accordance with all Applicable Law, including, but not limited to, the Encroachment Ordinance. All work within the Street shall be done in accordance with the then current City standard details and specifications.

In the event that the Franchisee shall fail or neglect to commence to make such Street repair, replacement, or restoration work and complete such work within a period of time approved by the City Engineer, then ten (10) business days after notice therefor has been given Franchisee by the City Engineer, the City may repair, replace, or restore said Street at the expense of Franchisee. The Franchisee agrees to pay to the City the Actual Costs and Administrative Costs of performing such work.

E. Failure to Timely Comply. Whenever the Franchisee fails to complete any work required by the terms and conditions of the Franchise, and the permits issued thereunder, within the time limits required thereby and hereby, the City may complete or cause to be completed said work in compliance with Applicable Law at the expense of the Franchisee. The Franchisee agrees to pay to the City the Actual Costs and Administrative Costs of performing such work.

F. Completion Statement. Upon the completion of the construction of any Facilities constructed pursuant to the Franchise after the effective date of this Ordinance, the Franchisee shall submit a statement to the City Engineer, identifying the permit or permits issued by the Department, the total length, material, and diameter of the Facilities (as applicable), the construction of which was authorized under such permit or permits, and such details of the Facility as installed.

G. Facilities. The Franchisee shall have the right to construct, maintain, and repair such Facilities as may be necessary or convenient for the proper maintenance and operation of the Facilities under this Franchise, and said Facilities within the Street shall be kept below or flush with the surface of the Street and so located as to conform to any ordinance, rule, or regulation of the City, or of any permit issued by the Department in regard thereto and shall not interfere with the use of the Street for travel. The Franchisee shall have the right, subject to Applicable Law, to make all necessary excavations in said Streets for the construction, maintenance, and repair of said Facilities; provided, however, that the Franchisee shall first obtain an encroachment permit in accordance with the Encroachment Ordinance from the Department for doing any such work.

H. Repair. The Franchisee shall obtain an encroachment permit in accordance with the Encroachment Ordinance to perform ordinary repair work and emergency repair work.

I. Traffic Hazards and Nuisances. In order to minimize traffic hazards and public nuisances arising out of Franchisee's installation and operation of the Facilities pursuant to

this Franchise within the Street, Franchisee shall ensure that adjacent properties and improved surfaces of surrounding streets stay substantially free and clear of silt, tracked mud, dust, and the like, coming from or any way related to its Facilities. In the event Franchisee fails to comply with this condition, Franchisee grants the City the rights to take or cause to be taken, without prior notice to Franchisee, immediate corrective action, with all Actual Costs incurred by City to be reimbursed by Franchisee upon City's written demand.

J. Facilities Location. Franchisee shall make reasonable efforts to identify the locations of its underground facilities, for example, through the use of detectable underground warning tape.

SECTION 23. Relocation/Repair

A. The City Engineer shall have the right to require relocation and/or repairs of the Facilities for any public project, including, but not limited to, the construction, repair, relocation, or new installation of any aboveground or underground City facility, utility, storm drain, sewer, waterline, or roadway improvement (such as any lawful change of grade, alignment, or width of any Street) provided that nothing in this **Section 23** shall be deemed a waiver by Franchisee of any of its rights related to the foregoing (including, but not limited to, arising due to Franchisee being a public utility). “Public project” means projects initiated by a Public Entity. The Franchisee shall relocate/repair its Facilities, or portion thereof, to the reasonably nearest alternative location or other location in the Street mutually agreeable to the City and the Franchisee, either permanently or temporarily, as is determined by the City Engineer and within the reasonable time required by the City Engineer, it being acknowledged that relocation on an expedited basis may not be practicable. Said relocation/repair shall be accomplished at the Franchisee's sole expense.

B. If the Franchisee fails to relocate its Facilities within the reasonable timeline set forth in the City Engineer's notice of relocation or repair, or to complete construction and/or site restoration, the City may, provided that it complies with Applicable Law, cause the work to be done, and the Franchisee shall reimburse the City or other Public Entity for such cost within sixty (60) days after presentation to Franchisee of an itemized account of such costs. The Franchisee shall hold harmless the City, its officers, contractors, agents, and employees from any liability which may arise or be claimed to arise from the moving, cutting, or alteration of any of the Facilities, or the turning on or off of utilities, including water, oil, or other liquid, gas, or electricity required to be accomplished by the City as a result of the Franchisee's failure to relocate said Facility by the date established by the City as provided above.

SECTION 24. Emergency Preparedness and Response

A. Emergency Response Plan. Franchisee, at its sole cost and expense, shall provide to the City its Emergency Response Plan (the “Plan”) that analyzes the risks associated with Franchisee's Facilities and identifies the monitoring, inspection, and emergency response procedures that Franchisee will maintain to ensure there will be no detrimental

impact to City's facilities or the public at least 90 days prior to the initial energization of the Facilities. The Plan shall specifically include procedures which Franchisee has established for informing local fire and other City emergency personnel of steps to take in the event of an emergency. The Plan shall be subject to the annual review and comment by the City Manager or designee, and shall contain all of the following information:

1. A diagram showing the as-built or modified locations of the Facilities, subject to applicable energy infrastructure information confidentiality requirements.

2. A description of the Facilities, including sufficient technical information to identify fire extinguishing procedures.

3. A description of the potential hazards of the Facilities and the mitigation actions to reduce such hazards. Any mitigation action that may affect the surrounding area must be approved by the City Engineer.

4. Other information which may be validly required in conformance with Applicable Law and by the City Council and/or City Manager.

B. Changes to Plan. Franchisee shall promptly notify the City Engineer and Fire Chief of any changes in the procedures previously established in the Plan, if not previously listed and reported by Franchisee to the City Engineer and Fire Chief.

C. Wildfire Mitigation Plan. Franchisee shall provide to the City its Wildfire Mitigation Plan that details risks and wildfire prevention actions associated with the Facilities.

D. Emergency Contact. At all times during the term of this Franchise, Franchisee shall maintain on a twenty-four (24) hour basis personnel available to facilitate the de-energization of the Facilities for the purpose of responding in the event of an emergency resulting from an earthquake, fire, flood, explosion, an act of war or terrorism, civil disturbance, or other cause. Franchisee shall at all times maintain in the offices of the City Clerk, City Engineer, and the responsible fire department an emergency telephone number whereby and through such number such emergency contact may be reached.

E. City Mitigation of Emergencies. In the event of an emergency, or where Facilities create or are contributing to an imminent danger to health, safety, or property (“Emergency”), City shall first use all reasonable efforts under the circumstances to contact Franchisee using the contact information provided by Franchisee to City (as the same may change from time to time) for Franchisee to take emergency action. In the event that City is unable to contact Franchisee using such contact information, then City shall have the right to take appropriate action(s) to mitigate such Emergency. Any mitigation actions taken by the City in such circumstance are at Franchisee's expense, provided that Franchisee's acts or omissions or any disaster (such as an earthquake, fire, flood, explosion, an act of war or terrorism, civil disturbance, or other cause) directly or indirectly caused the Emergency. Such expenses shall consist of the Actual Costs and Administrative Costs of such mitigation undertaken by City.

SECTION 25. Reservation of City Rights

A. There is hereby reserved to the City every right and power which is required or permitted to be herein reserved or provided by any provision in federal or state law or City ordinance, resolution, or regulation, and Franchisee by its acceptance of this Franchise agrees to be bound thereby and to comply with any action or requirement of the City in its exercise of any such power. Neither the granting of this Franchise nor any provision hereof shall constitute a waiver or bar to the exercise of any governmental right or power of the City.

B. The Franchise herein granted to Franchisee, and all rights and privileges granted thereunder, are and shall be subordinate to the right of the City, and of the general public, to use and occupy, and to any occupancy by them, of any public right-of-way for any private or public uses or purposes; provided, that any such uses, other than uses consistent with those as of the effective date of this Franchise, could not materially interfere with the Facilities or Franchisee's exercise of its rights under this Franchise.

SECTION 26. Indemnification

A. The Franchisee shall indemnify to the fullest extent permitted by law, and defend and hold the City, and its elected officials, officers, employees, and agents (hereinafter "Indemnified Parties") free and harmless from and against all Claims (if customarily insurable on commercially reasonable terms) arising from or in any way related to the Franchise or activities conducted by or on behalf of Franchisee under the Franchise ("Events").

B. The Indemnified Parties shall have the right to approve the attorneys selected by Franchisee to represent them, such approval not to be unreasonably withheld or conditioned. In the event Franchisee does not provide attorneys acceptable to the Indemnified Parties, the Indemnified Parties may select attorneys of their choice, so long as the attorney's rates are reasonable for services provided in the San Francisco Bay Area.

C. The aforesaid hold harmless and indemnification obligation shall apply to all Claims of every kind, suffered, or alleged to have been suffered, by reason of any of the aforesaid Events, regardless of whether or not Indemnified Parties have prepared, supplied, or approved of plans submitted in connection with work to be performed in the Street and irrespective of the grant of permission contained herein and irrespective of Indemnified Parties' inspection of the works performed or the improvements constructed within the Street. Said indemnification and hold harmless obligation shall not include damages, liabilities, and/or Claims to the extent arising out of or caused by any of the Indemnified Parties' negligence, willful misconduct, or violation of law.

SECTION 27. Insurance

A. Franchisee, at its sole expense, throughout the duration of this Franchise (or for

such longer periods as are specified in this **Section 27**), shall maintain or cause to be maintained insurance to cover Claims arising out of or in connection with any work or other operations under this Franchise. This **Section 27** identifies the insurance requirements with which Franchisee shall comply; however, the insurance requirements shall not relieve Franchisee of any other performance responsibilities under this Franchise (including the indemnity requirements), and Franchisee may carry, at its own expense, any additional insurance it deems necessary or prudent. Prior to the commencement of any work or other operations under the Franchise, the Franchisee shall furnish certificates of insurance affecting required coverage to the City. Thereafter, Franchisee shall provide substitute certificates and endorsements no later than thirty (30) days after the expiration date of any insurance policy required by this Franchise.

B. Minimum Scope of Insurance. Coverage shall be at least as broad as:

1. The coverage provided by Insurance Services Office Commercial General Liability coverage ("occurrence") Form Number CG 0001, including products and completed operations and explosion, collapse and underground coverages, and coverage for economic loss; and

2. The coverage provided by Insurance Services Office Form Number CA 0001 covering Automobile Liability. Coverage shall be included for all owned, non-owned, and hired automobiles; and

3. Contractor's Pollution Liability with respect to initial construction of Facilities and, thereafter, site-specific Pollution Legal Liability, insurance applying to both sudden conditions for all operations, completed operations, and professional services, and including coverage for on-site and off-site bodily injury, property damage and, clean up and defense costs and economic loss, such coverage may be satisfied by contractor performing the work; and

4. Workers' Compensation insurance if and as required by the California Labor Code and Employer's Liability insurance; and

5. Builder's Risk insurance during construction/replacement of Facilities, and property insurance covering the Facilities after completion, in each case, on an "all risk" basis including flood coverage and excluding earthquake coverage.

6. There shall be no endorsement reducing the scope of coverage required above unless approved by the City's Risk Manager.

C. Minimum Limits of Insurance. Franchisee shall maintain limits no less than:

1. Commercial General Liability: $5,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required

occurrence limit.

2. Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

3. Pollution Liability: $1,000,000 per contamination incident.

4. Workers' Compensation: coverage as required by the State of California, and Employer's Liability $1,000,000 per accident.

5. Builder's Risk: one hundred percent (100%) of the full replacement value of the Facilities, with the exception of flood coverage which shall not be less than $5,000,000

6. Property insurance after completion of Facilities: $5,000,000.

Any limits requirements may be met with any combination of primary and excess coverage so long as the excess coverage is written on a “follow form” or umbrella basis.

D. Endorsements. The insurance policies shall be endorsed (or shall contain provisions) as follows:

1. Commercial General Liability, Automobile Liability, and Pollution Liability.

a. The City, its officers, employees, and agents are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of Franchisee; products and completed operations of Franchisee; premises owned, leased, or used by Franchisee; and automobiles owned, leased, hired, or borrowed by Franchisee. The scope of protection afforded to City, its officers, employees, and agents shall extend to cover their concurrent negligence. Such requirement may be satisfied by a Blanket Additional Insured Endorsement.

b. Franchisee's insurance coverage shall be primary insurance as respects City, its officers, employees, and agents. Any insurance or self-insurance maintained by City, its officers, employees, or agents shall be excess of Franchisee's insurance and shall not contribute with it.

c. Any failure to comply with reporting provisions of the policies by Franchisee shall not affect coverage provided City, its officers, employees, or agents.

d. Coverage shall state that Franchisee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

e. Coverage shall contain waiver of subrogation in favor of the City, its

officers, employees, and agents.

2. Workers' Compensation and Employers' Liability; Builder's Risk and Property. Coverage shall contain waiver of subrogation in favor of the City, its officers, employees, and agents.

3. Claims Made Coverages. If coverage is obtained on a “claims made” policy form, the retroactive date shall precede the date services were initiated with the City and the coverage shall be maintained for a period of three (3) years after termination of services under this Agreement.

4. All Coverages. Each insurance policy required by this Franchise shall, to the extent reasonably available in the commercial insurance market, state that coverage shall not be suspended, voided, canceled, or reduced in limits or coverage except after thirty (30) days' prior written notice has been given to City, except that ten (10) days' prior written notice shall apply in the event of cancellation for non-payment of premium and no notice shall be required for coverage expiration in accordance with its terms.

E. Duration.

1. Commercial General Liability (or the completed operations component thereof) and Pollution Liability coverages shall be maintained continuously for a minimum of three (3) years after the later to occur of expiration of this Franchise or completion of work or other operations under this Franchise.

2. If any of such coverages, which are permitted to be written on a claims-made basis, are written on a claims-made basis, the following requirements apply:

a. The policy retroactive date must precede the effective date of this Franchise.

b. If the policy is cancelled or non-renewed and coverage cannot be procured with the original retroactive date, Franchisee must purchase an extended reporting period equal to or greater than three (3) years after completion of work under this Franchise.

F. Acceptability of Insurers. All insurance companies providing coverage to Franchisee shall have an A.M. Best's rating of not less than “A-:VII”.

G. Verification of Coverage. Franchisee shall furnish City with certificates of insurance and with endorsements affecting coverage required by this Franchise. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Proof of insurance shall be either emailed in PDF format to: Finance@santaclaraca.gov, or mailed to the following postal address (or any subsequent email or postal address as may

be directed in writing by the Risk Manager):

City of Santa Clara - Finance Department
Risk Management
1500 Warburton Avenue
Santa Clara, CA 95050]

City reserves the right to require complete copies of all required insurance policies at any time; provided, Franchisee may redact sensitive information not required to demonstrate compliance with this **Section 27**.

All policies, endorsements (including, without limitation, all endorsements required above, and any endorsement reducing the scope of coverage provided by any insurance policy), and certificates (including, without limitation, those evidencing coverage for third parties as are specified in **Paragraph H**, below), shall be subject to review and reasonable approval by the City's Risk Manager as to form and content; however, the failure to do so shall not operate as a waiver of these insurance requirements.

These insurance requirements are subject to amendment or waiver if so approved in writing by the City's Risk Manager.

City reserves the right to review these insurance requirements from time to time and at any time during the term of this Franchise and to make reasonable adjustments thereto when deemed necessary and prudent by the City's Risk Manager based upon (by way of example only) changes in law, principles of sound risk management practice, or inflation. Should the City's Risk Manager request adjustments in writing to Franchisee, Franchisee shall use commercially reasonable efforts to cause its insurers to implement such adjustments.

H. Coverage for Third Parties. Franchisee shall include all contractors and other parties with whom it is contracting (whether directly or indirectly) in connection with work or other operations under this Franchise (“Third Parties”) as insured under its policies or shall obtain separate certificates and endorsements for each such Third Party evidencing their compliance with these insurance requirements, including, without limitation, additional insured's coverage and waivers of subrogation. Notwithstanding the generality of the foregoing, the City's Risk Manager may from time to time approve amendments of these requirements as they apply to Third Parties (such as, by way of example only, reduction of limits), provided the Franchisee has requested such amendment in writing and the City's Risk Manager has determined in its sole but reasonable discretion that such amendment is acceptable based upon principles of sound risk management practice.

I. Self-Insurance. Notwithstanding anything to the contrary herein, to the extent (i) Franchisee is a public utility regulated by the California Public Utilities Commission (“CPUC”), and (ii) Franchisee maintains a reasonable and prudent self-insurance program that is subject to CPUC oversight, the requirements set forth in this **Section 27** shall not be applicable; provided, that if Franchisee intends to rely upon a self-insurance program in lieu

of the insurance otherwise required by this **Section 27**, then upon request by the City, Franchisee shall certify that the conditions set forth in the foregoing clauses (i) and (ii) are satisfied and Franchisee shall provide reasonable supporting documentation, including a detailed description of the applicable self-insurance program.

SECTION 28. Faithful Performance Security

On or before the effective date of this Ordinance, Franchisee shall file and thereafter at all times during the life of the Franchise keep on file with the City Clerk either (i) a corporate surety bond in a form approved by the City Attorney running to the City in the penal sum of two hundred thousand dollars ($200,000), with a surety licensed to do business in California, (ii) an irrevocable letter of credit in the amount of two hundred thousand dollars ($200,000) in a form approved by the City Attorney with the City as beneficiary, or (iii) a cash deposit in the amount of two hundred thousand dollars ($200,000) (the option selected by Franchisee hereinafter being referred to as the “Security”). The Security shall be drawable by the City if the Franchisee defaults in the performance of any material obligation hereunder and fails to cure such default within the applicable cure period, as reasonably determined to be necessary by the City to cure such default. If said Security is not filed prior to the effective date of this Ordinance, the award of the Franchise may be set aside, and this Ordinance may be repealed at any time prior to the filing of said Security and any money paid in consideration for the award of the Franchise shall be deemed forfeited. In the event that said Security, after it has been so filed, shall at any time during the life of the Franchise become insufficient, in the reasonable opinion of the City Engineer, the Franchisee agrees to renew said Security within thirty (30) days after written notice to do so from the City Engineer.

SECTION 29. Liability

The Franchisee shall be liable to the City for damage to City Property, including, but not limited to, any Street, or any other cost incurred by the City caused by Franchisee, any of the Facilities, or by any Person acting on Franchisee's behalf. Except as expressly provided herein, the Franchisee shall be held to a standard of strict liability to City for any activity conducted pursuant to or in connection with the Franchise. The Franchisee's strict liability shall extend to any costs, including Remediation Costs, incurred by the City for control or abatement of any Environmental Condition, Release of Contaminants, Remedial Work, or resulting from any activity conducted by or on behalf of Franchisee pursuant to the Franchise, and in each case for which Franchisee is responsible pursuant to the provisions of this Ordinance.

SECTION 30. City Costs

A. Franchisee shall reimburse the City for all Actual Costs and Administrative Costs incurred by the City related to the development and approval of this Ordinance and the granting of the Franchise, which includes, but is not limited to, drafting and negotiating the Ordinance, preparing reports, statements, and studies pursuant to CEQA and any similar federal statute, or any successor statute, and for all advertising and publishing costs.

B. Franchisee shall reimburse the City for all Actual Costs and Administrative Costs incurred by the City, in connection with the administration, implementation, and enforcement of this Franchise no later than thirty (30) days after the date of City's invoices.

C. The grant of this Franchise and its continued effectiveness shall be conditioned upon Franchisee's full payment of the City's Actual Costs and Administrative Costs relating therefor. Payment of the City's Actual Costs and Administrative Costs incurred by the City in relation to the Franchise is not and will not be considered in any manner as compensation to the City for occupation of the Streets.

SECTION 31. Damage to City Property

Any damage done to City Property by Franchisee in exercising any right, power, or privilege under this Franchise, or in performing any duty under or pursuant to the provisions of this Ordinance, shall be promptly repaired by Franchisee at its sole cost and expense as it reasonably was before such damage was incurred, to the satisfaction of the City Engineer. If the Franchisee, within ten (10) business days after receipt of written notice from the City instructing it to repair such damage, shall fail to commence to comply with such instructions, or, thereafter, shall fail to diligently prosecute such work to completion, then the City immediately may do work necessary to carry out said instructions at the cost and expense of the Franchisee, which cost and expense, by the acceptance of the Franchise, the Franchisee agrees to pay upon demand and receipt of reasonably acceptable supporting documentation. If such damage constitutes an immediate danger to the public health or safety requiring the immediate repair thereof, the City without notice may repair such damage, and the Franchisee agrees to pay all Actual Costs and Administrative Costs incurred.

SECTION 32. Compensation

A. Franchise Fee Amount. As consideration for the Franchise granted, the Franchisee shall pay to the City in lawful money of the United States a franchise fee (the “Franchise Fee”) for each year of the term of the Franchise, to be calculated as follows:

Franchise Fee = 2.3% × Gross Annual Receipts Arising from Franchise

where:

"Gross Annual Receipts Arising from Franchise" = R × (GPf / GPt)

- **"R"** = Franchisee's total gross annual revenue requirement pursuant to its formula rates regulated by the Federal Energy Regulatory Commission or its successor
- **"GPf"** = Franchisee's electric transmission gross plant in service located within City public rights-of-way pursuant to this Franchise
- **"GPt"** = Franchisee's total electric transmission gross plant in service

B. Franchise Fee Payment. Within three (3) months after the expiration of each calendar year, or fractional calendar year, during which Franchisee has received revenues for Facilities arising from this Franchise (i.e., located within City public rights-of-way), Franchisee shall submit to the City Clerk a statement containing each of the values described in **Section 32.A** in a form mutually agreeable to the Parties and calculating the Franchise Fee for the preceding calendar year (the "Franchise Fee Statement"). The Franchise Fee is due on the date which is fifteen (15) days after the date of Franchisee's submission of the Franchise Fee Statement.

C. Penalty/Late Charge. If Franchisee remits the Franchise Fee more than thirty (30) days after the date on which it is due, then there shall be immediately due as an additional payment a sum equal to 3% of the delinquent amount, and the delinquent amount shall accrue interest at 10% per annum until paid in full.

D. Publication Costs. Franchisee shall pay to the City within thirty (30) days after receiving a statement therefor, the advertising and publishing costs stated therein, including the cost of publishing this Ordinance, if necessary, incurred in connection with the granting of this Franchise.

E. No Waiver of Franchisee's Liability or Obligations. Franchisee's payment of the Franchise Fee shall not constitute a waiver or release, nor relieve the Franchisee, in whole or in part, of any of its liability under the terms of this Franchise and/or Applicable Law. Nothing contained in this **Section 32** shall constitute a waiver or relinquishment by Franchisee of any of its rights or defenses under this Franchise and/or Applicable Law.

F. Records. Franchisee shall keep and preserve for a period of three (3) years subsequent to the date of the most recent Franchise Fee Statement all the records necessary to determine the amount of such Franchise Fee.

SECTION 33. Effective Date

This Ordinance shall take effect thirty (30) days after final passage and adoption by the City Council and acceptance pursuant to **Section 7** of this Ordinance has been filed by Franchisee. Prior to its final adoption this Ordinance shall be published in accordance with the requirements of Section 808 and 812 of "The Charter of the City of Santa Clara, California."

SECTION 34. Time

Time is of the essence. Franchisee shall not be relieved of its obligation to promptly comply with any provision hereof by any failure of the City to enforce prompt compliance with the same or any other provision.

SECTION 35. Cumulative Remedies

No provision herein made for the purpose of securing the performance of the terms and conditions of this Franchise shall be deemed an exclusive remedy, or to afford the

exclusive procedure, for the enforcement of said terms and conditions, but the remedies and procedures herein provided, in addition to those provided by Applicable Law, shall be deemed to be cumulative.

SECTION 36. Amendments

To the extent not contrary to Applicable Law and not resulting in a material deprivation of Franchisee's rights or modification of Franchisee's obligations under this Ordinance, the City Council may amend this Ordinance from time to time if required by any amendments to its Municipal Code of general application to electric utility franchises in the City, provided said amendment does not result in a forfeiture of the Ordinance without following the procedures set forth in **Section 9**.

SECTION 37. Severability

If any part of this Ordinance or the application thereof to any Person or circumstances is for any reason held invalid by a court of competent jurisdiction, the validity of the remainder of the Ordinance or the application of such provision to other Persons or circumstances shall not be affected.

SECTION 38. Survival

Franchisee's obligations contained herein that by their nature would continue beyond the termination or expiration of this Ordinance, including, without limitation, the obligations set forth in **Sections 15** (Release of Products or Contaminants), **20** (Removal or Abandonment of Facilities), **23** (Relocation/Repair), **and 26** (Indemnification), shall survive termination or expiration.

SECTION 39. Governing Law

California law governs the construction and enforcement of this Ordinance.

SECTION 40. Disputes

Any litigation resulting from this Ordinance will be filed in and resolved by a federal or state court in California.

SECTION 41. Recordation

Franchisee and its successors and/or assigns shall have the right to record this Ordinance, the granting Franchise or any Memorandum of Understanding or other agreement between them in the official records of the County of Santa Clara. Upon expiration or termination of the Franchise, Franchisee shall execute, acknowledge and record a quitclaim of its rights under the Franchise.

SECTION 42: Ordinances Repealed. With exception of the provisions protected by the

savings clause, all ordinances (or parts of ordinances) in conflict with or inconsistent with this ordinance are hereby repealed.

PASSED FOR THE PURPOSE OF PUBLICATION this XX day of XXXXXX, 2026, by the following vote:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA (1) ADOPTING THE POWER THE SOUTH BAY PROJECT ENVIRONMENTAL IMPACT REPORT, PREPARED BY THE CALIFORNIA PUBLIC UTILITIES COMMISSION (A.24-05-014; SCH NO. 2024071095); (2) MAKING CERTAIN FINDINGS AS THE RESPONSIBLE AGENCY FOR PURPOSES OF AND PURSUANT TO THE PROVISIONS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970; AND (3) ADOPTING A RELATED MITIGATION MONITORING AND REPORTING PROGRAM AND CONSTRUCTION IMPACT MITIGATION PLAN, IN CONNECTION WITH THE APPROVAL OF DISCRETIONARY ACTIONS BY THE CITY NECESSARY FOR THE CONSTRUCTION AND OPERATION OF THE POWER THE SOUTH BAY PROJECT

WHEREAS, the California Independent System Operator, a non-profit Independent System Operator that oversees the operation of California's bulk electric power system, transmission lines, and electricity market generated and transmitted by its member utilities, selected LS Power Grid California, LLC ("LS Power") to develop, construct, and own a high-voltage transmission line to improve the reliability of the electrical grid in the greater South Bay, known as the Power the South Bay Project ("Project"), a 12-mile high-voltage electric transmission project connecting the existing Pacific Gas and Electric Company ("PG&E") Newark Substation in Fremont to Silicon Valley Power's Northern Receiving Station Substation in Santa Clara;

WHEREAS, portions of the Project and associated discretionary approvals are located within or affect the jurisdiction of the City of Santa Clara ("City");

WHEREAS, the City will be considering proposed discretionary actions necessary to support the implementation of the Project within its jurisdiction, including an ordinance granting a non-exclusive electric franchise to LS Power pursuant to Chapter 5.20 of the Santa Clara Municipal Code for the installation, construction, operation, maintenance, relocation, repair, renewal, and removal of electric transmission facilities and appurtenances within the City's public streets and rights-of-way;

WHEREAS, approval of the Project would constitute a project under the provisions of the

California Environmental Quality Act of 1970, together with related State and local implementation guidelines and policies promulgated thereunder, all as amended to date (collectively, "CEQA");

WHEREAS, on March 19, 2026, the California Public Utilities Commission ("CPUC"), acting as the Lead Agency for the Project, approved and certified the Final Environmental Impact Report ("FEIR"), A.24-05-014; SCH No. 2024071095, evaluating the potential environmental effects of the development of the Project, in compliance with CEQA, the State CEQA Guidelines (California Code of Regulations section 15000 et seq.), the Warren-Alquist Act, and applicable CPUC requirements;

WHEREAS, the FEIR concluded that implementation of the Project could result in certain significant effects on the environment and identified mitigation measures that would reduce those significant effects to a less-than-significant level;

WHEREAS, pursuant to Public Resources Code section 21081.6 and CEQA Guidelines section 15097, when an agency adopts mitigation measures as part of a project approval, the agency is required to adopt a mitigation monitoring and reporting program to ensure compliance with those measures;

WHEREAS, the CPUC, as Lead Agency, has adopted a Mitigation Monitoring and Reporting Program for the Project;

WHEREAS, the City, as a Responsible Agency under CEQA, desires to approve the Mitigation Monitoring and Reporting Program and related Construction Impact Mitigation Plan, and conditions of approval and applicable City permit processes, as well as compliance with the Construction Impact Mitigation Plan, will be incorporated into the franchise ordinance and/or subsequent encroachment permits and approvals;

WHEREAS, LS Power will be responsible for implementing all applicable mitigation measures and applicant-proposed measures identified in the FEIR, as well as complying with City requirements, including finalization and implementation of the Construction Impact Mitigation

Plan for work within the public right-of-way; and

WHEREAS, prior to approving discretionary actions necessary to support the implementation of the Project within its jurisdiction, the City Council, as the decision-making body of the City and as a Responsible Agency under CEQA, desires to make certain findings pursuant to Title 14 of the California Code of Regulations, sections 15091 and 15096, in connection with the reasonably foreseeable discretionary actions to be considered and taken by the City in connection with implementation of the Project within the City's jurisdiction.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the above recitals are true and correct.

2. That the City has reviewed the information contained in the FEIR that is relevant to its approval of discretionary actions within the City's jurisdiction necessary to support the construction, operation, and maintenance of the Project as described in the FEIR prior to acting on the Franchise Ordinance.

3. That the City has reviewed the CEQA Findings, and the City Council hereby determines and concludes all of the following:

A. The CPUC has identified, disclosed, and adopted the mitigation measures recommended in the FEIR; and

B. The City retains its responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the Project which the City decides to implement, finance, or approve; and

C. The City Council has reviewed and considered the FEIR together with the related CEQA Findings and determines that the information and analyses contained in the FEIR, together with the related CPUC CEQA Findings, are adequate for its use as a decision-making body acting as a Responsible Agency under CEQA and for its consideration of discretionary

actions necessary to implement the Project within its jurisdiction; and

D. Approval of the discretionary actions within the City is within the scope of the activities described and evaluated in the FEIR; and

E. The City has not identified any feasible alternative or additional feasible mitigation measures within its powers that would substantially lessen or avoid any significant environmental effect that the Project would have on the environment; and

4. That, therefore, based upon all of the foregoing, the City as a Responsible Agency under CEQA, hereby adopts the CPUC's CEQA Findings for the Project as its own findings under CEQA to the fullest possible extent that said findings are relevant to the City's approval of a franchise ordinance, encroachment permits, agreements, and any other discretionary actions necessary to implement the Project within the City's jurisdiction.

5. That the City Council was presented with, and has independently reviewed and analyzed the FEIR and other information in the record and has considered the information contained therein, and has found that the FEIR represents the independent judgment of the City, as Responsible Agency for the Project, and designates the Public Works Department at 1500 Warburton Avenue, Santa Clara, CA 95050 as the custodian of documents and record of proceedings on which the decision of the City is based.

6. That the significant environmental impacts identified in the FEIR will be mitigated through implementation of the mitigation measures identified in the FEIR.

7. That the implementation and monitoring of the mitigation measures identified in the FEIR will be carried out by the CPUC as the Lead Agency or by other agencies with jurisdiction, and the City hereby adopts the Mitigation Monitoring, Compliance and Reporting Program and Construction Impact Mitigation Plan for the Project and requires LS Power to comply with all

applicable mitigation measures, permit conditions, and environmental commitments identified therein as conditions of the City's discretionary approvals.

8. That the City Council therefore relies on the mitigation monitoring and reporting programs adopted by the CPUC as Lead Agency to ensure implementation of the mitigation measures identified in the FEIR.

9. That, the City, as a Responsible Agency under CEQA, also adopts the CPUC's Statement of Overriding Considerations and incorporates it herein by reference. The City Council further reiterates the benefits of the Project, including improving electric system reliability and resiliency, increasing regional electric transmission capacity, supporting California's clean energy and electrification goals, enhancing the reliability of power delivery to residents and businesses, and supporting the continued provision of reliable electric service within Silicon Valley Power's service territory.

10. The Director of Public Works or designee is directed to file a Notice of Determination for the Project as required by Section 15096 of the CEQA Guidelines.

11. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 20__, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK

Attachments incorporated by reference: None
S:\Attorney\RESOLUTIONS\Form Resolution-City.doc

REPORT TO CITY COUNCIL

SUBJECT

Ongoing Consideration and Possible Action on the Charter Review Committee's Recommendation for Placement of a Comprehensive Charter Update Measure on the November 2026 Ballot, Including Consideration of a Possible Stand-Alone Measure that Would Update the City's Public Works Procurement Rules

BACKGROUND

At the City Council's June 9th meeting, in a study session format, the City Attorney presented the Charter Review Committee ("CRC") Charter Project 2026 Final Report to Council ("CRC Final Report") (Attachment 1). Members of the CRC Presentation Ad Hoc Subcommittee attended this meeting and were on standby to answer Council questions. At the end of the allotted study session time period, with additional information still to be presented, it was agreed that City Attorney would pick up where he left off and complete the presentation at the June 15th special session.

At the City Council's June 15th meeting, as contemplated, the City Attorney completed his presentation of the CRC Final Report. Members of the CRC were again in attendance to provide support and answer questions. In summary the topics presented included:

1. Charter Project Origins and Objectives. A description of the origins and objectives of the Charter Project.
2. The Process. A summary of the process and approach used to implement the Charter Project. This includes details on: (a) the creation and function of the six CRC Ad Hoc Subcommittee "working groups;" (b) the solicitation and provision of stakeholder input; (c) benchmarking with other "comparable" charters and charter update projects; and (d) the categorization of proposed changes into "levels."
3. The Results. A summary of the proposed changes resulting from this process. Changes presented include Charter-wide updates and conventions, along with the Article by Article, Section by Section changes, ranging from mere corrections, wording updates and reorganization ("Level One"), changes to clarify ambiguities, deletion of no longer needed provisions, added language to fill gaps or align Charter language with current City/best practices (Level Two), all the way to changes that are recommended, but may be so substantive or in such sensitive areas, they might be better presented as stand-alone ballot measures or left out entirely ("Level Three").
4. The Final Recommendation. The CRC's final recommendation on what the City Council should consider placing on the November 2026 ballot. This includes identification of any recommended Level Three changes that may warrant being left out or consideration as a separate ballot measure.

5. What's Next. Steps required if the Council decides to place a measure on the ballot, including things that could be done to help inform the voters.

At the Council's June 15th meeting, after deliberating upon the CRC's recommendation for a comprehensive Charter update, the City Council directed staff to finalize and bring back for Council action by, on, or before July 14th, 2026, a Charter update ballot measure to include all proposed "Level One" and "Level Two" changes. The Council also directed that the CRC's recommendation for updating the Charter's Public Works provisions be brought back for further discussion and action, potentially as a stand-alone ballot measure.

In the interim, in preparation for these upcoming Council meetings, and in response to some of the questions and concerns raised by Council at the June 15th meeting, the City Attorney's office prepared and sent a Memorandum to Council with supplemental information intended to facilitate the Council's Charter Project evaluation and decision-making process ("Supplemental Memorandum"). That information was provided at the request of the Charter Review Committee (CRC) after their discussions at their meeting on June 17th.

The Supplemental Memorandum included, as attachments, updated versions of the proposed Charter update in both underline/strikeout and clean formats. Both versions contained updated annotations that further explained each proposed Charter modification and identified, on a section-by-section basis, the "Level" of the proposed modifications. To facilitate review the assigned Levels within the annotations were color coded as follows: Level One in green, Level Two in blue, and potential Level Three modifications in yellow. The updated versions of the Charter also include some minor corrections and one proposed new provision for Council consideration based upon input received from the City's outside bond counsel that would allow for the issuance of Revenue Bonds to finance utility infrastructure, subject to conditions, with a Council resolution, instead of the current Charter requirement for 2/3rds voter approval.

This item is intended to present to Council the information provided in the Supplemental Memorandum, respond to questions, and to receive any Council direction there may be related to such information. In addition, per Council direction at your June 15th meeting, this item is also intended to allow for further deliberations and direction regarding the CRC's proposed update of the City's Public Works procurement provisions. Additional information regarding the CRC's recommended Public Works update will be presented at the July 7th meeting.

DISCUSSION

This item is a continuation of City Council deliberations on the CRC's Charter Project recommendation for a comprehensive update of the City's Charter for voter consideration on the upcoming November 2026 ballot.

Consistent with previous direction from the Council and the CRC following the Council's June 15th meeting, the intended focus of discussion at this meeting will be (1) the Supplemental Memorandum dated July 1, 2026 from the City Attorney, and (2) further discussions and potential action by the City Council regarding the CRC's proposed update of the City's current Public Works procurement provisions.

The Supplemental Memorandum (Attachment 2) contains the following information:

1. Clarification on "Levels" of Proposed Changes and Corresponding Updates to Charter Drafts to More Clearly Identify Levels on a Section-by-Section Basis

   A summary of the "Levels" used in the development and presentation of the CRC's recommendation for a comprehensive Charter update, and a summary of how the Charter has been further updated to reflect, in the annotations in the margins, the applicable Level assigned to each proposed change on a section-by-section basis.

2. Further Thoughts on How to Factor in "Levels" in Determining What Should Go Into Any Proposed Ballot Measure

   A summary of the CRC's recommendation to include all Level One and Level Two recommendations within one comprehensive ballot measure proposal, and also to include in that comprehensive proposal such Level Three proposals that the Council thought desirable and likely to be well received by voters so as not to compromise support for the Level One and Level Two recommendations.

3. Proposed Charter Update Provisions Requiring the Development of New City Ordinances and Policies.

   A list of items, five in total, of the proposed Charter updates requiring Council to adopt implementing ordinances and/or policies including: (1) Redistricting Ordinance (Section 304); (2) Policy for Appointment, Renewal and Removal of Boards and Commission Members (Section 602.1); (3) Policy for Excused Absences for City Council and Boards and Commission Members (Sections 205.1(7) and 602.3); (4) Public Works Update Ordinance (Section 802.2); and (5) Enhanced Legal Noticing (Section 904.2).

4. Additional Proposed Language and Updates

   A summary of proposed additional Charter updates including (1) a number of minor modifications/corrections identified by CRC members and professional staff since the last Charter draft circulated; (2) updates to the Civil Service sections to reflect the final agreement with labor groups after completion of the meet and confer process; and (3) based upon recent input from outside bond counsel, proposed changes that would authorize revenue bond financing of utility infrastructure by Council resolution instead of a 2/3rds vote of the electorate.

Please see the complete version of the Supplemental Memorandum for a full explanation of these items (Attachment 2), along with the updated versions of the proposed Charter language reflecting all of the items described above (Attachment 3).

Additional information on the CRC's proposed update of the existing Charter provisions regarding Public Works procurement (old Section 1310 and new Charter Section 802.2) will be presented at the July 7th meeting. As a reminder, consistent with core Charter Project principles, staff's objective in this area, supported by the CRC, is to replace outdated Public Works procurement provisions with more modern provisions that align with current/best practices. The existing Charter thresholds for Council approval, formal bidding requirements and allowed use of City forces for the implementation

of public works are set at $1,000. This is a very low number for a City of Santa Clara's size and the sophistication of its operations. Further, there is currently no provision that would allow for alternative procurement mechanisms (like design-build) that are commonly used throughout the state to implement complex public works procurement. Alternative procurement mechanisms would be very useful to implement certain Measure I projects and complex SVP utility infrastructure projects in a manner expected to save time, money, and improve the quality of projects through dynamic value engineering.

Conclusion/Next Steps

The CRC recommendation is obviously substantial. The hope is that the amount and types of information presented will allow the Council to digest and evaluate the proposal efficiently and with a full understanding of the context in which the recommendation is being made. If the Council proceeds with the CRC's recommendation to place one or more measures on the November 2026 ballot, additional information will be developed and made accessible to voters in order to enhance their understanding of the full scope and breadth of the measure as well.

As a reminder, if Council desires to proceed to place one or more Charter Project measures on the ballot, the full ballot package would need to be delivered to the County Registrar by no later than August 7, 2026. In order not to intrude on the Council's scheduled summer recess, that means any final City Council action on a Charter update ballot proposal would need to occur at the Council's currently scheduled July 14, 2026 meeting.

FISCAL IMPACT

There is no fiscal impact to the City for this item other than staff time and administrative resources. Depending upon Council direction, additional staff time and resources would be needed to prepare any item for placement on the November ballot. If a measure passes, substantial additional staff time and resources would also be necessary to implement the Charter section reference changes throughout existing City documents that reference the Charter, and to prepare any contemplated ordinances or policies. Ultimately, it is expected that the modernized terms of any approved comprehensive Charter update will result in net savings to the City in staff time and resources.

COORDINATION

This report has been coordinated with the City Attorney's Office with input from the CRC Report and Presentation Ad Hoc Subcommittee.

RECOMMENDATION

Hear the presentation, pose questions, deliberate and provide direction to staff on desired next steps to prepare for City Council final action on the CRC's proposed Charter Project update at the City Council's July 14th meeting.

Reviewed by: Courtney Mohammadi, Legal Executive Assistant, City Attorney's Office
Approved by: Glen Googins, City Attorney

ATTACHMENTS

1. Charter Review Committee Charter Project 2026 Final Report to Council, including the following attachments:
   a. Charter Review Committee Bylaws

b. City Charter (current)
c. Assembled History of Previously Proposed and Approved Charter Amendments (1952 through 2024)

Note: The versions of the Charter attached to the Final Report (attachments “d” and “e” dated June 5, 2026) have been further updated (now dated July 1, 2026) and are attached separately as Attachment 3, below.

2. Memorandum to Council dated July 1, 2026, providing:
Supplemental Information to Facilitate City Council Discussions and Possible Action on a Proposed Comprehensive Charter Update for Presentation to the Voters at the November 2026 Election

3. Latest Versions of Proposed Charter Update Language:
d. City Charter with Proposed Modifications, Underline/Strikeout with Annotations (updated per the Memorandum to Council from the City Attorney dated July 1, 2026)
e. City Charter with Proposed Modifications, “Clean” Version with Annotations (updated per the Memorandum to Council from the City Attorney dated July 1, 2026)

Charter Review Committee

CHARTER PROJECT 2026 FINAL REPORT TO COUNCIL

Pat Nikolai, Chair
Joe Sosinski, Vice Chair
Mark Boeckman
John Brooks
Eric Crutchlow
Lauren Diamond
Burt Field
Steve Kelly
Eric Jensen
Mohammad Naveed
Susan Peters
Holly Rhea Roberts
Bernard Tansey

City Attorney's Office
Glen Googins, City Attorney
June 9, 2026

CHARTER PROJECT
2026
Charter Review Committee
Final Report to Council

BACKGROUND

The idea for a comprehensive review and update of the City Charter (now commonly referred to as the "Charter Project") was incorporated into the Governance and Ethics Committee Work Plan in early 2025. With support from the Committee, the project concept was presented to the full City Council on July 15, 2025. The Council was supportive and directed staff to form a Charter Review Committee ("CRC") comprised of 13 individuals, one recommended by each Council Member, and 6 chosen by lottery, to implement the project. On September 16, 2025, the City Council appointed the CRC members so chosen and formally established the CRC by adoption of the CRC Bylaws (**Attachment One**).

The CRC's first meeting was held on October 1, 2025. At their October 22, 2025, meeting, the CRC took action to form six Ad Hoc Subcommittees to serve as the Charter Project working groups. Since then, the Ad Hoc Subcommittees have met, in aggregate, a total of 28 times, with monthly report outs to the full CRC by each Subcommittee on the issues being discussed and progress being made. To date, the CRC itself has held a total of 10 public meetings. After some initial training sessions, full CRC meetings generally focused on work plan development, review and approval of proposed Charter-wide update standards, feedback and direction to both the reporting Subcommittees and professional staff on the issues and language presented, and solicitation of public input.

The CRC held two meetings in May (the 20th and the 27th) at which they received and provided preliminary direction on the final recommendations from all six Subcommittees. On June 3rd, the CRC met and took final action on their comprehensive Charter Project recommendation to the City Council. This report now presents that recommendation for Council consideration and direction.

DISCUSSION

The Charter Project has been a significant undertaking, involving hundreds of hours of City staff time, and almost as many volunteer hours contributed by CRC members meeting within their assigned Ad Hoc Subcommittees (each CRC member participated in two of these), and at the monthly meetings of the full CRC. At these meetings, and in between, CRC members have been highly engaged with: receiving and reacting to information presented by City staff and stakeholders describing the workings of City government and proposals for improvements; presenting and discussing their own issues, concerns and suggestions; reviewing multiple iterations of proposed additions, deletions and modifications to Charter language; and, after balancing competing interests and sensitivities, developing their own ultimate recommendations for each Article and each Section. The overall CRC recommendation that came from this effort is

now presented for Council consideration in this report. As a basis for this recommendation, both for the benefit of the public and the Council, this report is organized into the following Sections:

1. **Charter Project Origins and Objectives**. A description of the origins and objectives of the Charter Project.
2. **The Process**. A summary of the process and approach used to implement the Charter Project.
3. **The Results.** A summary of the proposed changes generated by this process, ranging from corrections, wording updates and reorganization ("Level One") to changes that are recommended but may be so substantive or sensitive they may warrant consideration as a stand-alone ballot measure ("Level Three").
4. **CRC Final Recommendation**. The CRC's final recommendation on what the City Council should consider placing on the November 2026 ballot, including some issues the City Council may wish to consider in deciding how to proceed.
5. **What's Next**. Steps required if the Council decides to place a measure on the ballot, including things that could be done to help inform the voters.

1. Charter Project Origins and Objectives

The idea for a comprehensive review and update of the City Charter (now commonly referred to as the "Charter Project") was incorporated into the Governance and Ethics Committee Work Plan in early 2025. An outline for the project was first formally presented to the Governance and Ethics Committee on May 1, 2025. Senior City staff were supportive of the project based on their own assessment, and feedback from the different departments responsible for implementing its terms, that a number of Charter provisions were ambiguous, out of date, not aligned with current City operations or best practices, and/or not aligned with current laws. With support from the Committee, the project concept was presented to the full City Council on July 15, 2025. Recognizing the potential benefits of the project, the Council directed staff to take the initial steps to form a Charter Review Committee ("CRC") for purposes of implementing the Charter Project. Council direction included terms for the CRC's composition, selection process and purposes. Staff advertised the availability of CRC positions and, with the City Clerk, implemented the CRC lottery selection and appointment process. On September 16, 2025, the City Council appointed the CRC members and formally established the CRC by adoption of the CRC Bylaws.

Section 2 of the City Council adopted Bylaws for the Charter Project describes its purpose as follows:

> "The purpose of the CRC is to work with City staff, with input from the community, to facilitate the implementation of the "Charter Project." The Charter Project involves a process for comprehensive review of the City Charter to identify provisions in the Charter that should be corrected, clarified or modified for the Charter to be fully consistent with applicable state law, aligned with current best practices for City operations and, in general, easier to understand and apply. At the end of the process, the objective of the Charter

> Project is to produce a draft comprehensive Charter Amendment for presentation to the City Council and, if the City Council so directs, possibly the voters at the November 2026 Election."

Section 3 of the Bylaws sets forth a list of the CRC's duties. Section 3.4 describes the CRC's ultimate duty as follows:

> "Make a Recommendation to the City Council regarding a Comprehensive Amendment of the City Charter. To implement the Charter Project City, staff will be preparing draft revisions to the City Charter for consideration and input by CRC Subcommittees and/or the CRC itself. At the end of the process, the CRC will be expected to make a recommendation to the City Council on one or more proposed amendments to the City Charter. The proposed "top to bottom" review process is intended to be driven by practical and legal considerations, with the prime objective being to bring the Charter up to current "best practices" for City operations. It is not intended to implement any major restructuring of City operations or to change the City's election process."

With this, the Charter Project was framed as an endeavor intended to be both **comprehensive**, in that the entire Charter was put under review, and **limited**, with the understanding that any major change or addition, no matter how good an idea, should be considered beyond the scope of the project and, at most, referred for possible future consideration. This formalized Charter Project purpose was presented to the CRC as their first order of business at their first substantive meeting on October 1, 2025 Since then, and throughout the project, the CRC has endeavored to keep this defined scope and purpose as a core guiding principle: on the one hand, not shying away from issues that arise and warrant clarification, but at the same time, being pragmatic and focused on improving what's already in the Charter, and refraining from proposing major changes to the structure of the existing City government.

2. The Process

a. Introduction to the Structure and Workings of City Government

The CRC is comprised of individuals with a wide range of knowledge and experience with the workings of local government. For some, this was their first experience; others have been engaged for years in a variety of capacities. But even the most experienced of the group had little exposure to the history and import of the City's Charter. Accordingly, for a project dedicated to updating the City's Charter, City staff thought it important to begin the process with some education on what a City Charter is, and the history of Santa Clara's own City Charter. Concepts and materials presented included: (1) the idea of the Charter as the equivalent of the City's constitution; (2) Charter cities local authority over "municipal affairs," and the limits to that authority on matters of "statewide concern;" (3) a review of the City Charter in its current form; (4) a summary of the history of City Charter amendments (both successful and failed) compiled by the City Clerk from 1952 to the present (**Attachment 3**); and (5) a preview of areas that had already by identified by City staff as warranting review and update.

Since the CRC was purposely formed as a "legislative body" that would meet in public and be subject to the full range of open government laws, the CAO also presented a training session on the Brown Act, the Public Records Act and applicable State and local ethics rules.

b. Ad Hoc Subcommittee Working Groups

(1) In General. At the heart of the Charter Project's work plan were the CRC Ad Hoc Subcommittee working groups. With such a large undertaking, it made sense to divide the Charter into segments involving common subject matters, and to create working groups to focus on their assigned segments. Since ad hoc subcommittees of this type are exempt from the Brown Act,[1] these working groups would have flexibility to meet when member schedules allowed, coordinate with City staff for presentations, and have candid discussions about any issues or ideas that might arise in an informal setting, allowing for free flowing "back and forth" discussions. Meetings could also be scheduled to allow for each group's identified "stakeholders" to present (see Stakeholder discussion, below). As presented to the full CRC at its October 22nd meeting, with ad hoc subcommittees as the project's working groups, the overall Charter Project work plan was proposed as follows:

- Subcommittee members communicate to discuss/agree upon mutually agreeable dates/times (can even meet immediately after each CRC meeting)
- Ideally meetings occur after normal business hours and at City facilities (convenience, staffing, technology); coordinate with City staff.
- Staff to provide each Subcommittee a starting "packet" of information to include word version of assigned sections and other relevant information.
- CAO and designated City department representatives will present to and work with Subcommittees to develop proposed modifications.
- Subcommittees and staff will "report out" to the full CRC on progress, with "final" report to be a committee presentation of proposed modifications.
- Possible adjustments/phasing to group meeting schedules depending upon progress.
- Ultimately, all subcommittee work will be consolidated into a comprehensive Charter Amendment proposal from the full CRC for presentation to the City Council by no later than early July 2026.

(2) Six Ad Hoc Subcommittees Formed. At the CRC's October 1st meeting, six Ad Hoc Subcommittees work groups were proposed as follows: (1) Group One: Powers and Structure of City Government: Rules/Process for Action; (2) Group Two: City Council: Elections, Powers and Conduct of Meetings; (3) Group Three: Senior Officials: Duties and Qualifications; (4) Group Four: Boards and Commissions: Composition, Powers and Duties; (5) Group Five:

[1] Under the Brown Act, subcommittees of a legislative body that are comprised of less than majority of its members, with no outside members, are of limited duration (typically less than 1 year), and are assigned a specific task to complete, are exempt from the Brown Act's public meeting requirements, and may meet privately. See Govt. Code Section 54952(b).

Civil Service: General Rules for Classified and Unclassified Employees; Commission Composition and Duties; and (6) Group Six: Fiscal Administration and Procurement. Immediately thereafter, CRC members were asked to indicate by rank which subcommittees most interested them. Through an AI assisted selection process proposed rosters were developed so that each CRC member would be a member of two committees, with their ranked preferences maximized. The resulting rosters, with a few on-the-fly adjustments (AI is not perfect), resulted in the following appointments being made at the CRC's October 22nd meeting:

Group One
Steve Kelly
Bernard Tansey
Patrick Nikolai
Eric Jensen
Joe Sosinski

Group Two
Steve Kelly
Mark Boeckman
Eric Crutchlow
Holly Roberts
Susan Peters

Group Three
Bernard Tansey
Patrick Nikolai
Lauren Diamond
Mohammad Naveed

Group Four
Lauren Diamond
John Brooks
Burt Field
Jose Sosinski

Group Five
Mark Boeckman
Holly Roberts
Susan Peters
Mohammad Naveed

Group Six
Eric Jensen
Eric Crutchlow
John Brooks
Burt Field

Note: The color coding assigned to each group was intentional, serving as a visual tool to identify Charter Sections each Group was responsible for. This color coding has been preserved in the table of contents, and the Article and Section headings of the underline/strikeout version of the Charter highlighting each Group's proposed revisions.

(3) Robust Meeting Schedules. In the aggregate, the CRC Ad Hoc Subcommittees met a total of 28 times. The following is a list of each Group's meetings:

Group One:
Power and Structure of City Government: Rules/Process for Action

- November 12, 2025
- December 15, 2025
- January 14, 2026
- April 9, 2026
- May 12, 2026
- May 25, 2026

Group Two:
City Council: Elections, Powers and Conduct of Meetings

- December 8, 2025
- February 9, 2026
- March 9, 2026
- April 13, 2026
- May 7, 2026

Group Three:
Senior Officials: Duties and Qualifications

- January 12, 2026
- March 11, 2026
- April 8, 2026
- May 13, 2026
- May 25, 2026

Group Four:
Boards and Commissions: Composition, Powers and Duties

- November 13, 2025
- December 15, 2025
- February 12, 2026
- March 12, 2026
- May 14, 2026

Group Five:
Civil Service: General Rules for Classified and Unclassified Employees; Commission Composition and Duties

- November 17, 2025
- December 10, 2025
- January 5, 2026
- January 14, 2026

Group Six:
Fiscal Administration and Procurement

- February 4, 2026
- March 17, 2026
- April 6, 2026
- May 11, 2026

Note: All Ad Hoc Subcommittee meetings were held at City Hall, either in the City Council or Sparacino conference rooms, with remote participation available. All meetings were staffed by the City Attorney's office and, where appropriate, also attended by professional City staff and/or Boards and Commission representative stakeholders. (For more on stakeholders, please see the "Stakeholder Input" section of this report, below.)

(4) Monthly and Final Report Outs to Full CRC. The first Ad Hoc Subcommittees report out to the full CRC occurred at its November 19, 2025, meeting. Each subsequent monthly CRC meeting also agendized Group report outs. Report outs included a summary of issues discussed, input (if any) received from Charter Project stakeholders (for example, relevant City Staff, Boards and Commissions), any referenced benchmarking+ information and proposed next steps. CRC questions and input were also solicited. Starting in February, Ad Hoc Subcommittees started moving beyond preliminary discussions of issues and began reviewing and commenting on actual proposed Charter language. As the culmination of these efforts, at the May 20th CRC meeting, the final work products of Groups Two and Six were presented and approved. At the May 27th meeting, the final work products of Groups One, Three, Four and Five were presented and approved, with the caveat that the Group Five work product had not yet been fully signed off in the "meet and confer" process with potentially impacted labor groups. As presented below, at its June 3rd meeting, the full CRC considered the assembled collection of these recommendations and made its own comprehensive recommendation to the City Council for Council consideration and action.

c. Stakeholder Input

At the time the Ad Hoc Subcommittees were proposed, City staff also included proposed sets of "stakeholders," meaning individuals or groups thought to have special knowledge or interest in the subject matters assigned. Given the subject matters covered by the Charter, and that one of the primary objectives of the Charter Project was to update its provisions to align its terms with current City/best practices, most of the designated stakeholders were the professional City staff responsible for implementing the various operational Charter sections in accordance with their terms. Accordingly, for Group One, covering the basic Powers and Structure of City Government, the identified stakeholders were the elected City Clerk and the Appointed Assistant City Clerk. For Group Two, covering City Elected Officials, these same parties were identified, plus the Parks and Recreation Commission (regarding possible modifications to Charter Section 714.1, approved by Measure R). For Group Three, covering Senior Officials, each of the Department Heads listed were identified, including the City Manager, the Chief of Police, the City Clerk (and the Assistant City Clerk), the Director of Finance, the Public Works Director/City Engineer, the City Attorney, the City's (acting) Auditor and the Fire Chief. For Group Four, covering the rules and duties for the City's Boards and Commissions, the Boards and Commissions that were identified in the Charter were engaged, along with their staff liaisons; this included the Planning Commission, the Parks and Recreation Commission, and the Board of Library Trustees. For Group Five, assigned the sections regarding the City's civil service workforce, the Civil Service Commission; the Human Resources Department, and all City labor groups were identified. Finally, for Group Six, assigned the Finance and Procurement sections, the Finance Department, the City Auditor, the Public Works Department and Silicon Valley Power were identified.

Professional staff stakeholder input was provided to the Ad Hoc Subcommittees directly at one or more of their scheduled meetings. For example, the Chief of Police and the City Manager spoke directly to Group Three at their March 11, 2026, meeting regarding their

substantially aligned but ultimately competing views on certain aspects of their assigned authority on appointment and discipline of Police Department personnel. (The President of the POA also made an impromptu appearance at this meeting to present the POA's perspective.) Both the Finance Director and the Public Works Director presented to Group Six regarding changes they were seeking to update the City's outdated Budget, Finance and Public Works procurement provisions. Finally, the City Clerk appeared before Group One and Group Three regarding City elections provisions and the powers and duties of the City Clerk, respectively. In other cases, the City Attorney's office was able to solicit input from impacted departments and relay that information to the subcommittees on their behalf.

Stakeholder input from the Charter-listed Boards and Commissions was especially robust. All of the listed "Chartered" Boards and Commissions received presentations from the City Attorney's office regarding the Charter Project; and in the case of the Planning Commission and the Board of Library Trustees (BOLT), met again after that (the BOLT multiple times) in order to develop their recommendations. Both the Planning Commission and the BOLT designated representatives from their respective Boards to present their comments directly to Group Four. These presentations were very comprehensive and well received. Both the Parks and Recreation Commission and the Civil Service Commission also met publicly to develop formal recommendations for possible changes to their respective Charter sections. With these Boards' approvals, these recommendations were presented on their behalf by the City Attorney's office.

Stakeholder input, as required by law, was also solicited and received from the City's labor unions with respect to proposed updates to existing Charter Article X (Civil Service Commission only), Charter Article XI, Civil Service and XII, Retirement System. In order to solicit this input in a timely manner, Ad Hoc Subcommittee Group Five met multiple times in November, December, and January in order to be in a position to make their recommendation on proposed updates for these sections to the full CRC early on in the process. At the CRC's January 21st, 2026, meeting, Group Five's recommendation on language updates was presented and approved by the CRC in substantial form. Thereafter, the City's Human Resources and the City Attorney's Office distributed the proposed changes to the City's labor groups and formally commenced a "meet and confer" process on possible impacts to those groups' working conditions. Although substantial progress was made in addressing labor group concerns, as of the date of this report a number of issues remain. City staff will continue to engage with the groups and endeavor to address these concerns. If issues can't be resolved, the City Council may consider excluding some or all of the unresolved language in these Articles from any comprehensive ballot measure proposal.

While there was an occasional live speaker at the full CRC meetings, and usually four to eight individuals monitoring the meetings on-line, the CRC did not receive substantial input or testimony from the general public. Early on, a few speakers emphasized the importance of ethics and asked that this be a consideration in any proposed update of the Charter, including a potential provision or call for an Ethics Commission. Written testimony was also presented to the CRC at their June 3rd meeting with some suggestions on ethics and transparency. But beyond that, there was not much direct public testimony to the CRC. It seems likely that the technical nature of the Charter Project made it unlikely to attract a lot of public attention or interest. Further, there was only occasional press coverage of the project.

Given that any Charter amendment proposal can only be implemented with the approval of Santa Clara voters, it will be crucial for the public to be informed of what any proposed Charter amendment contains and why it matters. Accordingly, the CRC believes that if a measure is placed on the ballot in November, a plan must be developed to communicate to the voters the overall Charter Project objectives and the details of the proposal. Possible mechanisms for this kind of information and outreach, consistent with applicable legal limitations on using City resources to advocate for or against a ballot measure, will be discussed below.

d. Benchmarking

(1) Comparable Cities. How other cities choose to govern themselves obviously shouldn't dictate how Santa Clara chooses to govern itself. (Santa Clara is proudly unique in many ways.) Nonetheless, for a project interested in alignment with current "best practices" the CRC thought it would be highly appropriate for the Charter Project to build into its process some meaningful consideration of the Charter provisions for similarly situated Charter cities.

Based on input from the CRC criteria were developed and applied in order to guide the assembly of a "library" of Charters that the CRC, City staff, and the public could refer to for examples of comparable city policies and standards for governance. This included Charters from cities that met one or more of the following conditions: (1) populations between 100,000 and 200,000; (2) operates a municipal utility; (3) home to a stadium; or (4) a Santa Clara "neighbor" city. Also added to the list was the Charter from the City of Chula Vista. Chula Vista was added in light of the City Attorney's recent experience with successfully updating that city's Charter, which was also originally adopted around the same time as Santa Clara's Charter, had many similar "old school" provisions, and, until recently, had not gone through a major overhaul. Of the 126 or so Charter cities in California, the resulting list of comparable Charters for benchmarking purposes included the following 19 cities:

> Alameda, Anaheim, Berkeley, Chula Vista, Gilroy, Hayward, Inglewood, Los Angeles, Mountain View, Oakland, Palo Alto, Pasadena, Redwood City, Roseville, Sacramento, San Francisco, San Jose, San Mateo, Sunnyvale.

The full text of the 19 "benchmarked" charters was uploaded to the City's Charter Project web page in late January 2026. Throughout the process, particularly during deliberations at the Ad Hoc Subcommittee level, reference was made to how such benchmarked cities handled various issues under discussion in their charters (if at all), as a way of balancing and refining any language or policy options presented. It should also be noted, however, that the benchmarked charters, while likely representing "common" practices, did not necessarily represent "best practices" as few of them appear to have undergone any recent comprehensive update like the one undertaken by the Charter Project.

(2) City of Sunnyvale. The ongoing Charter review process in Sunnyvale was also considered and presented for benchmarking purposes at the CRC's February 18th meeting. The Sunnyvale process began with a Council referral back in the summer of 2024 and culminated with

a final report and recommendation to Council presented at the February 3rd City Council meeting. The following is a summary of the Sunnyvale process and status: Culmination of an 18-month process, with 12 months of CRC meetings and analysis.

- Final Report and Recommendations document completed on December 4, 2025, and presented to Sunnyvale City Council at their February 3, 2026, meeting.
- Process initiated by a Council referral to consider identified issues for update (extending appointed City Council terms to the next November election, City Council compensation, alternative voting systems, rules for re-districting), along with a general Charter review for possible additional updates.
- Sixteen public meetings held by their Committee from February until December 2025.

Three issues were "surveyed" with the public: City Council appointment process, City Council compensation and City Manager authority to settle claims.

- A list of 23 potential amendments was created; these were ultimately narrowed down to five issues: (1) possible increases to City Council and Mayor compensation; (2) modify appointed City Council terms so that the next election to fill that position would be a November election; (3) change the number of City Council meetings from 2 per month to 24 per year; (4) increase City Manager authority to settle claims to an amount above $50K per year; and (5) expand public works procurement to add "design-build" and other mechanisms.
- Preliminary Takeaways
    - Staff level background work and analysis of issues had been going on for many months, if not years.
    - The Committee's ultimate recommendations appear to require only minor language changes.
    - Good discussion/analysis of the 2 meeting per month versus 24 meetings per year issue, including benchmarking; ultimate recommendation not to change based on concerns that voters would perceive an attempted Council work reduction while at the same time Council salaries were proposed for increase.
    - Good discussion/analysis of $50K settlement authority issue with ultimate recommendation to not include a dollar limit in the Charter, but to have the Council adopt a simultaneous ordinance setting the limit at $150K.
    - Good discussion/analysis of proposed amendment to public works language to allow for "design-build" and other "best value" procurement mechanisms to be implemented by ordinance. Note: Sunnyvale's existing Charter language had no dollar thresholds for Council approval or formal bid requirements, with those things determined by ordinance.

(3) City of Mountain View. On February 10, 2026, the Mountain View City Council also initiated a process for consideration of possible updates to their Charter. The following is a summary of what's under consideration:

- Proposed amendments intended to be non-controversial and limited to technical changes, including correcting typos, language updates and alignment with state law.
- Developed by their City Attorney's office based on reviews of other area Charter's (including Santa Clara's) to identify "best practices."
- Examples include: gender neutrality, increase time period for Council appointments from 30 to 60 days; update qualifications for boards and commission members.
- Potentially more substantive changes to follow in 2028.

(4) Santa Clara's Charter in Historical Context. Santa Clara is one of many cities in California that took action to update their city charters or become charter cities in the first place in the "post war" suburbanization era of the late 1940s and early 1950s. Many of these charters are based on a "Model City Charter" first developed in the early 1900s by the National Municipal League (now the National Civic League) and updated periodically thereafter. As a result, many such charters, including Santa Clara's, have the same general contents, same overall organizational structure and, for many, virtually identical language for many of their sections. Over time, in a manner unique to each City, these original charters have evolved. Larger cities now tend to have longer, more detailed charters (with the City and County of San Francisco's being the longest at 593 pages), with mid-size and smaller cities mostly sticking to the original format, with varying levels of updates and enhancements.

Relative to other California Charters, Santa Clara is fairly typical in that, over time, it has substantially maintained its original Model Charter structure, with periodic, mostly issue-specific modifications proposed and enacted over the years. The City's history of proposed and approved Charter amendments from 1952 through 2024 is captured in a document prepared by the City Clerk's office. This history was provided to the CRC early on for context and possible lessons learned from the types of changes that had been approved and the types that had been rejected by Santa Clara voters. A copy of this summary is also attached to this report for City Council's reference (**Attachment 3**).

In thinking about the changes that made sense as part of Santa Clara's Charter Project, the consensus of the CRC was that it did not think it appropriate to substantially enlarge or shrink the Charter, and that its relative content and size made sense. Per the project Bylaws, there was a desire to keep the Santa Clara Charter relatively simple, with added provisions and details only for educational purposes, to fill in gaps and to add clarity how things were intended to work. As a balance, it was also okay to delete things that were too detailed, or no longer relevant. Unlike the highly detailed City Charters that seemed more like City Codes, throughout the process the individual subcommittees and the full CRC maintained the consistent belief that the Charter should contain the basic sets of rules regarding City governance structure, with more complex details left to policy making by the City Council and professional staff. The City's Charter is its constitution, not its code of regulations.

At the CRC's April 15th meeting, City staff also presented information regarding Santa Clara's own most recent "comprehensive" Charter update from back in 2000. The CAO's best record of the "underline/strikeout" of that Charter was provided. In summary, Santa Clara's Year 2000 update:

- Made changes throughout, but a very light touch compared to what the 2026 Charter Project CRC is undertaking.
- Sample changes included:
    - Added language regarding required residency and qualified elector status (Section 600)
    - Added language preventing a City Council member from running for another City Council seat if they have more than 6 months left on their term (Section 600)
    - Deleted unnecessary details for holding of local elections
    - Deleted a 1-year preceding residency requirement
    - Changed “he/his” to “he/she/his/her”
    - Deleted details for calling a Special Election and instead referred to Brown Act (Section 708)
    - Deleted requirements for meetings to be held at City Hall, deferring to Brown Act (Section 709)
    - Deleted outdated provisions regarding taxing system and limits (Sections 1306 through 1308)

e. Development of “Levels” of Proposed Changes

Another process tool used to guide Charter Project implementation was a categorization of proposed changes based on the degree or “level” of such change. The idea here was to categorize proposed changes into levels so that when the total package is presented to the City Council, the Council will have a basis to evaluate which of the proposed changes ought to be submitted to the voters (generally, Levels One and Two), which changes might be so significant or politically sensitive that such changes might be considered for presentation to the voters as one or more separate ballot measures (generally, Level Three), and which areas discussed were so significant, complex or sensitive that they were beyond the scope of the Charter Project, but might warrant future study or consideration (Level Four).

With this in mind, the following standards for “levels” were presented to and accepted by the CRC at the February 18th meeting.

Level One

Changes in form and appearance that are not substantive. Includes corrections, rewording for clarity, reorganization, elimination of redundancies, consistency of cross-references and numbering, consolidation of sections, elimination of headings for previously deleted sections, rewording of headings to better reflect content, addition of subheadings, defined terms, and other Charter-wide conventions to improve comprehension and usability.

Note: The vast majority of proposed changes fall into the Level One category.

Level Two
Rewordings, deletions and additions intended to add clarity, fill gaps, eliminate ambiguities, replace outdated (no longer used) practices with current "best" practices, and provide consistency with state law. Some changes are "substantive" but are not thought to be so significant or sensitive as to warrant consideration as possible separate ballot measures.

Note: Both Level One and Level Two Changes will be recommended to be combined in one ballot measure.

Level Three
Changes to policies or procedures that may be considered "best practices" or are otherwise viewed as desirable, and that the CRC recommends, but either involve political sensitivity, or are of such independent significance, that they may justify consideration as separate ballot measures or be left out entirely.

Note: Ideally, approved Level Three changes would be combined with Level One and Level Two Changes as part of one comprehensive ballot measure, understanding that some Level Three changes may warrant separate or deferred consideration.

Level Four
Possible changes to the Charter that are either too complicated or too significant to have been fully analyzed or appropriate for consideration as part of this Charter update project, but may be worthy of future study and consideration.

Note: An example of a Level Four issue might be consideration of a different voting system like "ranked choice" voting.

f. Role of the City Council

The City Council initiated the Charter Project, defined its scope and purpose and created the CRC as its implementing body. Ultimately, the City Council will determine what elements of the CRC's proposed Charter changes, if any, will be placed before the voters in November. As is the norm for this type of project, however, by creating an independent CRC, the City Council intentionally removed itself from the day-to-day aspects of Charter Project implementation, so as not to dictate any particular outcome or unduly influence any final recommendation.

Although the CRC understood that the City Council was standing back awaiting its final recommendation, at its February meeting, the CRC determined that it would make sense to check in with the City Council to update the Council on progress, and to solicit any questions or concerns that the Council might have regarding the direction the project was taking. Specifically, the CRC wanted to make sure that its support of a substantial reorganization of the City Charter, with an entirely new numbering system and rewritten language that would make even non-substantive changes look dramatic, was something the City Council could ultimately be comfortable with. It would not be a good use of CRC and staff resources to implement such an

overarching change if in the end the Council was not supportive. Accordingly, the CRC directed staff to provide a report to the City Council with an overall project update, a preview of the proposed reorganization, and the CRC's thought process in supporting this approach. The report was prepared and presented as a consent item on the City Council's April 7th agenda. The report included a summary of the proposed reorganization, the CRC's thought process, the arguments it considered for and against the approach, and statement that if the Council, or any individual Councilmember had any concerns with the approach, the item could be pulled for further discussion, or any individual Councilmember could contact City Attorney Googins with any questions. The report also indicated that CRC Members Roberts and Tansey, and CRC Chair Nikolai would be available to respond to any questions at the meeting. The item was not pulled, and no concerns were raised by any Councilmembers at that time or since. Nonetheless, since the proposed reorganization remains a significant aspect of the CRC's overall recommendation, the CRC's thought process in proceeding down this path is presented again in the "Results; Summary of Proposed Changes" section of this report, below.

g. The Role of the City Attorney's Office

The City Attorney's Office (CAO) has taken the lead in providing professional staff support for the Charter Project and the CRC. In this role, CAO staff has (1) coordinated logistics and staffing for all full CRC and Ad Hoc Subcommittee meetings (with substantial early assistance from City Council staff); (2) presented directly to the four Boards and Commissions stakeholder groups, and facilitated the delivery of their input to the Group Four Ad Hoc Subcommittees; (3) solicited input from other professional City staff "stakeholders" and facilitated delivery of their input to the various Ad Hoc Subcommittees groups; (4) served as primary drafters for proposed and requested Charter language changes; (5) facilitated discussions, answered questions and followed up on requests for additional information, benchmarking and legal research on the full range of topics taken up by the CRC; (6) facilitated and led report outs from the six Ad Hoc Subcommittees to the full CRC regarding Group progress, issues discussed, and ultimately, each Group's section by section recommendations; and (7) assembled the Groups' recommendations into an overall CRC recommendation for the Project with CRC direction and oversight.

h. Full CRC Meetings

In the end, the various elements of the Charter Project process were developed, decided, applied and brought to fruition at the meetings of the full CRC. All told, as of the date of this report, the CRC has met 10 times. Meetings were held in 2025 on October 1st, October 22nd and November 19th and in 2026 on January 21st, February 18th, March 18th, April 15th, May 20th, May 27th and June 3rd. All meetings were in City Council Chambers, except the May 20th meeting which was held in the Redwood Room at Central Library. Early meetings focused on training and work plan development. Thereafter, building upon the monthly report outs from the six Ad Hoc Subcommittees, the CRC proceeded towards the development of its final recommendation. This recommendation is now presented for City Council consideration, below.

3. The Results: Summary of *Proposed* Changes

The results and recommendations of the CRC for Council action on the Charter Project comprise a number of components. These are presented below as follows: (a) proposed comprehensive reorganization; (b) Charter-wide conventions; (c) Section by Section modifications; and (d) considerations in placing any measure on the ballot.

a. Proposed Comprehensive Reorganization. As City staff and the various CRC subcommittees started digging into their assigned sections, it became increasingly clear that the current Charter was not always organized in a logical or intuitive manner. In many instances, subjects and sections related to the same topic were not even within the same Article. This led to early proposals to relocate sections, or parts of sections, along with more and more substantial clarifying revisions, both to update outdated language, and to integrate sections into their relocated context. At a certain point, it became increasingly clear that merely revising sections "in place" would not achieve one of the prime Charter Project purposes of making the Charter more accessible and user friendly.

The proposal for a comprehensive reorganization of the Charter was first previewed for the CRC at its January 21st meeting. Responding to general CRC support, City staff refined its proposal and resubmitted it for CRC action at their February 18th meeting. Key components of the reorganization proposal included: (1) Consolidation of Articles I through V; (2) shifting of certain Sections into more logical arrangements by subject matter; (3) retitling of Articles and Sections with more descriptive language; (4) breaking up longer Sections into titled Subsections; (5) deleting headings and numbering left over from previously deleted Sections; (6) renumbering Articles and Sections with a more modern, intuitive numbering system; and (7) creation of a comprehensive matrix to be attached at the end of the Charter showing the history of changes to each Section, references to previous Section numbers, and references to City Code Sections that are implementing of the Charter.

The CRC considered the proposed comprehensive Charter reorganization concept, along with the pros and cons of such approach presented by staff. The primary arguments in favor included: (1) such a reorganization would be perfectly aligned with the Charter Project's stated purposes by making the Charter more modern and "user friendly" for the public and for professional staff; (2) the deletion of unused Section headings and internal history references would make the Charter shorter, less cluttered and easier to read; (3) the proposed new "tools" including an expanded definitions section, and a detailed matrix with Section amendment and numbering history, along with references to relevant City Code sections, would also enhance Charter usability. Arguments against a comprehensive Charter reorganization included: (1) if an underline/strikeout of the proposed changes were to be placed on the ballot (e.g., if it was determined to be legally necessary or otherwise appropriate), it could turn off the voting public if it appeared that the changes were not being fully explained or evident; (2) if the full text of all changes needed to be included on the ballot it would increase the cost of the ballot measure; and (3) if a measure with comprehensive renumbering were to be approved by voters, full implementation would require a review and update of the City Code and all other materials referencing the Charter to update the existing Section references.

Ultimately, the CRC approved proceeding with the comprehensive reorganization. Since the CRC was already undertaking a comprehensive update of the Charter, the consensus of the CRC was that now was the right time to also implement the comprehensive reorganization and renumbering system. The CRC also apprised that there was no legal requirement to place an underline/strikeout version of proposed changes on the ballot, so that a very messy and complicated document need not be what the voters acted on. Instead, a link could be provided in the ballot measure and/or the City Attorney's Impartial Analysis to the City's website for the full Charter language. This would include an underline strikeout of all proposed changes, a detailed description of all the proposed changes, and an extensive FAQ Section. In light of this, the CRC voted unanimously to support including the comprehensive Charter reorganization concept as part of their work plan.

This comprehensive reorganization proposal, with some relatively minor modifications to the Article and Section references submitted to the Council back on April 7th, remains a central component of the CRC's recommended Charter update. The proposal consolidates the current Charter's eighteen (18) Articles into nine (9) Articles and relocates a number of Sections and Subsections into more logical alignment. This relocation of Sections occurs most frequently in and among old Articles VI, The Elective Offices, VII, The Council, City and VIII, Manager, Ordinances, Meetings, now new Articles Two, Elected Officials, Three, City Elections, and Four. City Council Meetings/Actions. A number of miscellaneous Sections that were located throughout the old Charter are also now proposed for relocation to new Article Nine, Miscellaneous and Legal Provisions.

The proposed matrix to be attached at the end of the Charter showing the history of changes to each Section, references to previous Section numbers, and references to City Code Sections that related back to or implement Charter requirements has not yet been generated, but will be generated if Council provides preliminary direction of its intent to place the comprehensive update on the November ballot.

b. Charter-wide Conventions

Charter-wide "conventions" refers to minor, but important, changes proposed throughout the document to improve the Charter's appearance, make it more accessible, more modern, and easier to understand. In addition to those conventions described as part of the reorganization proposal, above, the Charter-wide conventions to be implemented as part of the CRC's recommendation include:

(1) "he/she him/her" pronoun references converted to using the relevant position title, whenever possible or "they/them" when not possible or too awkward;

(2) numbers one through nine presented as words, with numbers 10 and above presented as numerals;

(3) where appropriate, explain/educate on basic concepts and functions of government (e.g., added language to explain the concept of a "Council-Manager" form of government (new Section 103); and what an "Ordinance," is and does, including an explanation of the two step Ordinance approval process (new Section 403.1);

(4) use of capitalized terms to create defined terms throughout as referenced in the new Section 105. Note: The Charter is still under comprehensive review to ensure that all capitalized terms are being used correctly and consistently. The list of "Defined Terms" at the end of the Charter (new Section 908) is also still under construction.

c. Section by Section Summary of Proposed Changes

This section presents, in summary form, the proposed changes from each Ad Hoc Subcommittee Group for updates to their assigned Charter sections that were ultimately approved by the full CRC on June 3rd. While each assigned subject matter area had its own unique issues, each Group was also conscious of the importance of viewing their task through the common lens of the express Charter Project purpose stated in the adopted Bylaws. The assigned task was not to restructure the operations of City government, or to propose major changes in the City's political process. Instead, the Charter Project was about developing a comprehensive update to make the Charter easier to understand for the public, elected officials, and professional staff alike, and, based on stakeholder input, to bring the Charter into alignment with currently applicable law, City practices, and/or current, "best practices," all of which, along with Santa Clara itself, have evolved substantially since the Charter's original adoption. In some cases, this meant rewriting whole sections to make the language used more modern and less ambiguous. In other cases, it meant adding new provisions to fill gaps or deleting provisions that were outdated or no longer necessary. All of these changes are summarized below, with references to Section numbers in both the existing "Old" Charter and the proposed updated "New" Charter.

Perhaps the best reference tools to use in conducting a detailed review of the CRC's proposed recommended changes are the attached underline/strikeout and clean version of the proposed Charter update (**See Attachments 4 and 5 to this report).** These updated Charter documents contain (and in the underline/strikeout version, highlight) every proposed CRC Charter modification. They also contain, throughout, annotations in the margins that provide references to primary source materials and applicable laws considered. For the more substantive proposed changes, or proposed changes in politically sensitive areas, these annotations also include summaries of the CRC's thought process in deciding whether to include, or not to include proposed Charter changes that were under consideration. Where any proposed CRC modification rose to Level 3, this was also noted.

With that in mind, the CRC would encourage that any review of the following summary of proposed Charter changes be done with reference to the actual proposed Charter update documents, with the added value of their embedded annotations.

Group One

Powers and Structure of City Government: Rules/Process for Action

Addition of a Preamble

[Preamble]

"We, the people of the City of Santa Clara, pursuant to our authority under the laws of the State of California, hereby adopt this Charter to be the rules for the governance and operations of our City in an open, fair and effective manner."

<u>Notes</u>: A preamble is not legally required but, consistent with the purposes of the Charter Project, is thought to be a good presentation and framing of what a Charter is: the local rules that the people choose to govern themselves.

Foundational Terms (Article One)
[Old Articles I through V, New Article One, Sections 100 through 105]

- Replacement of formal language with familiar language throughout (e.g., Section 100).
- Deletion of Old Article III, Succession, Sections 300 through 305, regarding the effect of Charter adoption on previously existing rules, rights and contracts; replaced with a single summarizing sentence in new Section 104.
- More definitive statement of City's "Charter Authority" with respect to "municipal affairs" (Section 102.1), and the relationship of its enumerated Charter authority to other laws (Section 102.2).
- Aggregate voter approved limitations on City authority into one Section (102.3), including "Disposal of Public Utilities" (Section 102.3(a)), with clarifying modifications to allow internal transfers and disposition of property no longer needed for utility purposes.
- Expanded language to explain "Council-Manager" form of government (Section 103).
- New language to make clear the "Effective Date" of this Charter update, and the need for voter approval of any future Charter amendment (Section 104).
- Use and Definitions of Capitalized Terms Section added with cross-reference to the list of Definitions to be added in Article Nine, which is still "under construction" (Section 105).

Notes: A definitive statement of the City's authority with respect to "municipal affairs" is intended to maximize the City's authority to govern itself at the local level. What's viewed by City staff and the CRC as a clarification of the provision requiring a vote on any transfer of a public utility to allow the transfer of utility property no longer needed, or internal utility restructuring, could be viewed by some as a substantive change warranting Level 3 consideration. See also discussion of proposed modifications of Measure R language, new Section 102.3(b), below.

Elected Officials (Article Two)
[Old Article VI, Section 600, City elected officers, New Article Two, Elected Officials, Sections 200, 201.1, 203.1 and 203.3]

- Added new Section 200 to clearly state in one place which positions in the City are elected, with a definitional distinction for "District Council Members" and a cross-reference to Article Three regarding the process for elections and interim appointments.
- Qualified Elector and Residency requirements retained and clarified, with "Residency" to be determined under State Law, and "Qualified Elector" status to be determined by the County Registrar of Voters (Section 201.1).
- Clarifying language regarding ability to hold one office and run for another (e.g., Mayor for Council, and Council for Mayor), except that District Councilmembers can't simultaneously run for another District Council seat) (Section 203.3).

Notes: Existing general qualification requirements for Elected Officials were retained. There was a discussion of lengthening the 30-days in advance requirement, but beyond 30 days has been challenged as unconstitutional. Better defining "Residency" was also discussed, but current best practice is to defer to state law, with the City Clerk requiring a sworn statement from the candidate.

City Elections (Article Three)
[Old Section 600.01, New Section 301]

- Maintains concept of a "regular election" but uses modern language to refer to as "General City Election" held in even numbered years to be consolidated with the corresponding State election. Everything else is a "Special Election." Provision for no primary election retained.

City Council Meetings/Actions (Article Four)
[Old Section 808, Ordinances, New Section 403, Special Rules for Ordinances]

- Added language to explain what an ordinance is and to use modern language to explain the two step process for "introducing" and "adopting" ordinances (Section 403.1).
- Retains general rule for ordinance adoption at a "regular meeting" but adds a provision for adoption at a special meeting if the City Council finds an urgent necessity with five affirmative votes (last sentence of 403.1).
- Simplifies and updates language regarding repeal/amendment (403.2), effective date (403.3), emergency (403.4), codification (403.6), and adoption of uniform codes (403.7), with City Clerk only required to maintain one (was three) physical copies of the code, with added requirement for posting on the City's website.
- Posting/publication of ordinances requirement changed from **advance** posting/publication in a newspaper (a general law city practice) to **post** adoption posting/publication in newspaper, plus website posting (403.5).

Notes: Charter cities can develop their own ordinance adoption standards, but most substantially adhere to the General Law city standard. This update maintains that standard, with a "best practice" modification to allow for ordinance adoption at a special meeting with a five-vote determination of urgency, and replacement of a pre-adoption newspaper publication requirement, with a 15-day post-adoption publication requirement.

Employee Performance Bonds
[Old Section 911, Official Bonds, New Section 503, Employee Performance Bonds]

- Added language to describe what bonds are for, to outline the contents of any City policy to identify covered officials and terms of bonds, with City to pay premiums (503.1), with State law to apply in the absence of City policy (503.4).

Miscellaneous and Legal Provisions (Article Nine)
[Old Article XVIII, New Article Nine]

- Overall updates/clarifications to existing language in new Sections 900 (Mandatory and Permissive), 901 (Legal Actions Against the City), 903 (Severability) and 907 (Oaths of Office, old Section 912).
- Violations and Enforcement updates allow for prosecution of Charter violations as misdemeanors **or** infractions, in prosecutor's discretion based on severity of offense, with reference to state law for applicable range of punishments, and a clear statement that Elected Officials forfeit their position for a misdemeanor conviction (902.1).
- The District Attorney to be the prosecuting authority; if DA declines, City Attorney to hire someone from outside the City Attorney's Office to prosecute (902.2).
- Ordinance required as a legal basis for any Local Law criminal prosecution (902.3).

- Publication of legal notice updates maintains newspaper publication requirement with updated language to align with State Law (904.1), requires additional "electronic" notice by City policy based on latest technologies to maximize reach to those expressing interest or likely to be impacted (904.2).
- Where Charter requires a City Council ordinance or policy, currently applicable local or state laws to remain in effect pending adoption (905).
- Add City Clerk authority to make minor corrections if approved as to form by City Attorney and ratified by Council (906).
- Definitions, still under construction (907).

Notes: A Charter's "Miscellaneous" Sections are often overlooked, but they contain important content. For enhanced transparency, this update adds a requirement for the City to create a policy for modernizing its legal public notice requirements. It also makes clear that violations of the Charter could be prosecuted as misdemeanors or infractions depending upon the severity of the offense. The existing Charter identifies the City Attorney as the prosecuting authority for Charter violations, but this is almost always a conflict of interest as this position is appointed by the City Council and has attorney-client relationships with virtually every City official governed by the Charter. The proposed solution is to identify the DA or, if the DA declines, special outside counsel as the prosecuting authority.

Group Two

City Council: Elections, Powers and Conduct of Meetings

Voter Approval for Disposal or Change of Use of Certain City Parkland
[Old Section 714.1, New Section 102.3(c)]

- Proposal to add language to allow for "secondary uses" that do not "materially impact" underlying Park uses if approved by 2/3rds vote of Council (five votes); any revenues generated must be used to fund parks and recreation purposes.

Notes: This proposed change is supported by both the Planning Commission and the Parks and Recreation Commission. The added language to allow "secondary uses" could reasonably be viewed more as a clarification than a substantive change, but because it modifies the terms of a recent, voter approved measure to protect City parkland (Measure R, approved by 90% of the voters in 2016), this likely rises to a "Level Three" proposal.

Qualification Requirements for Elected Chief of Police
[Old Section 906, New Section 201.2]

- Proposal to add a requirement for a POST "Management Certificate" (must be a Lieutenant with Two Years Experience)

Notes: Given sensitivity in this area, this proposal is clearly at "Level 3". That said, current and past Chiefs have all indicated that all of the elected Chiefs that have served in the last 30 plus years have met this standard. The intent of the CRC in proposing this change (along with the proposed additions to the Chief's powers and duties sections; see Group

Three, Section 202.3, below), is to clearly communicate and provide that the elected Chief's position is a professional management position, not a ceremonial position, or for someone without supervisory experience.

City Council Challenges to Qualifications of Elected Officials
[Old Section 711, New Section 201.3]

- Replaces language for City Council to "judge" the qualifications of elected officials with provision for them to challenge qualifications as provided "under State Law."

Notes: This change replaces the vague concept of the City Council "judging" Elected Official qualifications, which is susceptible to politicization, with reference to provisions under State Law which would allow for challenges to an Elected Official's qualifications through a judicial process.

Mayor's Power and Duties
[Old Section 704.3 (and others), New Section 202.1]

- Gathers Mayor's powers in one place without substantive changes.
- Eliminates provision requiring Mayor recommendations affecting the budget to identify funding sources or cuts in support of that recommendation (Section 202.1.a.(5)).
- Maintains existing provisions limiting the Mayor's authority so as not to interfere with the City Manager's authority over the City's administrative branch (Section 202.1.b).

City Council Powers and Duties
[Old Sections 706, New Section 202.2]

- Adds substantial new language for Council/Council Member powers and duties.
- Puts parameters around the City Council's powers to investigate or subpoena witnesses (Section 202.2.a.(7))
- Individual Council member duties (including the Mayor) emphasize attendance of official meetings, consideration of public input, and ethics (Section 202.2.b).
- An additional "expectation" for "professional and courteous" conduct is also proposed.
- "Councilmanic interference" still prohibited, with any prohibited formal action deemed void (Section 202.2.c), but language for automatic removal of office eliminated to be addressed instead in the Charter "Violations" Section at the end (Section 902).

Notes: Added provisions for City Council powers are intended to be informative, not limiting. Added provisions for City Council Member powers and duties are more oriented towards what's expected, with a desire to emphasize ethical and professional conduct.

Term Limits
[Old Section 600, New Section 203.2.a. and b.]

- Clarifies term limits are "Lifetime" with service in one office not counting as service in another.
- States clearly no term limits apply to offices of Chief of Police and Clerk.

Compensation
[Old Section 906, New Sections 204 and 604.5]

- Clarifies current practice to include salary and benefits in "Total Compensation."
- "Salary Setting Commission" terms moved to Article Six (Boards and Commissions), Section 604.5.
- Per current practice, benefits for Mayor/Council/Clerk (part time positions) limited to Health and Retirement, with no ability to convert Health Benefits to cash.

Notes: Additional language intended to be clarifying. Although no health benefits have been awarded to date, the Salary Setting commission has considered the possibility.

Vacancies
[Old Section 703, New Section 205]

- List added to specify what constitutes a "vacancy" (forfeiture from office) (205.1).
- List includes conviction of any felony, or a misdemeanor involving moral turpitude or misconduct in office.
- Clarifies process for "declaring" and potentially filling a vacancy by appointment, to fill a vacancy increasing time period from 30 to 45 days (205.2).
- Replaces language suggesting that if no appointment is made an election to be held "forthwith" to fill the vacancy (which is not clear and is subject to inconsistent interpretations), with a requirement that an election be held at the next scheduled statewide election (205.2.b).

Notes: This is an example of filling a gap in the Charter, as the existing Charter provides no provision for what constitutes a "Vacancy." The proposed list is fairly standard, with a few refinements regarding criminal convictions (as described above), and determinations of disability.

City Elections (Generally)
[Old Section 700, New Section 300]

- Language added to clarify relationship between local and state law (Elections Code), with Charter governing except as necessary for the ROV to administer the election.

Notes: Both the existing Charter and proposed Charter update specify City's Elected Officials, their qualifications, their terms, how and when they are elected, etc. But as with virtually every City, general law and charter city alike, Santa Clara consolidates its local election with the County Registrar of Voters (ROV). As a result, most of Santa Clara's filing and voting requirements are set forth in the State Elections Code and administered by the ROV. The proposed Charter updates in this Section describe and clarify this relationship.

Administration and Determination of Election Outcomes
[Portions of Old Sections 700 and 711, New Section 302]

- Added language clarifies ROV primary responsibility working with elected/appointed Clerk's Office officials to administer City elections.
- Given the potential conflict, the Assistant Clerk is designated to handle election matters related to the elected City Clerk.
- Language that provided for the City Council to "judge" election returns replaced with a clearer and more standard role under the Elections Code for the City Council to "certify" elections (302.3)

Notes: The language providing for the City Council to "judge" elections suggests a broader role for the Council than is traditional or appropriate. It's the ROV that counts the votes and determines the outcome of elections they administer. The City Council's role is to "certify" that election outcome. An explanation of this is provided in the City Attorney's annotation to proposed new Section 302.3

City Council Members Elected by Districts
[Old Section 700.1, New Section 303]

- Mostly language clean up here, with the requirement for "nomination" by District added to the initial paragraph and deleted (where it was confusing) from the provisions describing how elections for the various District Council seats will be staggered.

- Additional clean-up language (pending) will be required to reference the redistricting process approved by the voters in June of 2022. This will become the new "base line," for District boundaries referenced in the Charter, replacing the map referenced in the existing Charter that was adopted by judgement of the Superior Court in 2018.

Redistricting
[Old Section 700.2, New Section 304]

- Adds a redistricting "process" including provision for a Redistricting Commission, with composition, authority and process to be established by ordinance.

Notes: The CRC is aware that the City has gone through a series of recent redistricting efforts, including most recently after the 2020 census. Based on the City's history and "best practices," the CRC recommendation requires the creation of a Redistricting Commission for mandatory redistricting but leaves it to the Council to develop the policy for how such commission will be comprised, and the level of independence it will have.

City Council Meetings/Actions
[Old Sections 707, 708, 709, New Sections 400 and 401]

- An added "In General" Section sets the framework for City Council actions to occur only at meetings properly noticed and held in accordance with the Brown Act (400).
- New proposed language adds flexibility for one month each year with only one regular meeting required to accommodate holidays or other scheduling requirements (401.1).
- Added language makes clear that any action taken at a regular meeting can also be taken at a special meeting except as required by law or the Charter (e.g. ordinance adoption) (401.2).

Notes: Proposed changes are generally Level One, with an added reference to electronic noticing of meetings, beyond Brown Act requirements, as may be developed by the City Council using the "latest available technologies" per the requirements of new Section 904.

Procedures and Requirements for Action
[Old Sections 710, 712 and 713, New Sections 402.1, .2 and .3]

- Added language clarifies quorum requirements per existing rules/best practices to require four Council Members present regardless of Council vacancies or abstentions (402.1); to make clear there's a difference, section includes reference to Council action voting requirements in Section 402.3.
- The Assistant City Clerk designated to assist at meetings and keep records of proceedings (402.2)
- Clarifies four affirmative votes required for City Council action unless a greater number is required by Charter or other Applicable Law; retains current Council authority to take action through adoption of informal "minutes" resolutions (402.3)

Notes: Charters are not required to include quorum or voting requirements, but most do and this language clearly presents existing City/best practices. An alternative would be to leave this to City Council policy making.

Powers to lease, sell or convey City property
[Old Section 714, Proposed for Deletion]

- Proposal is to delete existing Section 714 requiring public notice and an opportunity to bid at the sale of any property sold by City valued at $500 or more.
- Process itself, plus such a low threshold were thought so outdated that it would be better to delete than modify.

Notes: This could be a Level Three issue depending upon City Council's perspective on how the voting public might perceive this deletion.

Group Three
Senior Officials: Duties and Qualifications

Chief of Police Powers and Duties
[Old Section 906, New Section 202.3]

- Language added to make clear that the Chief of Police is the "head" of the Police Department (as currently provided by ordinance, but not in the Charter).
- Added the obligation of the Chief to update and advise the City Council and the City Manager on matters relating to public safety and law enforcement (202.3(d))
- Not able to develop language mutually agreeable to City Manager and Chief to clarify their relationship regarding department appointments and discipline.

Notes: The proposed changes to this Section, like those proposed in the Chief qualifications Section, above, are intended to confirm the professional nature of this position, both as the head of the Police Department and as an advisor to the City Council and the City Manager on public safety and law enforcement issues. While the City Manager and the Chief were not able to agree upon additional language specifying their authority over department appointments and discipline, they are both supportive of these changes. That said, the CRC recognizes that this is a highly sensitive "Level Three" area.

City Clerk Powers and Duties
[Old Section 903, New Section 202.4]

- Proposed changes reflect the current allocation of duties between the City Clerk (elected) and the Assistant City Clerk (ACC) (appointed by the CM) in the City Code (City Code Chapter 2.20).
- The City Clerk's primary duty is to serve as the City's "Elections Official" to administer elections and related duties under State and local laws (202.4(a)(1))
- Adds the duty to consult with the ACC, and with ACC concurrence, authorize the ACC to assist with their duties.
- ACC to perform typical City Clerk "day to day" duties to support City Council meetings and maintain City records (202.4(b)).
- Adds provision for ACC to act in the extended absence of the City Clerk to assure continuity of City operations and compliance with laws (202.4(b)(7).

Notes: This language was developed with the direct input and support of the City Clerk and the ACC.

Structure of Government
[Old Articles VIII and IX, New Article Five]

- **General sections** added/updated to describe City organization by departments, as determined by City Council (500.1), with an "Administrative Code" implementing details, to be updated from time to time (500.2), with the City Manager as the head of operations, and with the City Manager, City Attorney and City Auditor to be appointed by City Council (501).
- **City Manager** sections consolidated and updated to better reflect duties and to align with other department head duties (501.1), with added provisions for exercising "professional judgement" to make recommendations and take actions to assure high quality performance of services, compliance with contracts and with the City Code (501.1(f) and (g)). Outdated language regarding City Management appointment, and process for removal "for cause" deleted, as this is all now handled by contract (Old Section 806).
- **City Attorney** provisions updated to give authority to initiate legal proceedings subject to City Council approval and in consultation with the City Manager (501.2(c)), act as the appointing authority, in consultation with the City Manager, for professional legal staff (501.2(d)), where conflict exists, refer matters to outside attorneys/agencies (501.2(j));

required years of experience increased from 4 to 7, with such other qualifications City Council may impose commensurate with demands of position (end of 501.2).

- **City Auditor** provisions updated to reflect duties for both financial and performance audits (501.3) per an annual work plan the Auditor develops in their professional discretion with required approval from the City Audit Committee (501.3(b)), to be implemented or overseen by the City Auditor (501.3(c)), with a requirement that they conduct themselves in accordance with all applicable professional and ethical standards (501.3(d)).
- **Positions Appointed by the City Manager,** updated with input from current department heads, to better reflect their duties, including as follows:
- **Director of Finance**, update outdated terms, expand duties to City "enterprises," align with other changes to City's financial reporting and budget process, designate as the City's "Treasurer" for all purposes, including financings, add oversight of City's purchasing system, and applicable professional standards (502.1).
- **Public Works Director**, update to reflect current duties, including oversight of City public works procurement, with the ability to serve as or appoint the City Engineer (502.2).
- **Fire Chief,** update to expand duties to reflect modern "all risk" fire service, to include emergency medical response, and other functions approved/funded by the City Council like hazmat regulation/response, mutual aid and rescue ops (502.3).

Notes: All proposed updates to these Sections are the product of discussions with and input from the Senior Officials themselves and are intended to conform with current City and best practices.

Group Four

Boards and Commissions: Composition, Powers and Duties

General Provisions for Chartered and City Council Created Boards and Commissions
[Old Section 1000, New Sections 600.1 and 600.2, 600.4, 600.5 and 600.6]

- Added language introduces and lists the five "Chartered" Boards and Commissions (600.1) and provides for "City Council Created" Boards and Commissions with Council flexibility on composition and terms for the latter (600.2).
- The existing Salary Setting Commission is added to the list and given its own Section (600.1 and 604.5)
- Old section 1004 regarding application of interest/gift rules per state/local law updated and moved to this Section (600.6)

Qualifications (Qualified Elector/Resident Status)
[Old Section 1000, New Section 600.3]

- Chartered Board members to be both residents and qualified electors.
- City Council created Board members need only be residents.

Notes: The need for "qualified elector" status as a qualification was discussed extensively in light of the Board of Library Trustees (BOLT) request that this requirement be removed.

The Group/CRC ultimately decided that for the Charter created boards and commissions, qualified elector status and consistency were important. They also note that non-Qualified elector residents still have a lot of opportunities to serve on City Council created boards.

Appointment/Removal
[Old Section 1002, New Section 602.1]

- Retain full City Council discretion to appoint/remove but require City Council to adopt policies for this to occur in "an orderly and transparent manner" (602.1).

Notes: Group Four discussed extensively options for making more transparent any decision not to reappoint or remove a board or commission member "for cause" other than the referenced "Vacancy" provisions discussed below. Ultimate decision was to require the City Council to make rules that allow for appointment and removal "in an orderly and transparent" manner but not draft such rules into the Charter as it is not the place for that level of detail.

Term Limits

[Old Section 1002, New Section 602.2]

- Codify existing practice allowing two 4-year terms in one's "lifetime" on any one board/commission, with Council flexibility to change for Council Created Boards and Commissions (602.2).

Vacancies
[Old Section 1004, New Sections 602.3 and 602.4]

- Applies same "Vacancy" rules as for Elected Officials, with the exception of the existing (different) rule for Boards and Commissions for the number of non-excused absences allowed (three) before position declared vacant.
- Per suggestion of Parks and Recreation Commission (and others) provision now contemplates City Council creating a set of rules governing excused/non-excused absences (602.3).

Conduct of Meetings
[Old Section 1003, New Section 603]

- Added language makes clear Brown Act/City Council rules apply (603.1)
- Language that contemplates Boards and Commissions going into closed session in conflict with Brown Act now deleted.
- Added language makes clear that any action requires a majority vote of authorized number of members (603.3).
- Extraordinary powers of investigation/subpoena powers for all Boards and Commissions deleted as this should probably only be available to the Civil Service Commission (603.4).

Notes: The City Council could make different quorum/voting rules of Boards and Commissions, but the Group/CRC thought maintaining consistency with City Council rules was important to retain.

Planning Commission
[Old Sections 1006 and 1007, New Section 604.1]

- Updated Powers and Duties based on staff and Commission input, with a particular interest from the Planning Commission in adding references to advanced planning work, analysis of environmental impacts, and solicitation of public input (604.1.b)
- Planning Commission proposal for City Council deference, plus a supermajority vote required for the Council to overturn Planning Commission determinations on appeal was considered but not recommended (604.1.c).

Notes: The CRC was sympathetic to the Planning Commission's desire for deference but determined that the requirement for a super majority vote went too far. This conclusion was helped by confirmation that the commission has an existing right to designate a member to represent their position at the City Council should they elect to do so with respect to any particular item.

Parks and Recreation Commission
[Old Sections 1008 and 1009, New Section 604.2]

- Added language updates Powers and Duties based on staff and Commission input, including adding the review of any Parks and Recreation Master Plan, providing input on City-wide events using parks and rec facilities, and removal of direct involving with planning and supervising recreation programs and solicitation of school authority cooperation, instead acting in an advisory capacity (604.2.b).

Notes: Added language maintains, but now more accurately reflects, the Commissions advisory rule across a broad spectrum of City projects and programs.

Board of Library Trustees (BOLT)
[Old Sections 1012 and 1013, New Section 604.4]

- Proposed increase from 5 to 7 members was supported to allow for more community engagement and support for library programs (604.4.a).
- BOLT's proposal to eliminate the qualified elector requirement for membership was not recommended per discussion regarding general qualifications for Chartered Boards and Commissions, above (604.4.a).
- Updated language eliminates the authority of the BOLT to "administer" the Library system but retains its authority to approve the City Librarian (in coordination with a City Manager administered recruitment process), approve certain administrative policies unique to library operations, with some restrictions, and adds the requirement for BOLT input on the library budget and any master plan, along with other major decisions(604.4.b).

Notes: The Charter provisions setting forth the BOLT's powers and duties were substantially out of line with current/best practices in that they called for the BOLT to administer the City's library system. The BOLT agreed that this role was outdated but wanted to retain certain approval rights in key areas. The CRC was supportive of most of the BOLT's proposals and believes that the final language strikes a good balance.

Group Five

Civil Service: General Rules for Classified and Unclassified Employees; Commission Composition and Duties

The Group Five Subcommittee recommended modifications to a variety of sections of the Charter pertaining to the Civil Service Commission as well as the terms of classified employment with the City. Through the course of robust meet and confer discussions with the bargaining units, numerous changes to the language were requested by the units and incorporated by staff. However, due to timing constraints, the bargaining units were not in a position to agree to the proposed modifications by the last CRC meeting of June 3rd. CRC provided direction to staff at that meeting to continue meet and confer efforts, and staff will provide a verbal update as to the outcome of those continued efforts as the Council goes through its review and deliberations of the overall Charter update proposal.. Below is a summary of the Charter modifications that were proposed by the CRC and discussed with the units.

Civil Service Commission
[Old Sections 1010, 1011, New Section 604.3]

- Add reference to conflict-of-interest rules
- Reorganize sections and update language for readability
- Expand to include all protected characteristics
- Include reference to Salary Setting Commission appointment/removal duty

Civil Service
[Old Section 1100, New Section 700]

- Align general merit principle language with Section 1010
- Add reference to the Civil Service Rules

Classified and Unclassified Service
[Old Section 1101, New Section 701]

- Categories of positions in the unclassified service updated to match those positions listed on the unclassified pay plan
- Language added to protect potential bargaining rights of temporary/as-needed employees (AB 1484)
- Currently undefined terms “professional, scientific, technical, or expert service of an occasional or exceptional character” updated to include definitions of Confidential, Professional, and Management Employees from the Employer-Employee Relations Resolution
- Eliminated the requirement for newly created unclassified positions to be the head of a division established by ordinance
- Concerns raised by bargaining units related to the potential for currently classified positions to become unclassified were addressed by adding in a clause “freezing” classified rights for positions on the classified salary schedule as of the date of the election

Appointments from the Classified to Unclassified Service
[Old Section 1102, New Section 702]

- Charter currently has an unlimited right of reversion, originally proposed to include a two-year limitation. After the bargaining units raised concerns, staff eliminated the proposed two-year limitation.
- Limited right of reversion in situations where an employee was dismissed for cause or resigned in lieu of termination
- Eliminated "forced retirement" language

Prohibitions
[Old Section 1107, new Section 707]

- Updated cross-references
- Updated penalty provisions to reference state law standard for misdemeanors

Notes: Proceeding with any changes to these sections in the absence of agreement with the bargaining units could place the City in a difficult position and potentially render the City's decision vulnerable to challenge. Therefore, in the absence of an agreement, these provisions would be placed in the Level Three or Level Four categories.

Group Six

Fiscal Administration and Procurement

Budget Preparation
[Old Section 1301, New Sections 801.1 and 801.2]

- Language added expressly allows for the current "biennial" budget process, with alternating operating and capital budget approvals, with the budget to be prepared and presented by the City Manager in consultation with the Director of Finance and all departments (801.2).

Budget Contents
[Old Sections 1311-1314, New Section 801.3]

- Proposed updates delete multiple sections of outdated budget elements, including no longer used terms for budget reserves.
- Retains requirement for "Reserve Accounts" to cover future operations/capital needs funded to levels per City Council policies "and in consideration of recommendations by the City Manager and Director of Finance regarding best practices and available funds" (801.3).

Notes: Most of the Group Six discussion centered around their shared concerns regarding City budgeting for future capital and other needs through maintenance of adequate reserves. The Group even considered proposing specific reserve standards. Because this is the Charter, and that exercise would be complicated and changing over time, the ultimate consensus (consistent with the Finance Director's preference) was to call for Reserves, but continue to have the terms and amounts set by Council policy.

Budget Implementation and Amendment
[Old Section 1300, New Section 801]

- Proposed language updates clarify which budget amendments require City Council approval, versus which can be administered by the City Manager (within the various departments and funds approved/appropriated by the Council) (801.5)
- At the request of the Finance Director, updated language allows for the "carryforward" of funds (i.e., no new City Council approval required) for approved Capital Improvement Projects and multi-year contracts (801.5).
- Requirement that Council level amendments be approved by five votes is retained, but new language adds a provision allowing amendments by four votes where funds are no longer need for original appropriate purpose, to realize project savings, or where the amendment appropriates new revenues (801.6).

Notes: Proposed changes were suggested/supported by the Director of Finance to retain Council authority over major amendments, but to simplify the amendment process for certain previously approved items, or where new revenues are involved.

Purchases of Goods and Services
[Old Section 1318, New Section 802.2]

- Adds provision for consultation with the Director of Finance for Council procurement policies (802.1)

Public Works (Option A Recommended)
[Old Section 1310, New Section 802.2.3 and 602.4]

- Proposal to replace outdated rules containing very low ($1,000) thresholds for formal bidding and City Council approval of contracts/use of City forces, and lacking any provision for "alternative" (best value/design build) procurement processes and exceptions except in the case of an emergency.
- Option A (recommended) proposes public works procurement to be implemented by City Council ordinance within certain prescribed "best practice" guidelines including (a) definition of major versus minor contracts to establish formal bidding and approval authority thresholds, (b) except where specific exemptions apply, the general practice of awards to the lowest responsive and responsible bidder, (c) emergency authority, and (d) ability to reject bids, rebid, or perform work using City forces (see full list at Section 802.2.b).
- Procurement "Alternatives" allowed, including sole source/limited bid, "best value" contracts (e.g., design build), and other alternatives adopted as part of a City-wide program determined to be in best interests of the City.
- Maintenance/repair exclusions from "Public Works" description clarified and expanded to apply to minor interior improvements, separate equipment bidding and equipment installation.

Notes: The City Manager, Public Works and SVP communicated their strong support for these provisions to update the City's current highly out-of-date Charter provisions, requiring Council level approvals and formal bidding for even the smallest of projects, and to give the City additional "best value" public works procurement tools. Per the Public Works Director, design build and related mechanisms for certain types of projects can be used to great effect to manage costs, improve quality and shorten bid and construction time frames. This could be especially important/valuable to the City as a tool with so many major Measure I projects pending (e.g., Fire Station rebuilds) and for the highly technical electrical system projects required by SVP. If the Charter amendment is approved, an ordinance would need to be developed to set out the best practices for how this would work.

Because this proposal would substantially change the existing Charter rules for public works, it is considered a "Level Three" proposal. Unlike some other Level Three items, however, because of the substantial independent value of the proposed change, City staff believes, and the CRC agrees, that if the Council was not comfortable including this proposal within any proposed comprehensive update, it would warrant presentation to the voters as a stand-alone measure.

Audit Requirements

[Old Section 1319, New Section 803]

- Proposed update eliminates language suggesting that each City employee's financial activities get audited versus the intended, best practice, comprehensive audit of all City operations (803.1).
- Imposes "generally accepted auditing and accounting principles applied to government agencies" (803.1).
- Provides for reporting through the City's Audit Committee up to the City Council per existing and best practices (803.2).

Special Rules for Utilities Expenditures and Revenues

[Old Section 1320, New Sections 804]

- Proposed language eliminates outdated details for allowed expenditures and replaces it with a reference to expenditures allowed by law.
- Updates language for the 5% transfer to the general fund from utility revenues to make clear that such monies can be used for general City purposes as approved by City Council.

Finance and Tax Authority

[Old Sections 1309 and 1321, New Section 805]

- Replaces outdated language which inaccurately summarizes state law, with new statement of broad authority to impose taxes, fees and assessments, and issues debt subject to State law requirements (especially regarding Revenue Bonds)
- Retains but clarifies existing limit on bonded indebtedness to 15% of the total assessed value of City real and personal property (805.3)

- Retains express rights/requirements for voter approval of taxes/fees/debt where required by State Law, and for any proposed City financing of a nuclear plant or any interest in one (805.4).

Notes: Although it could be argued that the prohibition on financing of any interest in a nuclear plant is outdated, because City ownership/use of nuclear power is potentially a highly sensitive area for many people, and SVP has indicated there is no urgent need to finance any such interest, the CRC has recommended to keep this limitation in place and not propose any updates at this time.

4. <u>Final Recommendation</u>

a. Proceed with a Comprehensive Update for Consideration by Voters at the November 2026 election. The CRC recommends that the City Council direct staff to take all steps necessary to prepare a comprehensive Charter update measure to be submitted to the voters on the November 2026 ballot. Consistent with the Charter Project's stated purpose, the CRC recommends that the City Council include in the measure all proposed Level One and Level Two updates, along with as many Level Three updates as the Council feels confident will be supported by the community.

The proposed updates characterized as Level Three include: (1) proposed changes to Measure R to allow for "secondary" uses of park property (new Section 102.3); (2) proposed deletion of the published notice and opportunity to bid on proposed transfers of real property valued at over $500 (old Section 714); (3) enhancement of Chief of Police qualification requirements to the equivalent of a lieutenant with two years' of experience (new Section 201.2) (4) additional Chief of Police powers and duties to indicate that the Chief is the head of the Police Department, with responsibilities to advise the City Council regarding law enforcement and public safety matters (new Section 202.3); (5) a Public Works contracting overhaul to provide for procurement thresholds and details to be implemented by ordinance and to allow for the use of "best value" procurement alternatives, including design-build (new Section 802.2); and (6) proposed changes to Civil Service provisions which remain under review by labor groups in a meet-and-confer process and could rise to a "Level Four" issue if not resolved prior to the need for Council action (new Section 604.3, and Article Seven).

Of these Level Three proposals, the only one the CRC deems sufficiently valuable enough to consider presenting as a separate ballot measure at this time is the proposed replacement of the existing outdated public works provisions (new Section 802.2). This recommendation is based on the value that City professional staff attach to this proposal in terms of projected project cost savings, expedited performance and quality enhancement.

b. **Additional Factors to Consider**. In addition to considering the substance of the CRC's many proposed Charter language updates, the Council may also consider other factors in determining how to proceed.

<u>Cost</u>. One obvious factor is the cost of placing a measure on the ballot. Based on current estimates obtained from the County Registrar of Voters by the Assistant City Clerk, the

estimated cost of placing a measure on the upcoming November 2026 ballot is between $250,000 and $300,000 per measure. The primary consideration here is whether it is worthwhile to present more than one measure. On the one hand, the City Council might reasonably hesitate to include in any comprehensive update proposal a provision of such sensitivity or controversy that it risks having the entire measure rejected by the voters over concerns about that provision. On the other hand, even if the sensitive measure is desirable, it may not be worth spending the additional funds necessary ($250,000 to $300,000), to have it considered separately. In these cases, a reasonable determination could be made simply not to include a highly sensitive proposed change in any proposed measure for the November 2026 ballot.

The Need for Public Education. As discussed in some detail above, the CRC believes that it will be crucial for voters to be fully informed during the lead-up to the election regarding the purpose and contents of any proposed comprehensive Charter update measure. The recommended approach is to include in the ballot measure a conspicuous link to both the underline/strikeout and clean versions of the Charter, including all explanatory annotations. These would be made available on a dedicated Charter Project page on the City's website. Also on that dedicated page would be an extensive FAQ Section further explaining the measure.

Although the Council knows that the City **cannot** use City resources to "campaign" or advocate for any measure, the City **can** provide information to voters explaining the measure and making known the resources the City has available on its website to explain the measure further. This could be done through mailers or some other form of electronic communication. The City could also support the holding of public forums regarding the measure, with volunteer members of the CRC and relevant, assigned City staff available to field questions and concerns.

Additional Work Required if Measure Passes. If a comprehensive Charter update measure is proposed and passes, there will be substantial additional work to conform existing City Code provisions, policies and other documents that refer to the existing City Charter section numbers. All ordinances and polices that the Charter requires or contemplates enacting will also need to be developed. At a minimum, this would include: a City Council policy for excused absences; a transparent and fair policy for appointment and removal of Board and Commission members; provisions for a new Chapter in the City Code Charter implementing the Charter's outlined Public Works procurement provisions; and an ordinance establishing the terms for the formation of the next Redistricting Commission to respond to the 2030 decennial census.

Additional Issues Can be Taken Up in the Future. The CRC's recommended Charter update is comprehensive, but of course, within the context of the limited Charter Project purpose, it does not include everything that the CRC, the Council or the public may want considered as a potential change to the City's Charter at this time. With Council direction, any such issues can certainly be further evaluated and considered for presentation at one or more future elections. For this CRC, while a number of "Level Four" issues were discussed, the CRC took no official action to present these to the Council. The CRC's focus instead was on getting its current recommendation presented. If the Council so desires, after whatever action it may take on this Charter Project, the CRC could reconvene to more formally consider and recommend possible Level Four issues to be taken up by a future CRC.

c. Next Steps/Scheduling. City staff, with assistance from designated representatives of the CRC, will make an initial presentation of the Charter Project process, results and recommendations to the City Council at the Council study session scheduled for the June 9, 2026, Council meeting.

The matter will be taken up again by the City Council at its June 15 special meeting dedicated to the Charter Project. Based upon City Council feedback or direction at that meeting, the CRC could meet further, as needed, to make any requested modifications, conduct additional research. or refine its proposal. Any modified proposal could then be re-presented to the Council later in June or early July.

If the City Council desires to proceed with placing a measure on the ballot, the full ballot package would need to be delivered to the County Registrar no later than August 7, 2026. In order not to intrude on the Council's scheduled summer recess, that means any final City Council action on a Charter update ballot proposal would need to occur at the Council's currently scheduled July 14, 2026 meeting.

ATTACHMENTS

1. Charter Review Committee Bylaws [Charter Project]
2. City Charter (current)
3. Assembled History of Previously Proposed and Approved Charter Amendments (1952 through 2024)
4. City Charter with Proposed Modifications, Underline/Strikeout with Annotations
5. City Charter with Proposed Modifications, "Clean" Version with Annotations

FINAL

CITY OF SANTA CLARA
CHARTER REVIEW COMMITTEE
BYLAWS
[Charter Project]

1. Committee Established. On July 15, 2025, the City Council of the City of Santa Clara ("City Council") directed the formation of a Charter Review Committee ("CRC") to assist with a comprehensive review and update of the City Charter (referred to here as the "Charter Project"). On September 16, 2025, the City Council took action to appoint the members of the CRC and to approve these Bylaws, thereby establishing the CRC for the purposes, and with the duties, rights and limitations, set forth herein.

2. Purposes. The purpose of the CRC is to work with City staff, with input from the community, to facilitate the implementation of the "Charter Project." The Charter Project involves a process for comprehensive review of the City Charter to identify provisions in the Charter that should be corrected, clarified or modified for the Charter to be fully consistent with applicable state law, aligned with current best practices for City operations and, in general, easier to understand and apply. At the end of the process, the objective of the Charter Project is to produce a draft comprehensive Charter Amendment for presentation to the City Council and, if the City Council so directs, possibly the voters at the November 2026 Election.

3. Duties. To carry out its stated purposes, the CRC shall perform the following duties:

3.1 Appointment of Chair and Vice Chair. At its first or second meeting, the CRC, by majority vote, shall appoint a Chair and a Vice Chair from among its members. The Chair shall (a) act as the Presiding Officer of the CRC in accordance with the terms of City Council Policy 055 (Council Meeting Procedures and Protocols), (b) coordinate CRC meeting agendas with City staff, and (c) unless otherwise directed by a majority of the CRC, serve as the spokesperson for the CRC. If the Chair is absent or unavailable, the Vice-Chair shall perform these duties. The Chair and Vice-Chair shall serve in these roles throughout the term of the CRC.

3.2 Schedule, Attend and Participate in CRC Meetings. In accordance with a schedule approved by a majority of the CRC, CRC members shall be expected to regularly attend and actively participate in CRC meetings. In the event that a CRC member is appointed to one or more Subcommittees, the CRC member shall also be expected to regularly attend and actively participate in the meetings of such Subcommittee(s).

3.3 Solicit and Consider Public Input. The solicitation and consideration of public input is integral to the Charter Project. CRC members shall encourage stakeholders within the community to provide input to the CRC and shall work with staff to develop an outreach policy to further encourage such input.

3.4 Make a Recommendation to the City Council regarding a Comprehensive Amendment of the City Charter. To implement the Charter Project City staff will be preparing draft revisions to the City Charter for consideration and input by CRC Subcommittees and or the CRC itself. At the end of the process, the CRC will be expected to make a recommendation to the City Council on one or more proposed amendments to the City Charter. The proposed "top to bottom" review process is intended to be driven by practical and legal considerations, with the prime objective being to bring the Charter up to current "best practices" for City operations. It is not intended to

implement any major restructuring of City operations or to change the City's election process. In the end, it will be up to the Charter Review Committee to recommend, and the City Council to decide which, if any, of the proposed changes will be presented to the voters as part a comprehensive update to the City Charter. In order to coordinate with the City Council's summer meeting schedule, and to meet the timing requirements for submittals of measures to voters at the November 2026 election, the CRC shall endeavor to finalize and present its recommendation(s) to the City Council by no later than June 29, 2026.

3.5 Comply with Applicable Laws and Ethics Standards. By accepting appointment to the CRC, in the fulfillment of their duties, each member of the CRC agrees to comply with all applicable laws and the ethical standards set forth below:

(a) While serving on the CRC, CRC members shall not make or influence a City decision involving City authority under the terms of the City Charter which will benefit the CRC member's outside employment, business, or a personal finance or benefit an immediate family member, such as a spouse, child or parent.
(b) No CRC member shall use his or her position on the CRC to negotiate future employment with any person or organization, receive remuneration of any kind, or obtain any other benefit or advantage.
(c) In their conduct on the CRC, CRC members shall comply with all applicable federal, state and local laws and regulations, including the policies, procedures, rules and regulations of the City of Santa Clara. Applicable laws and regulations shall include, without limitation, the Ralph M. Brown Act governing the conduct of CRC meetings, the Public Records Act, governing public access to any public records within their possession related to their CRC duties, and the City of Santa Clara Code of Ethics and Values.
(d) A CRC member shall place the interests of the City above any personal or business interest of the member.

4. Membership.

4.1 **Composition.** The CRC shall be comprised of thirteen (13) total members appointed by the City Council and selected as follows: (a) Seven (7) members selected by the City Council and Mayor representing each of the six (6) City Council Districts (selected by the City Councilmember representing that District), and one (1) "at large" position (selected by the Mayor); and (b) Six (6) members selected by lottery, to include one resident from each of the six Council Districts.

4.2 **Qualifications.** To be qualified, both Council-selected and lottery-selected CRC members must be registered voters and residents of the voting Districts they represent or, in the case of the Mayor's selection, the City at large. CRC members must retain such qualifications throughout their tenure. Simultaneous membership on another City Board, Commission or Committee is allowed.

4.3 **Term.** Except as otherwise provided herein, each member shall serve for the from the date of the first meeting of the CRC until the dissolution of the CRC. Unless otherwise directed by the City Council, the CRC shall be dissolved (30) days after CRC makes its final recommendation and report to the City Council regarding a comprehensive Charter amendment, which is scheduled to occur on or before June 29, 2026.

4.4 **Removal; Vacancy.** The Council may remove any Committee member for cause, which includes failure to attend two consecutive Committee meetings without reasonable

excuse or for failure to comply with the Committee Ethics Policy. Upon a member's removal, the seat shall be declared vacant. The City, in accordance with the established selection process for the subject member shall fill any vacancies on the Committee The City shall make best efforts to fill vacancies within 45 days. Pending the filling of any vacancy or vacancies, provided there are at least seven (7) CRC seats that are filled, the CRC may proceed with the conduct of CRC business.

5. Limitations on Authority; No Compensation.

5.1 Limitation on Authority. Although City staff will be available to assist the CRC in its duties, neither the CRC nor any CRC member shall have the authority to direct City staff in any matter. Individual members of the CRC retain the right to address the City Council as an individual, however no individual CRC member shall have the authority to formally represent the CRC before the City Council, or otherwise, unless they have been authorized to do so by a majority vote of the CRC.

5.2 No Compensation. CRC members are volunteers and shall not be compensated for their services.

6. Meetings.

6.1 Frequency. The CRC shall meet as needed in order to fulfill its duties to facilitate implementation of the Charter Project. It is anticipated that the CRC may need to meet as frequently as monthly. At the end of each CRC meeting, if the next meeting has not already been scheduled, the CRC should identify their next meeting date.

6.2 Location. All meetings shall be held within the City at a location or locations to be determined.

6.3 Procedures and Protocols. The CRC shall be subject to the Ralph M. Brown Public Meetings Act of the State of California, Government Code Section 54950 et seq. (the "Brown Act"), and shall conduct its meetings in accordance with the provisions thereof. In addition, to the extent practicable, the CRC shall conduct its meetings in accordance with the City Council Policy 055 (Council Meeting Procedures and Protocols).

6.4 Voting. A majority of the number of CRC members (seven (7) members) shall constitute a quorum for the transaction of any CRC business. The affirmative vote of a majority of CRC members in attendance at any meeting shall be sufficient to take any action; provided, however, at least seven affirmative votes shall be required to make any recommendation to or request of the City Council.

6.5 Ad Hoc Subcommittees. To facilitate review and recommendations on subsections of the City Charter, the CRC may elect to form one or more Ad Hoc Subcommittees. Ad Hoc Subcommittees shall be comprised of no less than three (3) and no more than five (5) CRC members. Ad Hoc Subcommittees are not subject to the Brown Act and can meet privately, at times and locations to be determined by Subcommittee members that are mutually convenient to the members and any supporting City staff.

7. Staff Support. The City shall provide the CRC with the necessary technical and administrative assistance in furtherance of its purposes. Such support shall include: training in applicable laws and procedures (e.g., the Brown Act, the Public Records Act, Meeting Management Protocols), technical support at CRC meetings, and presentations on current challenges, shortcomings

and recommendations for revisions to the City Charter.

8. Implementing Rules; Amendment of Bylaws. If necessary, by majority vote, the CRC may adopt additional rules and procedures to facilitate CRC operations that are consistent with these Bylaws. Any proposed amendment to the Bylaws must be approved by a majority vote of the City Council.

Title CHA. The Charter of the City of Santa Clara California

Article I. Name of City

§ 100. Name.

The municipal corporation now existing and known as the "City of Santa Clara" shall remain and continue to be a municipal body politic and corporate, as at present, in name, in fact, and in law.

Article II. Boundaries

§ 200. Boundaries.

The territory of the City shall be that contained within its present boundaries as now established, with the power and authority to change the same in the manner provided by law.

Article III. Succession

§ 300. Rights and liabilities.

The City of Santa Clara shall remain vested with and continue to have, hold and enjoy all property, rights of property and rights of action of every nature and description now pertaining to this municipality, and is hereby declared to be the successor of same. It shall be subject to all the obligations, liabilities, debts and duties that now exist against this municipality.

§ 301. Ordinances.

All lawful ordinances, resolutions, rules and regulations, or portions thereof, in force at the time this Charter takes effect, and not in conflict or inconsistent herewith, are hereby continued in force until the same shall have been duly repealed, amended, changed or superseded by proper authority.

§ 302. Continuance of present officers and employees.

The present officers, boards, commissions, and employees shall, without interruption, continue to perform the duties of their respective offices and employments for the compensation provided by ordinances, resolutions, rules, or laws, until the appointment and qualification of their successors under this Charter and subject to such removal and control as is herein provided.

§ 303. Continuance of contracts and public improvements.

All contracts entered into by the City, or for its benefit, prior to the taking effect of this Charter, shall continue in full force and effect. Public improvements for which proceedings have been instituted under laws or charter provisions existing at the time this Charter takes effect, in the discretion of the City Council, may be carried to completion as nearly as practicable in accordance with the provisions of such existing laws and charter provisions or may be continued or perfected hereunder.

§ 304. Pending actions and proceedings.

No action or proceedings, civil or criminal, pending at the time when this Charter takes effect, brought by or against the City or any office, department or agency thereof, shall be affected or abated by the adoption of this Charter or by anything herein contained; but all such actions or proceedings may be continued notwithstanding that functions, powers and duties of any office, department or agency party thereto, by or under this Charter, may be assigned or transferred to another office, department or agency, but in that event, the same may be prosecuted or defended by the head of the office, department or agency to which such functions, powers and duties have been assigned or transferred by or under this Charter.

Article IV. Powers

§ 400. General grant of power.

The City of Santa Clara, by and through its City Council and other officials, shall have and may exercise all powers necessary and appropriate to a municipal corporation and the general welfare of its inhabitants which are not prohibited by the **Constitution of the State of California** or by this Charter, and which it would be competent for this Charter to set forth specifically, and the specification herein of any particular powers shall not be held to be exclusive of, or any limitation upon the general grant of powers heretofore or hereafter granted to municipal corporations by the constitution or general laws.

§ 401. Disposal of public utility.

No public utility owned by the City shall be sold, leased or otherwise transferred unless authorized by the affirmative votes of two-thirds of the electors voting on such proposition at any election at which the question of such disposal is submitted to the electors.

Article V. Form of Government

§ 500. Form of government.

The municipal government provided by this Charter shall be known as the "Council Manager" form of government.

Article VI. The Elective Officers

§ 600. City elected officers.

No person shall be eligible to hold the elective office of Mayor, Chief of Police Department or City Clerk, unless he or she is a resident and a qualified registered elector of the City. No person shall be eligible to hold the elective office of City Council Member, excepting the Mayor, unless he or she is a qualified registered elector of the City and a resident in the district represented by the Council Member office.

In order to hold the elective office of Mayor, Chief of the Police Department or City Clerk a person must have been a resident of the City of Santa Clara for at least thirty (30) days immediately preceding the last day specified by law for the filing of nomination papers with the City Clerk for such office or, if appointed, preceding the date of the person's appointment to fill a vacancy.

In order to hold the elective office of Council Member, excepting the Mayor, a person must have been a resident of the City of Santa Clara and of the District represented by the person as a Council Member for at least thirty (30) days immediately preceding the last day specified by law for the filing of nomination papers with the City Clerk for such office or, if appointed, preceding the date of the person's appointment to fill a vacancy.

The elective officers of the City shall consist of a City Council composed of seven members, the Chief of the Police Department and the City Clerk. The Mayor and the Chief of the Police Department and the City Clerk shall be elected from the City at large at the times and in the manner provided in this Charter. Except as otherwise herein provided, a person elected to an office for other than an unexpired term, shall serve a term of four years, and shall serve until a successor is elected and qualified. The term shall commence on the date the City Council certifies the canvass of the election returns submitted to it by the County Registrar of Voters.

The person receiving the most votes cast for a particular City office shall be declared duly elected. Ties shall be broken as provided from time to time by ordinance.

The office of Mayor shall be separately voted upon and is a separate office. The person elected at any election to the office designated "Mayor" shall be deemed elected, both as a Mayor and as a member of the Council. Although the Mayor is a Council member, his or her election does not change the number of Council members from seven.

No person shall be a candidate for both Mayor and a City Council office at the same election. However, an incumbent member of the City Council may run for the elective office of Mayor, and the Mayor may run for the separate office of Mayor or other City Council office. However, at no time shall a member of the Council, including the Mayor, hold more than one City elective office. Except as otherwise provided elsewhere in this Charter, no incumbent member of the City Council while serving in such office with an unexpired term of more than six months shall be a candidate for any Council office other than the one which he or she holds.
(Added by electors at election held November 7, 1972, approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10); Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended by electors at an election held June 7, 2022, Charter Chapter 17 of the State *Statutes of 2023*)

§ 600.01. Municipal elections.

Commencing with the year 2000, a regular election shall be held in the City of Santa Clara on the first Tuesday following the first Monday in November of even numbered years. The regular election shall be held for the election of each municipal elective officer whose term of office regularly expires at that time, and for such other purposes as the Council may prescribe. Each such regular election shall be known as the general municipal election of the City, and shall be in lieu of all others previously so called. All other municipal elections that may be called under the authority of this Charter, or the **California Elections Code**, shall be known as special elections.
(Amendment ratified 4-5-77; Amendment ratified 11-6-79; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 600.02. Consolidation of elections.

Any special election may be consolidated with a general municipal election and any municipal election may be consolidated with any State, County, or School District election held in the City or part thereof, in which case only one ballot need be printed for such consolidated election.
(Amendment ratified 4-5-77)

§ 600.1. Time of taking office – Term.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 601. Eligibility.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Article VII. The Council

§ 700. Term – Method of holding elections.

Except as specifically provided otherwise in this Charter with respect to City elections, the provisions of the **State Elections Code**, as amended from time to time, are hereby adopted. The City expressly reserves its rights with respect to the conduct of City elections pursuant to Section **5** of Article **XI** of the California Constitution. Any changes made by the City Council in the City elections procedure shall be by ordinance and shall not be in conflict with any other sections of this Charter.

There are hereby reserved to the electors of the City, the powers of the initiative and referendum and of the recall of municipal elective officers. No primary election shall be held for municipal officers. No error, omission or defect in the notice of elections shall be cause to invalidate any election held under the provisions of this Charter.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 700.1. Offices separately filled.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 700.1. Elections – City Council Districts.

Members of the City Council, excepting the Mayor, shall be elected by district.

For the election to be held in November 2022 and each election thereafter, there shall be 6 (six) districts as such districts are designated on that certain map adopted by judgment of the Superior Court dated July 24, 2018, as set forth in Resolution No. 18-8585 of the City Council, as the boundaries of such districts shall be amended through a redistricting process following each decennial United States Census.

Council District elections shall be conducted as follows:

(a) Each District shall be represented by one (1) Council Member.

(b) In the election to be held in November 2022 and in each Council District election held thereafter the Council District elections shall be conducted as follows:

1. the voters of District 2 shall nominate and elect one (1) Council Member for a four-year term; and

2. the voters of District 3 shall nominate and elect one (1) Council Member for a four-year term.

(c) In the election to be held in November 2024 and in each Council District election held thereafter the Council District elections shall be conducted as follows:

1. the voters of District 1 shall nominate and elect one (1) Council Member for a four-year term;

2. the voters of District 4 shall nominate and elect one (1) Council Member for a four-year term; and

3. the voters of District 5 shall nominate and elect one (1) Council Member for a four-year term.

4. the voters of District 6 shall nominate and elect one (1) Council Member for a four-year term.

(Added by electors at election held November 7, 1972, approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10); Amended and renumbered from section 700.2 by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended by electors at an election held June 7, 2022, Charter Chapter 17 of the State *Statutes of 2023*)

§ 700.2. Election Following Change of Boundaries.

Upon any redistricting pursuant to the provisions of this section of the Charter or the ordinances enacted hereunder, each incumbent member of the Council will continue, during the remainder of the member's term, to hold office and represent the district by which the member was elected prior to such redistricting, notwithstanding any provision of Section **600** requiring a member to be a resident of the district represented by such member.

(Section Number Repealed – text amended and renumbered to section 700.1 by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended and renumbered to Section 700.2 by electors at an election held June 7, 2022, Charter Chapter 17 of the State *Statutes of 2023*)

§ 701. Term limits of mayor and council members.

No person elected as member of the Council shall be eligible to serve, or serve, for more than two (2) full terms; but such service prior to December 1, 2016, shall not disqualify any person from further service as a member of the Council. If a member of the Council serves a partial term in excess of two (2) years, it shall be considered a full term for the purpose of this provision. The office of elected Mayor, to be filled from the City at large, is a separate office from the Council and solely for the purpose of this term limit disqualification, is not a Council office or the Council. Consequently, time served in such office of elected Mayor is not time served on the Council and time served on the Council is not time served in such office of elected Mayor.

(As amended by electors at election held November 5, 1968, approved by Joint Resolution of the Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended by electors at an election held November 8, 2016, Charter Chapter 18 of the State *Statutes of 2017*)

§ 701.1. Qualifications for Chief of the Police Department.

Candidates for the office of Chief of Police shall meet the minimum eligibility and qualification requirements imposed by state law upon candidates for the office of sheriff.

(Added by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 702. Compensation.

Commencing on July 1, 2017, each member of the City Council, other than the Mayor, shall receive as compensation the sum of two thousand dollars ($2,000) per month. The Mayor shall receive as

compensation the sum of two thousand five hundred dollars ($2,500) per month.

Commencing on July 1, 2019, and every two years on July 1 thereafter, the compensation of the City Council and Mayor shall be set by a Salary Setting Commission consisting of five members to be appointed by the Civil Service Commission from the qualified electors of the City for a term of four years. The first members shall be appointed for a term commencing January 1, 2019. Initially, the Commissioners shall be appointed in a manner so that two are appointed for two-year terms and three are appointed for four-year terms. On or before March 15 of every odd year, the Salary Setting Commission shall establish the salary of the Mayor and members of the City Council for the period commencing July 1 of that odd year and ending two years thereafter. Salaries so established by the Commission shall not exceed one hundred ten percent (110%) of the previous figure.

If a member of the City Council, including the Mayor, does not attend all meetings of the City Council or study sessions called on order of the City Council and held during the month, the compensation to him/her for such month shall be reduced by the sum of twenty-five dollars ($25.00) for each meeting or study session not attended unless he/she is absent with the consent of or on order of the City Council.

Absence from five consecutive regular meetings, unless excused by resolution of the City Council, shall operate to vacate the seat of any member of the City Council so absent.
(As amended by electors at election held November 5, 1968, approved by Joint Resolution of the Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended by electors at an election held November 8, 2016, Charter Chapter 17 of the State *Statutes of 2017*)

§ 703. Vacancies.

A vacancy in any elective office of the City, including Mayor, City Council, Chief of Police Department, and City Clerk, from whatever cause arising, shall be filled by appointment by the City Council by a four-fifths (4/5) vote of the remaining members.

In the event the City Council shall fail to fill a vacancy by appointment within thirty (30) days after such office shall have been declared vacant, it shall forthwith cause an election to be held to fill such vacancy. A person appointed or elected to fill a vacancy holds office for the unexpired term of the former incumbent, provided that if the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general municipal election, the person appointed to fill the vacancy shall hold office until the next general municipal election that is scheduled 130 or more days after the date the City Council is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.
(As approved at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held November 8, 2016, Charter Chapter 19 of the State *Statutes of 2017*)

§ 704. Presiding officer – Mayor.

The Mayor shall be the presiding officer. The Mayor shall have a voice and vote in all its proceedings. He/she shall be the official head of the City for all ceremonial purposes. He/she shall perform such other duties as may be prescribed by this Charter or as may be imposed by the City Council consistent with his/her office.
(As amended by the electors at election held November 5, 1968, approved by Joint Resolution of the Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 704.1. Mayor – Limitation of terms.

No person elected as Mayor shall be eligible to serve, or serve, more than two (2) full terms; but such service prior to December 1, 2016, shall not disqualify any person from further service as Mayor. If a Mayor serves a partial term in excess of two (2) years, it shall be considered a full term for the purpose of this provision.
(Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held November 8, 2016, Charter Chapter 18 of the State *Statutes of 2017*)

§ 704.2. Mayor – Political position.

The Mayor shall be the political leader within the community by providing guidance and leadership to the City Council, by expressing and explaining to the community the City's policies and programs and by assisting the City Council in the informed, vigorous and effective exercise of its powers. Political leadership shall be concerned with the general development of the community and the general level of City services and activity programs.
(Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with Secretary of State January 15, 1969)

§ 704.3. Mayor – Powers and duties.

The Mayor shall have the following powers and duties:

(a) The Mayor shall have the power to make recommendations to the City Council on matters of policy and programs which require City Council decision; provided, that if he/she recommends any increases in the City budget, he/she shall recommend the method of financing such expenditure; and provided, further, that if he/she proposes curtailment of service, such recommendations and his/her reason therefor shall be specific. He/she may also, on his/her own account, inform the community on matters of policy or program which he/she believes the welfare of the community make necessary.

(b) The Mayor shall preside at meetings of the City Council and shall have the vote as a member of the City Council. He/she shall have no veto power.

(c) The Mayor shall have authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any meeting of the City Council for disorderly conduct, to enforce the rules of the City Council and to determine the order of business under the rules of the City Council.

(d) The Mayor shall exercise such other powers and perform such other duties as may be prescribed by the City Council, provided that the same are not inconsistent with this Charter. Nothing in this section shall be construed in any way as an infringement or limitation on the powers and duties of the City Manager as Chief Administrative Officer and head of the administrative branch of the City government as prescribed in other sections of this Charter. Except as otherwise herein provided, the Mayor shall possess only such authority over the City Manager and the administrative branch as he/she possesses as one member of the City Council.

(Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 704.4. Mayor – Vacancy.

The office of Mayor shall become and be deemed vacant immediately upon the incumbent ceasing to be a member of the City Council.

(Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969)

§ 705. Vice Mayor.

The City Council shall designate one of its members as Vice Mayor. The Vice Mayor shall perform the duties of the Mayor during his/her absence or disability. The Vice Mayor shall serve in such capacity at the pleasure of the City Council.
(As amended by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State, January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 706. Powers.

All powers of the City shall be vested in the City Council, subject to the provisions of the Charter and to the **Constitution of the State of California**.

§ 707. Regular meetings.

The City Council shall hold regular meetings at least twice each month, at such times as it shall fix by ordinance or resolution and may adjourn or readjourn any regular meeting to a date certain, which shall be specified in the order of adjournment and when so adjourned, each adjourned meeting shall be a regular meeting for all purposes.

§ 708. Special meetings.

Special meetings may be called at any time by the Mayor, or by four members of the City Council pursuant to the provisions of the Ralph M. Brown Act, specifically Government Code Section **54956**, as amended from time to time.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 709. Place of meeting.

All meetings of the City Council shall be held at the locations authorized by the Ralph M. Brown Act (commencing with Government Code Section **54950**) as it now reads or is hereafter amended.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 710. Quorum.

A majority of the members of the City Council shall constitute a quorum for the transaction of business, but a less number may adjourn from time to time.

§ 711. Election and qualification of Council members.

The City Council shall judge the qualifications of its members as required by the Charter and shall judge all election returns.

§ 712. Proceedings.

The City Council shall establish rules for the conduct of its proceedings and punish any member or other person for disorderly conduct at any meetings. It shall have the power and authority to compel the attendance of witnesses, to examine them under oath, and to compel the production of evidence before it. Subpoenas may be issued in the name of the City and be attested by the City Clerk. Disobedience of such subpoenas, or the refusal to testify (upon other than constitutional grounds), shall constitute a misdemeanor.

The City Council shall cause the City Clerk to keep an accurate record of all its proceedings and, at the demand of any member, or upon the adoption of any ordinance or resolution for the payment of money, the City Clerk shall call the roll and shall cause the "ayes" and "noes" taken on any question, to be entered in the minutes of the meeting.

§ 713. Action by ordinance or resolution.

The City Council is hereby empowered to act by Ordinance or Resolution. An oral motion or order duly passed by the City Council and entered in the minutes of the Council shall have the same force and effect as a written Resolution duly introduced and passed by said City Council and shall be deemed to be a Resolution for all purposes.

§ 714. Power to lease, sell, or convey City property.

The City Council shall have power to lease, sell, convey, and dispose of any and all property of the City, subject to the provisions of Section **401** of this Charter, and provided further that no property exceeding five hundred dollars ($500.00) in value shall be sold without first publishing notice of intention to sell in an official newspaper once a week for two weeks preceding the date of such sale. The notice of intention shall describe the property, the price theretofore offered for said property and the time and place when and where the sale will be consummated.

At the time fixed for said consummation of sale, the City Council shall call for further bids for said property and if any increased bid is received from a responsible bidder in at least five percent in excess of the original price offered for the same, then the City Council may accept the highest bid for said property or may order a new sale or may withdraw the property from sale.

§ 714.1. Protection of parkland and public open space.

Neither the Ulistac Natural Area, the Santa Clara Youth Soccer Park nor any other real property owned or controlled by the City that is presently listed or hereafter listed by ordinance in the inventory of parks and recreation facilities contained in Appendix Eight of the City of Santa Clara 2010-2035 General Plan shall be sold, leased or otherwise disposed of for a period of one hundred eighty (180) days or more, nor shall its use be changed, abandoned or discontinued without such sale, lease, disposal or changed use having been first authorized or ratified by a two-thirds (2/3) majority vote of the electorate, voting at a general municipal election for that purpose.

No substantial building, construction, reconstruction or development upon or with respect to any lands so dedicated shall be made except pursuant to ordinance subject to referendum.

The provisions of this Section **714.1** shall not apply to real property owned or controlled by the City that is subject to the CityPlace Master Community Plan originally adopted by the City Council by Resolution No. 8339.
(Added by electors at an election held November 8, 2016, Charter Chapter 20 of the State *Statutes of 2017*)

§ 715. Power to levy and collect taxes.

The City Council shall have power to levy and collect taxes, and to collect license taxes for both regulation and revenue.

Article VIII. City Manager, Ordinances, Meetings

§ 800. Appointment.

A City Manager shall be chosen by the City Council on the basis of his/her executive and administrative qualifications. No City Council member shall receive such an appointment during the term for which he/she shall have been elected, nor within two years thereafter.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 801. Compensation.

The City Manager shall be paid a salary commensurate with his/her responsibilities as chief administrative officer of the City, which salary shall be established by ordinance or resolution.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 802. Powers and duties.

The City Manager shall be chief executive officer and the head of the administrative branch of the City government. He/she shall be responsible to the City Council for the proper administration of all affairs of the City and to that end, subject to the personnel provisions of this Charter, he/she shall have power and shall be required to:

(a) Appoint and remove, subject to the Civil Service provisions of this Charter, all officers and employees of the City, except as otherwise provided by this Charter, and except as he/she may authorize the head of a department or office to appoint and remove subordinates in such department or office. No person related to the City Manager by blood or by marriage shall be eligible for office or employment in the City.

(b) Prepare the budget annually and submit it to the City Council and be responsible for its administration after adoption.

(c) Manage the City-owned water and power departments in a business-like manner, charging equitable rates for the services furnished and building up the properties so as to conserve their value and increase their capacity as needed by the City.

(d) Prepare and submit to the City Council as of the end of the fiscal year a complete report on the finances and administrative activities of the City for the preceding year.

(e) Keep the City Council advised of the financial condition and future needs of the City and make such recommendations as may seem to him/her desirable.

(f) Make investigations into the affairs of this City, or any department or division thereof, or any contract, or the proper performance of any obligation to the City.

(g) Submit to the City Council at each meeting for its approval, the list of all claims and bills approved for payment by him/her.

(h) Perform such other duties as may be prescribed by this Charter or required by him/her by the City Council, not inconsistent with this Charter.

(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 803. Rules and regulations.

The City Manager may prescribe such general rules and regulations as he/she may deem necessary or expedient for the general conduct of the administrative offices and departments of the City under his/her jurisdiction.

(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 804. Manager pro tempore.

The City Manager shall appoint, subject to the approval of the City Council, one of the other officers of the City to serve as Manager Pro Tempore during any temporary absence or disability of the City Manager.

§ 805. Participation in Council action.

The City Manager and such other officers of the City as may be designated by the City Council, shall be accorded a seat at the City Council table and shall be entitled to participate in the deliberations of the City Council, but shall not have a vote.

§ 806. Removal of the City Manager.

The City Council shall appoint the City Manager for an indefinite term and may remove him/her by a majority vote of the entire Council. At least thirty (30) days before such removal shall become effective, the City Council shall by a majority vote of the entire Council, adopt a preliminary resolution stating the reasons for his/her removal. The City Manager may reply in writing and may request a public hearing, which shall be held not earlier than fifteen (15) days nor later than thirty (30) days after the filing of such request. After such public hearing, if one be requested, and after full consideration, the City Council by majority vote of the entire Council may adopt a final resolution of removal. By the preliminary resolutions, the City Council may suspend the City Manager from duty but shall in any case cause to be paid him/her forthwith any unpaid balance of his/her salary and his/her salary for the next calendar month following adoption of the preliminary resolution.

(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 807. Prohibition against Councilmanic interference.

Neither the City Council nor any of its members shall order or request the appointment of any person to an office or employment or his/her removal therefrom, by the City Manager, or by any of the department heads in the administrative service of the City. Except for the purpose of inquiry, the City Council and its members shall deal with the administrative service under the City Manager solely through the City Manager and neither the City Council nor any member shall give orders to any subordinates of the City Manager, either publicly or privately.

Any City Council member violating the provisions of this section, or voting for a resolution or ordinance in violation of this section shall be guilty of a misdemeanor and, upon conviction, shall cease to be a

Council Member.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 808. Ordinances.

The enacting clause of every ordinance shall be "Be it ordained by the City of Santa Clara as follows:" No ordinance shall be finally adopted by the Council on the day of its introduction, nor within five days thereafter, nor at any time other than a regular meeting, nor until its publication as required in Section **812**. However, ordinances calling elections and ordinances carrying out the provisions of elections need not be published prior to adoption. In case an ordinance is amended before its final adoption and after its publication, it shall in like manner be republished as required in Chapter Section **812**, at least one day before its adoption as amended; provided, however, that where such amendment is made for the correction of clerical errors or omissions of form only, then such ordinances need not be given a first reading or a republication as corrected.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 809. Repeal or amendment of ordinances.

No ordinance or portion thereof shall be repealed except by ordinance. No ordinance shall be revised, re-enacted or amended by reference to its title only; but the ordinance to be revised or re-enacted, or the section or sections thereof to be amended, or the new section or sections to be added thereto, shall be set forth and adopted according to the method provided in this article for the enactment of ordinances, and such revision, re-enactment, amendment or addition, shall be done by ordinance only.

§ 810. Effective date of ordinances.

No ordinance shall become effective until thirty (30) days from and after the date of its adoption, except the following, which shall take effect upon adoption: (a) An ordinance calling or otherwise relating to an election; (b) An improvement proceeding ordinance adopted under some law, or procedural ordinance; (c) An ordinance declaring the amount of money necessary to be raised by taxation, or fixing the rate of taxation; or (d) An emergency ordinance adopted in the manner herein provided.

§ 811. Emergency ordinances.

Any ordinance declared by the City Council to be necessary as an emergency measure for preserving the public peace, health, safety or property, and containing a statement of the reasons for its urgency and adopted by a five-sevenths vote of the whole Council may go into effect at the will of the Council.

§ 812. Publication of ordinances.

The City Clerk shall cause each proposed ordinance to be posted at least three (3) days prior to its adoption in three (3) public places in the City and at least three (3) days prior to the ordinance adoption shall cause a single publication in an official newspaper to occur, setting forth the title of the ordinance, the date of its introduction, a brief summary of the ordinance and a list of the places where copies of the full text of the proposed ordinance are posted.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 813. Codification of ordinances.

Any or all properly enacted and unrepealed ordinances of the City may be compiled, consolidated, revised and indexed, including such restatements and substantive changes as are necessary for clarity in a comprehensive City Code.

A City Code may be adopted by reference by the passage of an ordinance in the same manner as other ordinances of the City. The City Code itself need not be published in the manner required for other ordinances. Prior to its adoption, not less than three copies of the Code shall be filed in the City Clerk's Office, for examination by the public. After the Code has been adopted, ordinances may be amendatory or revisory of the Code. Sections of the Code shall not be revised or amended by reference but readopted and published at length as revised or amended.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 814. Adoption of printed building codes, etc.

Ordinances establishing rules and regulations for the construction of buildings, the installation of plumbing, the installation of electric wiring, or other similar work, where such rules and regulations have been printed as a code in book form, may be adopted by reference by the passage of an ordinance in the same manner as other ordinances of the City. The code so adopted need not be published at length, provided, however, that not less than three copies of such code shall have been filed, for use and examination by the public, in the office of the City Clerk prior to the adoption thereof.

§ 815. Publishing of legal notices.

The City Council shall by resolution designate one or more newspapers of general circulation in the City of Santa Clara as official newspaper for the publication of any legal notice or other matter required to be published in a newspaper of general circulation in said City. If it appears to the City Council that the rates offered are unfair, it need not designate an official newspaper. Upon making a finding to such effect, or if publication of newspapers which have been so designated are suspended, then legal notices, ordinances or other matter required to be published in an official newspaper may be published by posting copies thereof in at least three public places in the City. The places for posting of legal notices shall be fixed by ordinance of the City Council.

No defect or irregularity in proceedings taken under this section, or failure to designate an official newspaper, shall invalidate any publication where the same is otherwise in conformity with this Charter, or law, or ordinance.

Article IX. Officers and Employees

§ 900. Officers to be appointed by the City Council and by the City Manager.

In addition to the City Manager, the City Council shall appoint and affix the compensation for the City Attorney and City Auditor who shall serve at the pleasure of the City Council and may be removed by motion of the City Council adopted by at least four affirmative votes.

All other officers and department heads of the City shall be appointed by the City Manager and shall serve at the pleasure of the City Manager at compensation fixed by the City Council.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 901. Other appointive officers.

The City Council may provide by ordinance for the creation, consolidation or abolishment of the City departments or offices, not specifically enumerated in this Charter. Each department so created shall be headed by an officer as department head who shall be appointed by the City Manager.

§ 902. Appointive officers; duties.

Each appointive officer shall perform the duties imposed upon him/her by this Charter, by ordinance, or resolution and, if under jurisdiction of the City Manager, shall perform such other duties relating to his/her office as may be required of him/her by the City Manager.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 903. City clerk; powers and duties.

The City Clerk shall have the power and be required to:

(a) Attend all meetings of the City Council and be responsible for the recording and maintaining of a full and true record of all the proceedings of the City Council in books that shall bear appropriate titles and be devoted to such purposes;

(b) Maintain separate books, in which shall be recorded respectively all ordinances and resolutions, with the certificate of the clerk annexed to each thereof stating the same to be the original or a correct copy, and as to an ordinance requiring publication, stating that the same has been published or posted in accordance with this Charter;

(c) Maintain separate books, in which a record shall be made of all written contracts and official bonds;

(d) Keep all aforementioned books properly indexed and open to public inspection when not in actual use;

(e) Be the custodian of the seal of the City;

(f) Administer oaths or affirmations, take affidavits and depositions pertaining to the affairs and business of the City and certify copies of official records; and

(g) Have charge of all City elections.

The City Council may, in its discretion, appoint any other officer or employee of the City as City Clerk and grant such person additional compensation for the performance of such duties.

§ 904. Director of Finance.

There shall be a department of finance; the head of which shall be the Director of Finance, who as determined by the City Council, shall be, or be appointed by, the City Manager. The Director of Finance under the supervision of the City Manager shall have charge of the administration of the financial affairs of the City, including the financial affairs of the City-owned public utilities, and he/she shall have power and be required to:

(a) Compile the budget expense and capital estimates for the City Manager;

(b) Supervise and be responsible for the disbursement of all monies and have control over all expenditures which have been budgeted;

(c) Maintain a general accounting system for the City government and of its offices, departments and agencies; keep books for, prescribe the financial forms to be used by and exercise financial budgetary control over each office, department or agency;

(d) Submit to the City Council, through the City Manager, a monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the City;

(e) Prepare for the City Manager, as of the end of each fiscal year, a complete financial statement and report;

(f) Collect all taxes, special assessments, utility charges, license fees and other revenues of the City for whose collection the City is responsible except City taxes collected by the County and as provided in Section **1306**, and receive all money receivable by the City from the State or Federal government, or from any court, or from any office, department or agency of the City;

(g) Receive and have custody of all monies receivable by the City from any source;

(h) Deposit all monies received in such depositories as may be designated by resolution of the City Council or, if no resolution be adopted, by the City Manager, and in compliance with all the provisions of the **State Constitution** and laws of the State governing the handling, depositing and securing of public funds; and

(i) Have custody of all investments and invested funds of the City government, or in possession of such government in a fiduciary capacity, and have the safe-keeping of all bonds and notes of the City and the receipt and delivery of City bonds and notes for transfer, registration or exchange.

(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 905. City Engineer and Department of Public Works.

(1) City Engineer. The City Engineer shall be a Registered Professional Engineer in the State of California, and he/she shall have the power and be required to:

  (a) Supervise and be responsible for all City engineering work, including the preparation of engineering maps, surveys, and designs;

  (b) Perform such other duties as the City Council may from time to time prescribe, either by ordinance or resolution; and,

  (c) On vacating the office, surrender to his/her successor all maps, plans, field notes and other records and memoranda belonging to the City and pertaining to his/her office and the work thereof.

(2) Director of Public Works and Utilities. The Director of Public Works and Utilities, who may be the City Engineer, shall, under the supervision of the City Manager, be in charge of the administration of such departments of the City, including engineering and utilities, as are or may be from time to time designated by the City Council.

(As amended 1965 Statutes, Senate Concurrent Resolution No. 74, Chapter 101; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 906. Chief of the Police Department.

The Chief of Police shall have power and be required to:

(a) Preserve the public peace;

(b) Execute and return all process issued to him/her by legal authority; and

(c) Exercise all the powers that are now or may hereafter be conferred upon sheriffs and other police officers by the laws of the State.

(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 907. Chief of the Fire Department.

The Chief of the Fire Department shall have the power and be required to:

(a) Supervise all matters relating to the prevention and extinguishing of fires and the protection of all property impaired thereby; and

(b) Make frequent inspection of all property within the City to enforce fire prevention regulations.

§ 908. City Attorney.

There shall be a City Attorney who shall have the power and be required to:

(a) Represent and advise the City Council and all City officers in all matters of law pertaining to their offices;

(b) Represent and appear for the City and any City officer or employee or former City officer or employee, in any or all actions and proceedings in which the City or any such officer or employee in or by reason of his/her official capacity, is concerned or is a party, but the City Council shall have control of all legal business and proceedings and may employ other attorneys to take charge of any litigation or matter or to assist the City Attorney therein;

(c) Attend all meetings of the City Council and give his/her advice or opinion in writing whenever requested to do so by the City Council, or by any of the boards or officers of the City;

(d) Approve the form of all bonds given to and all contracts made by the City, endorsing his/her approval thereon in writing;

(e) Prepare any and all proposed ordinances or resolutions for the City, and amendments thereto;

(f) Prosecute on behalf of the people all criminal cases for violation of this Charter and of City ordinances; and

(g) On vacating the office, surrender to his/her successor, all books, papers, files, and documents pertaining to the City's affairs.

To be eligible for appointment as City Attorney, the appointee shall have been admitted to practice as an attorney at law before the Supreme Court of the State of California, and shall have been engaged in the active practice of law for at least four years immediately prior to his/her appointment.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 909. City Auditor.

The City Auditor shall audit and approve all bills, invoices, payrolls, demands or charges against the City government before payment and, with the advice of the City Attorney, advise the City Council as to the regularity, legality and correctness of such claims, demands or charges.

The City Council may, in its discretion, appoint any other officer or employee of the City as City Auditor and grant such person additional compensation for the performance of such duties.

§ 910. Administrative Code.

Within six months after the adoption of this Charter, the Council shall adopt by ordinance an administrative code providing for a plan of administrative organization of the City government, which will cover all matters concerning the powers, duties, term of office, procedure of all the officers, boards and commissions, and employees of the City; provided, however, that the provisions of said code shall not be in conflict with any of the provisions of this Charter. This administrative code will cover all rules and regulations relating to fiscal operations, personnel management, election procedure, and other matters concerning the operation of the functions of the City government.

§ 911. Official bonds.

The City Council shall fix by ordinance the amounts and terms of the official bonds of all officials or employees who are required by this Charter or by ordinance to give such bonds. All bonds shall be executed by responsible corporate surety, shall be approved as to form by the City Attorney, and shall be filed with the City Clerk, except the City Clerk's bond which shall be filed with the City Manager. Premiums on official bonds shall be paid by the City.

In all cases wherein an officer or employee of the City is required to furnish a faithful performance bond, there shall be no personal liability upon, or right to recover against, his/her superior officer, or the bond of the latter, for any wrongful act or omission of the former, unless such superior officer was a party to, or conspired in, such wrongful act or omission.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 912. Oath of office.

Each member of the City Council, of every board and commission, and each officer and department head, before entering upon the discharge of the duties of his/her office shall take, subscribe to and file with the City Clerk the following oath of affirmation: "I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the **Constitution of the State of California** against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter."
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Article X. Appointive Boards and Commissions

§ 1000. In general.

There shall be the following enumerated boards and commissions which shall have the powers and duties herein stated, and such other powers and duties as may be conferred by the City Council which are not inconsistent herewith. In addition, the City Council may create by ordinance such boards or commissions as in its judgment are required and may grant to them such powers and duties as are consistent with the provisions of this Charter.

§ 1001. Appropriations.

The City Council shall include in its annual budget sufficient appropriations of funds for the efficient and proper functioning of such boards and commissions.

§ 1002. Appointments; terms.

Except as otherwise provided in this article, the members of each of such boards or commissions shall be appointed, and shall be subject to removal, by motion of the City Council adopted by at least four affirmative votes. Except as otherwise provided in this article, the members of such boards and commissions shall serve for a term of four years and until their respective successors are appointed and qualified; provided, however, the members first appointed to those boards and commissions shall so classify themselves by lot that each succeeding July 1st the term of at least one of their number shall expire.

§ 1003. Meetings; Chair.

As soon as practicable, following the first day of July of every year, each of such boards and commissions shall organize by electing one of its members to serve as presiding officer at the pleasure of such board or commission. Each board or commission shall hold regular meetings as required by ordinance of the City Council, and such special meetings as it may require. All proceedings shall be open to the public unless the nature of any proceeding is such that in the opinion of such board or commission the public interest would be best served by closing a particular proceeding to the public, and the reasons therefor are declared in any action closing such proceeding. Upon conclusion of any such proceeding any final action which is to be taken by such board or commission, with respect to such proceedings, shall be taken in open meeting.

The affirmative or negative vote of a majority of the entire membership of such board or commission shall be necessary for it to take action. Each board or commission shall keep a record of its proceedings and transactions. Each board or commission may prescribe its own rules and regulations which shall be consistent with this Charter and copies of which shall be kept on file in the office of the City Clerk where they shall be available for public inspection. It shall have the same power as the City Council to compel the attendance of witnesses, to examine them under oath and to compel the production of evidence before it.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1004. Compensation, vacancies.

The members of boards and commissions shall serve without compensation for their services as such, but may receive reimbursement for necessary traveling and other expenses when on official duty on order of the City Council.

Except as otherwise herein provided, any vacancies in any board or commission from whatever cause arising, shall be filled by appointment by the City Council. Upon a vacancy occurring leaving an unexpired portion of a term, any appointment to fill such vacancy shall be for the unexpired portion of such term. If a member of a board or commission absents himself/herself from three regular meetings of such board or commission, consecutively, unless with permission of such board or commission expressed in its official minutes, or is convicted of a crime involving moral turpitude, or ceases to be a qualified elector of the City, his/her office shall be vacant and shall be so declared by the City Council.
(As amended, 1967 Statutes, Senate Concurrent Resolution No. 35; Chapter 61; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1005. Oaths; affirmations.

Each member of any such board or commission shall have the power to administer oaths and affirmations in any investigation or proceeding pending before such board or commission.

§ 1006. Planning Commission – Generally.

There shall be a City Planning Commission consisting of seven members to be appointed by the City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City government except that the City Manager, and the Director of Public Works and Utilities, or their designated representatives, shall serve as ex-officio members of the commission.
(As amended, 1965 Statutes, Senate Concurrent Resolution No. 74, Chapter 101)

§ 1007. Planning Commission – Duties and powers.

The Planning Commission shall have power and be required to:

(a) After a public hearing thereon, recommend to the City Council the adoption, amendment, or repeal of the General Plan or any part thereof for the physical development of the City;

(b) Exercise such functions with respect to land subdivisions, planning, and zoning as may be prescribed by ordinance; and

(c) Exercise such planning, zoning, environmental or other function as now or may be hereafter authorized by the State of California in so far as they do not conflict with the provisions of this Charter.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1008. Parks and Recreation Commission.

There shall be a City Parks and Recreation Commission consisting of seven members to be appointed by the City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City government.

§ 1009. Parks and Recreation Commission – Powers and duties.

The Parks and Recreation Commission shall have power and be required to:

(a) Act in advisory capacity to the City Council in all matters pertaining to parks, recreation, playgrounds and entertainment;

(b) Consider the annual budget of the Parks and Recreation Department during the process of its preparation and make recommendations with respect thereto to the City Manager and the City Council; and

(c) Assist in the planning and supervision of a recreation program for the inhabitants of the City, promote and stimulate public interest therein and to that end, solicit to the fullest extent possible the cooperation of school authorities and other public and private agencies interested therein.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1010. Civil Service Commission.

There shall be a Civil Service Commission consisting of five members to be appointed by the City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City government.

§ 1011. Civil Service Commission – Powers and duties.

(a) The Civil Service Commission is charged with the duty of providing qualified persons for appointment to the service of the City. All appointments in the public service shall be made for the good of that service, and solely upon merit and fitness, as established by appropriate test, without regard to partisan politics, race, color or religious belief.

(b) Act as Board of Review to hear petitions by civil service employees, and applicants for civil service positions, and to grant or deny such petitions.

(c) Perform such other duties as may be required by the civil service rules and regulations.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1012. Board of Library Trustees.

There shall be a Board of Library Trustees consisting of five members to be appointed by the City Council from the qualified electors of the City and no member of said Board shall hold any paid office or employment in the City government.

§ 1013. Board of Library Trustees – Powers and duties.

The Board of Library Trustees shall have charge of the administration of the Santa Clara Free Public Library and shall have power and be required to:

(a) Make and enforce such by-laws, rules and regulations as it may deem necessary for the administration and protection of the City library;

(b) Approve or disapprove the appointment of a librarian who shall be the department head;

(c) Accept into the library fund and administer money, personal property or real estate donated to the City or otherwise acquired for library purposes subject to the approval of the City Council;

(d) Contract with school, county or other governmental agencies to render or receive library services or facilities, subject to the approval of the City Council.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Article XI. Civil Service

§ 1100. Civil service; merit principle.

Appointments and promotions in the service of the City shall be made according to merit and fitness, to be ascertained, so far as practicable, by competitive examination.

§ 1101. Classified service.

The civil service of the City shall be divided into the unclassified and classified service.

(a) The unclassified service shall comprise the following offices and positions:

(1) All elective officers;

(2) City Manager;

(3) City Attorney;

(4) City Clerk;

(5) City Auditor;

(6) The head of each department, including but not limited to, the Director of Finance, Director of Public Works and Utilities, City Engineer, Chief of the Police Department, Chief of the Fire Department;

(7) The Assistant City Manager, Assistant City Attorney, and Assistant Department Heads, whenever so designated by the City Council;

(8) All members of boards and commissions;

(9) Persons employed for a temporary or special purpose, for a period not to exceed six months in any one calendar year, if the City Manager certifies that such employment is temporary and that the work shall not be performed by employees in the classified service;

(10) Persons employed to render professional, scientific, technical or expert service of an occasional and exceptional character;

(11) Volunteer members of the Fire Department and Police Reserve; and,

(12) The City Council by ordinance may divide or separate any department of the City into divisions and by ordinance may provide that the employee selected to be the head of any such division shall be in the unclassified service.

(b) The classified service shall comprise all positions not specifically included in this section in the unclassified service.

(As amended 1965 Statutes, Senate Concurrent Resolution No. 74, Chapter 101; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1102. Appointments from classified to the unclassified service.

In the event an officer or employee of the City holding a position in the classified service is appointed to a position in the unclassified service, and should subsequently be removed therefrom, he/she shall revert to his/her former position in the classified service without loss of any rights or privileges and upon the same terms and conditions as if he/she had remained in said position continuously. Should such person be eligible for retirement under the retirement system at the time of such subsequent removal, upon recommendation of the City Manager, he/she shall be retired in lieu of being restored to his/her former position.

(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1103. Classification.

The City Manager shall prepare and submit to the City Council a plan of classification and grading of all positions in the City Service according to similarity of authority, duties and responsibilities. Such classification plan shall take effect when adopted by the City Council. Additions or changes in the classification plan may be adopted from time to time by the City Council upon the recommendation of the City Manager.

§ 1104. Pay plan.

The City Manager shall prepare and submit to the City Council a standard schedule of pay for each position in the classified service. Such pay plan when adopted by the City Council shall include a minimum and maximum and such intermediate rates as may be deemed desirable for each class of

positions. Amendments to the pay schedule may be adopted from time to time upon the recommendation of the City Manager.

§ 1105. Civil service rules and regulations.

The City Council shall adopt civil service rules and regulations governing the administration of the City civil service system to implement the provisions of this Article.

§ 1106. Reserved.

Code reviser's note: At an election held on November 7, 1972, the electors repealed former section 1106 containing provisions prohibiting persons in the classified service from engaging in certain political activities. Said former section was adopted by the electors at an election held on April 2, 1951, and approved by the State legislature on April 25, 1951. The repeal of said section **1106** was approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10).

§ 1107. Prohibitions.

No person shall willfully or corruptly make any false statement, certificate, mark, rating or report in regard to any application, test, certification, or appointment held or made under the personnel provision of this Charter or in any manner commit or attempt any fraud preventing the impartial execution of such personnel provisions or rules and regulations made hereunder.

Any person who by himself/herself or with others willfully or corruptly violates any of the provisions of this Article shall be guilty of a misdemeanor and shall upon conviction thereof be punished by a fine of not more than one thousand dollars ($1,000.00), or by imprisonment for a term not exceeding one year, or by both such fine and imprisonment. Any person convicted hereunder shall be ineligible for a period of five years for employment in the City service and shall, if he/she is an officer or employee of the City, immediately forfeit his/her office or position.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1108. Contract for administrative services.

The City Council, upon recommendation of the City Manager, may contract with the governing body of any other city, or county within this state, or with any state department, or with any private or governmental agency for the furnishing of administrative, fiscal, or personnel services.

Article XII. Retirement

§ 1200. State system.

The "Public Employees' Retirement Law," as it now exists or may hereafter be amended, is hereby adopted for the City of Santa Clara, and plenary authority and power are hereby vested in said City, its City Council and its several officers, agents and employees at their discretion to do and perform any act, or exercise any authority granted, permitted, or required under the provisions of said Retirement Law, to enable said City to become or continue as a contracting City participating in the Public Employees' Retirement System; provided, however, that the City Council may terminate any contract entered into with the Board of Administration of the Public Employees' Retirement System only under authority granted by ordinances adopted by a majority vote of the electors of the City of Santa Clara, voting on such proposition at an election at which such proposal is presented.

(As amended by electors at election held November 7, 1972, approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10))

Article XIII. Fiscal Administration

§ 1300. Fiscal year.

Unless otherwise provided by ordinance, the fiscal year of the City government shall begin on the first day of July of each year and end on the 30th day of June of the following year.
(As amended 1959 Statutes, Senate Concurrent Resolution No. 37; Chapter 121)

§ 1301. Annual budget; preparation by the City Manager.

At such date as he/she shall determine, the City Manager shall obtain from each office, department or agency of the City, estimates of revenue and expenditure for such office, department or agency, detailed in such manner as may be prescribed by the City Manager. In preparing the proposed budget, the City Manager shall review the estimates, shall hold conferences thereon with the head of such office, department or agency, respectively, and may revise the estimates as he/she may deem advisable.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1302. Budget – Submission to City Council.

At least thirty-five (35) days prior to the beginning of each fiscal year, or at such prior date thereto determined by the City Council, the City Manager shall submit to the City Council the proposed budget as prepared by him/her. After reviewing the same and making such revisions as it may deem advisable, the City Council shall determine the time for the holding of a public hearing thereon and shall cause to be published a notice thereof not less than ten days prior to said hearing, by at least one insertion in an official newspaper.

Copies of the proposed budget shall be available for inspection by the public in the office of the City Clerk at least ten days prior to said hearing.
(As amended 1959 Statutes, Senate Concurrent Resolution No. 37; Chapter 121; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1303. Budget – Public hearing.

At the time so advertised, or at any time to which such public hearing shall from time to time be adjourned, the City Council shall hold a public hearing on the proposed budget, at which interested persons shall be given an opportunity to be heard.

§ 1304. Budget – Further consideration and adoption.

After the conclusion of the public hearing, the City Council shall further consider the proposed budget and make any revisions thereof that it may deem advisable and on or before June 30 it shall adopt the budget with revisions, if any, by the affirmative votes of at least four members. Upon final adoption, the budget shall be in effect for the ensuing fiscal year. A copy thereof, certified by the City Clerk, shall be filed with the City Manager and a further copy shall be placed and shall remain on file in the office of the City Clerk where it shall be available for inspection. The budget so certified shall be reproduced and copies made available for the use of departments, offices and agencies of the City.
(As amended, 1959 Statutes, Senate Concurrent Resolution No. 37; Chapter 121)

§ 1305. Budget – Appropriations.

From the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several departments, offices and agencies for the respective objects and purposes therein named. All appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered.

At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least five members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget.

§ 1306. Tax system and collection of taxes.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1306.5. Budget and levy of taxes for interim period between fiscal years.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1307. Tax limits.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1308. Tax liens.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1309. Bonded debt limit.

The bonded indebtedness of the City may not in the aggregate exceed the sum of fifteen percent (15%) of the total assessed valuation of property within the City, exclusive of revenue bonds or any indebtedness that has been or may hereafter be incurred for the purposes of acquiring, constructing, extending, or maintaining municipally owned utilities, for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the **State Constitution** and of this Charter.

§ 1310. Contracts on public works.

Every contract involving an expenditure of more than one thousand dollars ($1,000.00) for the construction or improvement, (excluding maintenance and repair), of public buildings, works, streets, drains, sewers, utilities, parks and playgrounds shall be let to the lowest responsible bidder after notice by publication in an official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids.

The City Council may reject any and all bids presented and may re-advertise in its discretion.

The City Council, without advertising for bids, or after rejecting bids, or if no bids are received, may declare and determine that, in its opinion, the work in question may be performed better or more economically by the City with its own employees, and after the adoption of a resolution to this effect by at least four affirmative votes, it may proceed to have said work done in the manner stated, without further observance of the provisions of this section. Such contracts likewise may be let without advertising for bids, if such work shall be deemed by the City Council to be of urgent necessity for the preservation of life, health or property, and shall be authorized by motion passed by at least four affirmative votes and containing a declaration of the facts constituting such urgency.

§ 1311. General fund.

The City Council shall maintain a General Fund for the purpose of accounting for the general government revenue and the expenditures of the various City departments resulting from the provision of general government services.

The City Council shall maintain a General Contingency Reserve Fund. A reserve shall be built up in this fund from any available sources including any excess of revenues over expenditures in the General Fund during any fiscal year.

The City Council may establish reserve accounts in the General Contingency Reserve Fund as needed to segregate monies for particular purposes. Transfers may be made by the City Council from the General Contingency Reserve Fund to any other fund or funds, of such sum or sums as may be required for the purposes Council deems appropriate.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1312. Capital project funds.

Capital Project funds shall be created and maintained as necessary to segregate and account for specific capital improvement project transactions and appropriations shall be included in the Capital Improvement Project Budget.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1313. Department funds.

The City Council shall maintain separate accounting records for the collection of revenues and disbursement of expenditures that are related to specific functions as determined by federal, state, other agency laws or City Charter provisions and regulations or as determined by Council action. These specific functions include, but are not limited to: the various City utilities whose operations are funded by user charges; grant programs; and trust funds established by bequest. Separate funds or accounts shall be maintained such that proper reporting can be made at any time.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1314. Petty cash funds.

The City Council may provide for revolving petty cash funds, to be paid to the City Manager or department heads and used for payment in cash of expenditures provided for in the budgets that cannot conveniently be paid otherwise. The City Manager, and such department heads, shall account to the City Council for all disbursements made therefrom when making demand for replenishment of the same

and at such other times as the Council may require and the amounts shall thereupon be charged against the proper appropriations.

§ 1315. Presentation of demands.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1316. Registering warrants.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1317. Actions against City.

No suit or action for money or damages, whether sounding in tort, contract or some other theory, may be brought against the City, or any board, commission, agency or officer, agent or employee thereof, until a claim has been filed with the City, and either the City acts on the claim or it is deemed denied by operation of law. The procedures prescribed by State law governing the presentations, consideration and enforcement of claims against cities and its officers, agents and employees shall apply to the presentation, consideration and enforcement of claims against the City. Claims for money or damages which are excepted from or not covered by State law may be governed by the procedures established by City ordinance.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1318. Centralized purchasing.

A centralized purchasing system shall be established for all City Departments, offices, and agencies. The City Manager shall recommend and the City Council shall consider and adopt by ordinance, rules and regulations governing the contracting for purchasing, storing, distribution, or disposal of all supplies, materials and equipment, required by any department, office or agency of the City government.

§ 1319. Independent audit.

The Council shall employ, at the beginning of each fiscal year, an independent certified public accountant who shall audit the books, records and accounts of all officers and employees of the City who receive, administer or disburse public funds, and such other officers, employees, departments and agencies as the Council may direct. Such audit shall be made at such times as may be prescribed by the City Council but shall be at least annually.

As soon as practicable after the end of the fiscal year, a final audit and report shall be submitted by such independent accountant to the Council, the City Manager and the City Attorney. Three (3) copies of the audit shall be placed on file in the City Clerk's office where they shall be available for public inspection.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1320. Utilities fund.

Receipts from the utilities operated by the City shall be paid into the City Treasury and maintained in a separate utilities fund for such utilities. Expenditures from such fund shall be made for the following

purposes only for such utilities in the order named, viz.:

(a) For the payment of operating expenses, pension charges and proportionate payments to such compensation and other insurance and accident reserve funds as the City or the City Council may establish;

(b) For repairs and maintenance;

(c) For the payment of interest and sinking funds on bonds issued for acquisition, construction or extensions;

(d) For the payment of five per cent of the gross receipts from such utilities to the general fund of the City; subject, however, to such limitations as may be contained in any resolution or indenture heretofore adopted providing for the issuance of revenue bonds for the acquisition, construction or improvement of such utilities, which bonds are now outstanding or may hereafter be issued under such existing resolution or indenture;

(e) For extensions and improvements;

(f) For the establishment of a sinking fund within the utilities fund for the replacement of utilities property in the minimum amount of two million five hundred thousand dollars ($2,500,000.00).

The City Council shall cause records to be kept of the receipts and expenditures of each utility and of credits and debits of each utility in the aforementioned utilities fund. The City Council may, however, order expenditures from the utilities fund for any utility even though that utility has no credit in the utilities fund, provided only that the balance in the utilities fund is greater than the proposed expenditure. (As Amended, 1967 Statutes, Senate Concurrent Resolution 35; Chapter 61; Amendment ratified 11-4-80; Amended by electors at an election held November 8, 2023, Charter Chapter 18 of the State *Statutes of 2023*)

§ 1321. Revenue bonds.

(a) The City Council, when authorized at an election as hereinafter provided, shall have power to issue revenue bonds for the purposes authorized by the general laws of the State of California including the issuance of refunding revenue bonds and also shall have power to borrow money and incur indebtedness for any and all revenue producing works, undertakings, enterprises and utilities (hereinafter in this section referred to as "works") to the end that, as far as practicable, all such works shall be self sustaining and shall be paid for directly out of the revenues therefrom. Such works may be financed through the issuance of revenue bonds.

(b) Neither such revenue bonds, nor the interest accruing thereon, shall be, or evidence, indebtedness of the City. Such revenue bonds, and the interest accruing thereon, shall be a charge solely upon such of the revenues of the works on account of which they are issued as by the terms of their issuance are so charged therewith, but shall not be a charge, lien or encumbrance, legal or equitable, upon, nor shall any recourse on account thereof be had against any income, receipts, revenues, funds, or property of the City, other than such charge upon such revenues of the work on account of which they are issued, and neither the credit nor the taxing power of the City shall be deemed to be pledged to, or charged with, such payment, nor shall the holder of any such bond have any right to compel the exercise of such taxing power.

(c) The City Council may avail itself of any of the procedures now or hereafter authorized by the general laws of the State of California for the issuance of revenue bonds or the City Council may, by ordinance or resolution effective upon adoption set up and establish a procedure for the issuance of such revenue bonds, the calling and holding of elections therefor, and all matters pertaining to the issuance and sale of such bonds; provided, however, that the issuance of said revenue bonds shall be submitted to the electors at an election and the votes of a majority of all those voting on the proposition shall be required to authorize the issuance of the bonds.

(d) Nothing in this section or elsewhere in this Charter, shall preclude the issuance, when authorized by two-thirds vote of the duly qualified electors of the City voting upon the proposition, of bonds of the City, for the purposes of any works, pursuant to proceedings therefor taken in accordance with the Constitution and general laws of the State. It is nevertheless the intention of this Charter that all principal and interest accruing on such bonds of the City if any, shall be provided currently out of the revenue fund pertaining to the works on account of which such bonds of the City shall have been issued, so far as it is practicable to make such provisions after the payment of all costs of operation and maintenance of said works and of all principal and interest on revenue bonds of the City issued on account of said works, and that so far as such current provision is not practicable, the general funds of the City shall be reimbursed out of said revenue fund, as soon as practicable, for all moneys paid from such general funds on account of such bonds of the City.

(e) The City Council shall have power to issue revenue bonds to finance the generation, production, transmission and distribution of electric energy, including the acquisition and/or construction of lands and facilities therefor, without authorization at an election. The City Council may avail itself of the procedures now or hereafter authorized by the general laws of the State of California for the issuance of such revenue bonds or the City Council may, by ordinance or resolution effective upon adoption, set up and establish a procedure for the issuance of such revenue bonds and all matters pertaining to the issuance and sale of such bonds. This section (e) does not authorize the financing of a nuclear plant, or an interest therein, unless approved by an election.

(Amendment ratified 11-3-81)

Article XIV. Franchises

§ 1400. Procedure; terms.

The City Council may by ordinance provide a procedure for the granting of franchises or grant franchises pursuant to the procedure provided by the State law. Franchises may be granted for the use by any public utility of the streets, public places or property of the City upon such terms, conditions, restrictions and limitations as may be prescribed by ordinance, but no franchise shall be granted without reserving to the City adequate compensation for the privilege conferred. Such franchises may be granted either for a fixed or an indeterminate period.

Article XV. Reserved

Code reviser's note: At an election held on November 7, 1972, the electors repealed former Art. XV, section 1500 - 1505, pertaining to the police court. Said former article was adopted by the electors at an election held on April 2, 1951, and approved by the State legislature on April 25, 1951. The repeal of said Art. XV was approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10).

Article XVI. Reserved

Code reviser's note: At an election held on November 7, 1972, the electors repealed former Art. XVI, section 1600, pertaining to the school department. Said former article was adopted by the electors at an election held on April 2, 1951, and approved by the State legislature on April 25, 1951, and amended by the State legislature (1957 Stats., p. 4459). The repeal of said Art. XVI was approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10).

Article XVII. Reserved Powers, State Election Code and Amendments to State Elections Code

§ 1700. Reserved powers.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1701. State Elections Code.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1702. Amendments to State Elections Code.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Article XVIII. Miscellaneous

§ 1800. Definitions.

Unless the provision or the context otherwise requires, as used in the Charter:

(a) **"Shall"**
is mandatory, and "may" is permissive.

(b) **"City"**
is the City of Santa Clara and "department," "board," "commission," "agency," or "employee," is a department, board, commission, agency, officer or employee as the case may be, of the City of Santa Clara.

(c) The masculine and feminine gender include the neuter.
(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

§ 1801. Violations.

The violation of any provision of this Charter shall be deemed a misdemeanor and be punishable upon conviction by a fine of not exceeding one thousand dollars ($1,000.00) or by imprisonment for a term of not exceeding one year or by both such fine and imprisonment.

§ 1802. Validity.

If any provisions of this Charter, or the application thereof to any person or circumstance is held invalid, the remainder of the Charter and the application of such provision to other persons or circumstances, shall not be affected thereby.

§ 1803. Effective date.

For the purpose of nominating and electing members of the City Council, this Charter shall take effect from the time of its approval by the legislature. For all other purposes it shall take effect on the Tuesday next succeeding the date of election of the first City Council at 8:00 P.M.

CITY OF SANTA CLARA

VOTE HISTORY

Ballot Measures

Regarding

Charter Amendments

1952 to Present

Updated 2018

CITY OF SANTA CLARA BALLOT MEASURES
PERTAINING TO CHARTER AMENDMENTS
1952 to Present

November 4, 1952 (General Election)

Measure C: **Elect Police Chief and City Clerk**
(**Passed)** Yes - 3,538 No - 2,420
"Shall the Charter of the City be amended by adding a new section thereto to provide that the Chief of the Police Department and the City Clerk shall be elected officials instead of appointed officers? Said amendment also provides an election shall be held in 1953 to fill said office, and also in April 1955 and every four years thereafter."

June 5, 1956 (Primary Election)

Measure A: **Public School System**
(Passed) Yes - 4,938 No 1,292
"Shall Article XVI and Sections 1600 and 1601 of the Charter of the City of Santa Clara be amended to provide that the organization, government and administration of the public school system, the manner and mode of selection, the powers and duties of the Board of Education and its members shall be set forth in the Constitution, Education Code and applicable general laws of the State of California?"

November 4, 1958 (General Election) Charter Amendments

Measure A: **Change of Fiscal Year**
(Passed) Yes - 8,780 No - 2,554
"Shall the Charter of the City of Santa Clara be amended by amending Sections 1300, 1302, 1304 and 1306 thereof and adding Section 1306.5 thereto to provide that the fiscal year of said City shall commence on July 1st of each year and end on June 30th of the following year unless otherwise provided by ordinance; also providing the annual budget shall be submitted at least 35 days before

the beginning of each fiscal year and as determined by the Council; and that the annual budget shall be adopted on or before June 30th of each year and the tax levy fixed by August 15th of each year and providing for the adoption of an interim budget when a change in fiscal years requires the same?"

Measure B: **Classified Service**

(Passed) Yes - 6,450 No - 4,628

"Shall Section 1101 of the Charter be amended to provide for the division of the Civil Service of the City into the Classified and Unclassified Service and providing how said services shall be comprised and adding a provision that a department of the City may by ordinance be divided into divisions and the heads of such divisions shall be in the Unclassified Service?"

Measure C: **Supervision by City Engineer**

(Passed) Yes - 8,936 No - 2,571

"Shall Section 905 of the Charter of the City of Santa Clara be amended to provide that the City Engineer shall supervise and be responsible for all engineering work of the City, and that the head of the Department of Public Works and Utilities shall supervise and be responsible for the inspection, care, maintenance and repair of various public works and public utilities of said City?"

1965 Section 905.1 position of City Engineer and Section 905.2 Director of Public Works.

February 15, 1967

Prop A Amend Sec. 702 – Each Council Member shall receive $200 p/month and the Mayor an additional $100 p/month (PASSED ELECTION).

Prop A1 Amend Section 702 to keep compensation of Mayor and Council limited according to standards of other general law cities the size of Santa Clara (FAILED ELECTION).

Prop B Amend Section 1320 – set aside a separate utilities fund and establish a sinking fund of $2,500,000 in utilities account (PASSED ELECTION).

Prop C Amend Section 1004 to delete restriction against reimbursement of Board and Commission members for expenses (PASSED ELECTION). (Ordinance 1157, 2-15-67, Minutes 4-11-67, p. 166).

June 4, 1968 (Primary Election) Charter Amendments

Measure N: **Political Activities**

(Failed) Yes - 5,743 No - 12,703

"Shall Section 1106 of the Charter of the City of Santa Clara entitled 'Political Activities Prohibited' be repealed?"

Measure O: **City Councilmen**

(Failed) Yes - 7,134 No - 12,060

"Shall Section 701 of the Charter of the City of Santa Clara be amended to allow the election of a person to hold office as a member of the City Council no matter the number of consecutive terms he has served, and to provide that no person shall be eligible for appointment to fill a vacancy in the Council until two years after any prior service by him as a member of the City Council?"

November 5, 1968 (General Election)

Measure D: **Elected Mayor**

(Passed) Yes - 13,484 No - 12,047

"Shall the Charter of the City of Santa Clara be changed to make the City's Mayor elected from the City at large, to establish the provisions to nominate and elect such officer, to establish the compensation of the elective Mayor at $1,000 per month, to establish at four years the term of such Mayor and limit to two the number of successive terms such a Mayor might serve, to set forth the political position of the elective Mayor listing his specific duties and powers, to establish

qualifications for all elective offices of City and to establish a uniform procedure for filling vacancies in all elective offices of City?"

November 7, 1972 (General Election)

Measure B: **Eligibility for Candidate for City Offices**
(Passed) Yes - 17,717 No - 12,054
"Shall the Charter of the City of Santa Clara be changed as follows: to expressly provide that no person shall be eligible to be a candidate for or to take or hold any elective office of the City unless he has resided in the City for the year next preceding the date of his election or appointment to such office; by deleting from the Charter Section 1106 which purports to prohibit certain political activities by persons holding positions in the classified service or on an eligible list; by changing all references in Section 1200 of the Charter from 'State Employees' Retirement Act' and 'State Employees' Retirement System' to 'Public Employees' Retirement Law' and 'Public Employees' Retirement System,' respectively; and by deleting Articles XV and XVI of the Charter which articles contain provisions with reference to Police Court and School Department, respectively?"

Measure C: **City Clerk; Powers, Duties**

(Failed) Yes - 14,057 No - 14,368

"Shall the Charter of the City of Santa Clara be changed as follows: by deleting the provision from Section 903 of the Charter that 'The City Council may, in its discretion, appoint any other officer or employee of the City as City Clerk and grant such person additional compensation for the performance of such duties.'; by changing the title of Section 1101 from 'Classified Service' to 'Classified and Unclassified Service', by changing the numbering and sequence of the offices and positions listed as comprising the unclassified service and by deleting the specific reference to City Clerk and Chief of the Police Department from such listing."

Measure D: **Eligibility of Councilmen and Mayor**

(Failed) Yes - 7,525 No - 22,175

"Shall the Charter of the City of Santa Clara be changed by removing the present restrictions on the eligibility of Councilmen, including the Mayor, to serve more than two consecutive elective terms as such, respectively?"

Measure E: **Sale City Owned Property**

(Failed) Yes - 8,510 No - 19,948

"Shall the Charter of the City of Santa Clara be changed as follows: that Section 714 of the Charter shall provide that City owned property up to and include $2,500 in value may be sold without first publishing notice of intention to sell in an official newspaper once a week for two weeks preceding the date of such sale; that with respect to contracts on public works the formal advertised procurement procedures of Section 1310 of the Charter would be changed to contracts involving an expenditure of more than $3,500; that all other provisions of the Sections 714 and 1310 shall remain in full force and effect, unchanged?"

Measure F: **Terms of Elected Candidates**

(Passed) Yes - 15,079 No - 12,031

"Shall the Charter of the City of Santa Clara be changed to provide generally that all candidates hereafter elected at any general municipal elections prescribed in the Charter, shall serve for a term of four years, commencing forthwith on completion of the canvass of ballots of such election, and continuing until their respective successors shall have been elected and qualified, with the exception that candidates so elected for other than an unexpired term in such a municipal election held in 1973 and 1975 shall serve for a term commencing on the first Monday in May of such years following each of such elections and ending in the fourth year thereafter on completion of the canvass of ballots of the general municipal election held in such year, and at the time their respective successors have been elected and qualified?"

Measure G: **Council Seats Numbered**

(**Passed)** Yes - 17,650 No - 9,229

"Shall the Charter of the City of Santa Clara be changed by providing for the designation of Council seats, providing a procedure for the election and filling of the separate seats, prohibiting a person from being a candidate for more than one such seat and restricting certain incumbent members of the City Council from being a candidate for any numbered Council seat other than the one which he holds?"

Measure H: **Compensation of Council Members**

(Failed) Yes - 11,949 No - 16,725

"Shall Section 700 of the Charter of the City of Santa Clara be changed to provide that each member of the City Council shall receive as compensation the sum of three hundred dollars ($300) per month?"

April 5, 1977 Election Primary

Proposition A: **Change Election Date**

(Passed) YES - 4,614 NO - 4,084
"Shall the Charter of the City of Santa Clara be amended by changing the date of holding the City's general municipal elections?"

Proposition B: **City Council Compensation**
(Failed) YES - 1,084 NO - 7,712
"Shall Section 702 of the Charter of the City of Santa Clara be amended to provide a $400 per month compensation for each member of the City Council other than the Mayor, for a $1,667 per month compensation for the Mayor?"

Proposition C: **City Council Medical/Dental Benefits**
(Failed) YES - 1,395 NO - 7,292
"Shall the Charter of the City of Santa Clara be changed to provide the same medical and dental benefits for each member of the City Council including the Mayor as is provided from time to time to the holders of the City elective offices of City Clerk and/or Chief of Police?"

Proposition D: **City Property Disposition Under $5,000 Value**
(Failed) YES - 1,416 NO - 6,983
"Shall Section 714 of the Charter of the City of Santa Clara be revised as proposed to provide alternate procedures for the City Council to exercise the City Council's power to lease, sell, or convey City property?"

Proposition 1: **Neighborhood Senior Citizen Housing (Advisory Vote Only)**
(Passed) YES - 4,787 NO - 3,660
"Shall it be recommended that the City of Santa Clara shall comply with the Housing and Development Act of 1974 and allow to be completed by 1979 within the boundaries of the City of Santa Clara 195 senior citizen housing units where these units will be developed within any geographical area of the City of Santa Clara with an attempt to encourage the distribution of these housing units throughout the City's neighborhoods?"

Proposition 2: **High Rise Housing**

(Advisory Vote Only
(Failed) YES - 3,820 NO - 4,816
"Shall it be recommended that the City of Santa Clara approve the concept of a federally funded retirement facility with rent supplements in the University Redevelopment Project, which facility would be constructed at no cost to the City, would be a nine-story high-rise of approximately the height of the existing Bank of America Building in the Project Area, and which would include approximately 176 apartment units, a dining room, leisure time areas, the area of the ground floor for commercial use and adjacent parking, the construction of which facility would help satisfy the commitments of the City of Santa Clara to provide housing for lower and middle income elderly?"

November 6, 1979 (Special Statewide Election)

Proposition D: **Amend Election Date**
(Passed) Yes - 7,500 No - 495
"Shall the City of Santa Clara's general municipal elections be held on the same dates as the regular election of the Santa Clara Unified School District?"

November 4, 1980 (General Election) Charter Amendment

Measure N: **Utility Tax Transfer**
(Passed) Yes - 16,205 No - 10,047
"Shall Section 1320 of the Charter of the City of Santa Clara be amended to delete therefrom the authority of the City to transfer to its General Fund the balance of any monies remaining in excess of the Charter prescribed sinking fund for replacement of utilities property?"

November 3, 1981 (Special Election)

Measure E: **Revenue Bonds**

(Passed) Yes - 4,792 No - 4,070
"Shall the Charter of the City of Santa Clara be changed to provide that the City may issue revenue bonds, payable solely from the revenues of the electrical works without tax liability, to finance the production, transmission, distribution and non-nuclear generation of electric energy without requiring an election?"

Measure F: **Council Salaries**
(Failed) Yes - 2,459 No - 6,327
"Shall the Charter of the City of Santa Clara be amended to provide a $400 per month compensation for each member of the City Council other than the Mayor, and for a $1500 per month compensation for the Mayor?"

November 4, 1986 (General Election)

Measure K: **Charter Amendment-Council Compensation**
(Failed) Yes - 8,239 No - 12,863
"Amends Section 702 of the Santa Clara Charter to provide $1,000 per month compensation for each member of the City Council other than Mayor, and $1,800 per month compensation for the Mayor."

Measure L: **Charter Amendment-Council Compensation**
(Failed) Yes - 6,122 No - 14,287
"Amends Section 702 of the Santa Clara Charter, as indicated in the text of the amendment, to provide each member of the City Council with compensation comparable to the maximum compensation authorized by state law for the respective council counterpart in the general law city."

June 7, 1994 (Special Municipal Election)

Measure B: **Chief of Police Appointment.**
(Failed) Yes - 4,370 No - 10,079
Amends the Charter of the City of Santa Clara to provide for the appointment of the Chief of Police by the City Manager rather than selection of the Chief of Police by the current election process.

March 7, 2000 (Special Municipal Election)

Measure H: **Charter Amendment – Obsolete Language**
(Passed) Yes - 16,047 No - 2,880
Amends the Charter by eliminating obsolete, unnecessary and unclear language, making the Charter gender neutral, making the Charter consistent with current legal requirements, and making minor revisions to make the Charter consistent with modern city charters.

Measure I: **Charter Amendment – Chief of Police Requirements**
(Passed) Yes – 16,558 No – 2,244
Amends the Charter to require that candidates for the elected office of Chief of Police meet the minimum eligibility and qualification requirements imposed by State law upon candidates for the office of Sheriff.

Measure J: **Charter Amendment – Council and Mayor Compensation**
(Passed) Yes – 10,791 No – 7,924
Amends the Charter to provide for an increase in City Council Member compensation to $600 per month with annual increases for the Mayor and City Council members equal to the consumer price index, but not to exceed 5% in any year.

Measure K: **Charter Amendment – Disposal of City-owned Real Property**
(Failed) Yes – 6,819 No – 11,907
Amends the Charter to permit the disposal of City-owned real property of $50,000 or less in value without publishing in an official newspaper a notice of intention to sell real property.

Measure L: **Charter Amendment – Award of Public Works Contracts**

of up to $50,000 in value
(Failed) Yes – 7,332 No – 11,269
Amends the Charter to permit the award of public works contracts of up to $50,000 in value, with an annual increase consistent with the consumer price index, without publishing in an official newspaper a notice of intent to award a public works contract, provided that the City Council first establishes by ordinance a competitive bid procedure for such contracts.

November 7, 2006 (General Municipal Election)

Measure B: **Binding arbitration for certain personnel of the Police and Fire Departments**
Shall a section be added to the City Charter which would require binding arbitration before a three person arbitration panel of all unresolved disputes between the City and certain personnel of the Police and Fire Departments on all matters relating to wages, hours, and other terms and conditions of City employment, including the interpretation and application of any existing labor agreements?
(Failed) Yes – 9,853 No – 12,612

November 8, 2016 (Special Municipal Election)

Measure O: Setting of Salaries for Mayor and City Council. Shall Section 702 of the Santa Clara City Charter be amended to set the salaries of the Mayor at $2500 per month and City Council at $2000 per month, and to create a Salary Setting Commission to review and adjust those salaries every two years?
(Passed) Yes – 25,640 No – 10,393

Measure P: Mayor and City Council Term Limits. Shall Sections 701 and 704.1 of the Santa Clara City Charter be amended to limit the Mayor and members of the City Council to no more than two full terms for each office, and to define a partial term in excess of two years as a full term?
(Passed) Yes – 29,495 No – 6,908

Measure Q: Filling Vacancies in City Elected Offices. Shall Section 703 of the Santa Clara City Charter be

amended to provide that vacancies in any elective office of the City be filled by a four-fifths (4/5) vote of the City Council and to require that persons appointed to fill vacancies occurring in the first half of a term of office shall hold office until the next general municipal election?
(Passed) Yes – 28,156 No – 6,855

Measure R: Protection of Parkland and Open Space. Shall Section 714.1 of the Santa Clara City Charter be added to provide that no City owned land used for park or recreational purposes, including the Ulistac Natural Area and the Santa Clara Soccer Park, shall be sold or disposed of by the City without being authorized by a two-thirds (2/3) majority vote and that development upon such property shall be subject to referendum?
(Passed) Yes – 33,552 No – 3,890

June 5, 2018 (Special Municipal Election)

Measure A: DISTRICT COUNCIL ELECTIONS/VOTING METHOD:
Shall the City Charter be amended to establish two districts starting in 2020 to be represented by three Council Members each; and , when available, use ranked choice voting to allow voters to select candidates in order of choice to determine the winners of elections of all city elected officers?
(Failed) Yes – 9,169 No – 10,023

November 6, 2018 (Municipal Election)

Measure N: ADVISORY VOTE: BY DISTRICT COUNCIL ELECTIONS
Shall the City of Santa Clara engage the voters in a public process to draft a Charter Amendment ballot measure to elect its Council Members, other than the Mayor, by district?
(Passed) Yes – 21,902 No – 9,208

March 3, 2020 (Special Municipal Election)

Measure C: DISTRICT COUNCIL ELECTIONS:
Shall the City Charter be amended to elect City Council Members by district, excepting the Mayor, as follows: for the 2020 election to establish six districts for the election of one Council Member to represent each district; and, beginning in 2022 to establish three districts for the election of two Council members to represent each district; and to require an independent redistricting committee?
(Failed) Yes – 9,731 No – 15,458

June 7, 2022 (Special Election)

Measure D: DISTRICT COUNCIL ELECTIONS:
Shall the City Charter be amended to elect city council members by district, excepting the mayor, to establish six districts for the election of one council member to represent each district; and to establish a 30-day residency requirement for all elected officials?
(Passed) Yes – 14,172 No – 3,835

November 8, 2022 (Municipal Election)

Measure G: CITY OF SANTA CLARA NO TAX INCREASE/SERVICES PROTECTION MEASURE:
To protect essential services without raising taxes, such as 9-1-1 response; police patrols, fire protection; street/storm drain repair, and maintaining reliable local utility service; shall Section 1320 of the Charter continuing the annual budget transfer of funds from City utilities to the general fund at 5% of gross receipts until ended by voters, generating approximately $30,000,000 annually, with independent audits, all funds local, be reaffirmed/adopted?
(Passed) Yes – 24,643 No – 4,629

March 5, 2024 (Special Election)

Measure A: PROPOSES TO AMEND THE CITY CHARTER TO CHANGE THE POSITIOON OF CITY CLERK FROM A POSITION ELECTED EVERY FOUR YEARS TO A POSITION APPOINTED BY THE CITY MANAGER, SIMILAR TO OTHER CITY DEPARTMENT HEADS

Shall an amendment to the City Charter providing that the City Clerk position be appointed by the City Manager be adopted?

(Failed) Yes – 6,580 No – 13,735

March 5, 2024 (Special Election)

Measure B: PROPOSES TO AMEND THE CITY CHARTER TO CHANGE THE POSITIOON OF CHIEF OF POLICE FROM A POSITION ELECTED EVERY FOUR YEARS TO A POSITION APPOINTED BY THE CITY MANAGER, SIMILAR TO OTHER CITY DEPARTMENT HEADS

Shall an amendment to the City Charter providing that the Chief of Police position be appointed by the City Manager be adopted?

(Failed) Yes – 5,680 No – 14,887

City of Santa Clara
The Center of What's Possible

City Attorney's Office
Memorandum

DATE: July 1, 2026

TO: Honorable Mayor and Council Members

FROM: Glen R. Googins, City Attorney

CC: Charter Review Committee Members

SUBJECT: Supplemental Information to Facilitate City Council Discussions and Possible Action on a Proposed Comprehensive Charter Update for Presentation to the Voters at the November 2026 Election

At the Council's June 15th meeting, after deliberating upon the Charter Review Committee's recommendation for a comprehensive Charter update, the City Council directed staff to finalize and bring back for Council action a Charter update ballot measure to include all proposed "Level One" and "Level Two" changes. The Council also directed that the Committee's recommendation for updating the Charter's Public Works provisions be brought back for further discussion and action, potentially as a stand-alone ballot measure. City staff is currently targeting Council's July 7th meeting to bring these items back for further Council consideration and direction. Consistent with the current City Council meeting schedule, and in light of the County Registrar of Voters August 7th filing deadline, any City Council final action for a November 2026 ballot measure would need to occur by no later than July 14th.

In preparation for these upcoming Council meetings, and in response to some of the questions and concerns raised by Council at the June 15th meeting, the purpose of this Memorandum is to provide Council with supplemental information to facilitate its Charter Project evaluation and decision-making process. This information is being provided at the request of the Charter Review Committee (CRC) after their discussions at the June 17th CRC meeting.

Additional information regarding the CRC's recommended Public Works update will also be presented at the July 7th meeting.

Clarification on "Levels" of Proposed Changes and Corresponding Updates to Charter Drafts to More Clearly Identify Levels on a Section-by-Section Basis

At the June 15th Council meeting there were a number of questions regarding the use of "Levels" to characterize the proposed changes to the Charter. Although Council questions and perspectives varied, the common thread was a desire that the Council—and ultimately the voting public—be given the best possible tools to understand what was

being proposed. In response, after discussions at their June 17th meeting, the CRC requested that staff review the proposed Charter drafts, including the "annotations" in the margins that explain many of the proposed changes, to determine if additional, explanatory detail could be added, including more detail on the applicable "Levels" of the proposed changes.

As a reminder, the following system of "Levels" was used to develop and present the CRC's recommendation to Council for the Charter update project. These "Levels" were developed to be consistent with the original Charter Project purposes, as expressed in the CRC's adopted bylaws. The were presented in full form to the Council as part of the CRC's update to Council back in April, and presented again with the CRC's final report and recommendation at the June 9th City Council meeting.

Level One
Changes in form and appearance that are not substantive. Includes corrections, rewording for clarity, reorganization, elimination of redundancies, consistency of cross-references and numbering, consolidation of sections, elimination of headings for previously deleted sections, rewording of headings to better reflect content, addition of subheadings, defined terms, and other Charter-wide conventions to improve comprehension and usability.

Level Two
Rewordings, deletions and additions intended to add clarity, fill gaps, eliminate ambiguities, replace outdated (no longer used) practices with current "best" practices, and provide consistency with state law. Some changes are "substantive" but are not thought to be that significant or made in sensitive areas so as to warrant consideration as possible separate ballot measures.

Level Three
Changes to policies or procedures that may be considered "best practices" or are otherwise viewed as desirable, and that the CRC recommends, but either involve political sensitivity, or are of such independent significance, that they may justify consideration as separate ballot measures.

To facilitate City Council review of the CRC's recommendation for a comprehensive Charter update in the context of the above-reference Levels, attached to this Memorandum are **updated versions** of both the underline/strikeout and the "clean" versions of the proposed Charter update. These updated versions now include in the annotations for each proposed change, a color-coded reference to the Level of change being proposed. **Level One** changes are highlighted in **green**. **Level Two** changes are highlighted in **blue**. And any changes that might be considered **Level Three** are highlighted in **yellow**.

As a reminder, these annotations also include references to primary source materials, applicable laws, and the stakeholder input considered by the CRC in proposing these

changes. For the more substantive proposed changes, or proposed changes in politically sensitive areas, many annotations also include summaries of the CRC's thought process that went into the development and ultimate recommendation for each proposed modification. For those looking for the deepest dive into the proposal, it is recommended that reference be made to the underline/strikeout version of the proposal, with particular attention to the comments included in the margins.

Further Thoughts on How to Factor in "Levels" in Determining What should go into any Proposed Ballot Measure

The original idea behind the Levels was that any proposed comprehensive Charter update measure would include, at a minimum, all recommended Level One and Level Two proposals. In addition, also as part of the original Levels concept, was the idea that any comprehensive Charter update proposal would also include any and all Level Three changes that the Council thought desirable and appropriate unless one of two circumstances existed. The first circumstance would be if a proposed Level Three change was thought to be so politically sensitive that, if it were to be included in the comprehensive update measure, it might put voter approval of the Level One and Level Two changes in jeopardy. The second circumstance would be if a proposed Level Three change was considered to be so substantive that it may warrant separate consideration as its own ballot measure. If any Level Three proposal was thought to be too sensitive to include within the comprehensive update proposal, but not important enough to warrant being presented as its own measure, it could simply be excluded.

Currently Excluded "Level Three" Proposals. With its initial actions, it appears that the Council has determined that the CRC's proposed Level Three change to modify voter approved Measure R regarding disposition of parklands (proposed new Section 102.3(b)(4)) is too sensitive to be included in any proposed comprehensive Charter update, and not valuable enough to warrant consideration as a separate ballot measure. The same appears to be true with respect to the CRC's proposed changes to provisions adding qualifications and duties to the elected Chief of Police position (proposed updates to renumbered Sections 201.2 and 202.3). Changes to the civil service provisions (renumbered Sections 701 and 702) that were not approved by the City's bargaining units are not included in the proposed comprehensive update, and not considered for separate treatment, for similar reasons.

Level Three Proposal Under Consideration as a Separate Ballot Measure. With respect to the CRC's proposed update to the City's outdated Public Works provisions (proposed new Section 802.2), the Council is currently considering presentation of this proposal to the voters as a "stand alone" ballot measure, separate from the proposed comprehensive Charter update measure. The rationale appears to be that this measure is of such stand-alone value, that it warrants separate consideration. That being said, if the Council determined that the Public Works update is not likely to be controversial and is more of an update to align the Charter with current best practices, consistent with the Charter

Project's original principles, the Public Works update could still be included as part of any proposed comprehensive Charter update.

Proposed Charter Update Provisions Requiring the Development of New City Ordinances and Policies.

Another matter of some discussion at the June 15th Council meeting, were the proposed Charter updates requiring Council to adopt implementing ordinances and/or policies. At one point it was suggested that the proposed update may require as many as 18 new ordinances and/or policies. This struck both City staff and the CRC as a high number. It also highlighted the importance of making it clear to the Council and the public how many and what types of new ordinances and policies would be required if the Charter were to be updated.

After a comprehensive review of the new proposed Charter provisions, the following required ordinances and policies were identified. In the attached updated draft Charter, all of these changes have been noted in the margins, color-coded in grey.

1. **Redistricting Ordinance**. Per Section 304, the City Council is to adopt an ordinance to develop the process for Mandatory Redistricting, including the creation of a Redistricting Commission.
2. **Policy for Appointment, Renewal, Removal of Boards and Commission Members**. Per Section 602.1, the City Council is to develop a policy for the appointment, renewal and removal of Boards and Commissioners in an "orderly and transparent manner."
3. **Policy for Excused Absences.** Per Section 205.1(7) and 602.3, the Charter contemplates a City Council policy regarding excused absences for City Council Members and Boards and Commission members as a basis for their excusal and potential removal if they incur a defined number of unexcused absences.
4. **Public Works Update Ordinance**. Per Section 802.2, the City Council must adopt an ordinance to implement the outlined standards and rules for Public Works procurement; such ordinance would include provisions for "alternative" procurement mechanisms (e.g., design-build).
5. **Enhanced Legal Noticing.** Per Section 904.2 the Council is to adopt a legal noticing policy to add to the City's existing conventional requirements a provision to make use of the latest technology to notify people requesting notice or likely to be impacted by a City Council action.

The creation of the above-referenced new ordinances and policies will involve a fair amount of staff work. However, in the view of the CRC and professional City staff, the added value of having such policies in place will be worth it.

To cover the time period between the effective date of the Charter and the implementation of the required/contemplated new laws, proposed new Section 905 provides as follows:

> "Pending the enactment of any ordinance or policy required or contemplated under the terms of this Charter, existing Local Laws shall govern. To the extent there are no applicable Local Laws in these areas, General City Laws shall apply, but only to the extent consistent with the terms of this Charter."

Additional Proposed Language and Updates

The attached updated Charter also includes a number of minor modifications to make corrections and to implement suggested minor modifications identified and recommended by City professional staff and the CRC ad hoc subcommittee designated to assist with the Charter update presentation and finalization. These modifications are highlighted in the Charter itself in **yellow** and, where appropriate, explained through added notes in the margins.

The are two additional sets of modifications of note included in the attached updated versions of the Charter:

1, Civil Service Sections. Please note that the proposed modifications to the Civil Service provisions of the Charter (Current Sections 1010 and 1011 and Article XI; Proposed Section 604.3 and Article Seven), are now aligned through the meet and confer process with the positions of the various City labor unions. As noted above, any proposed provisions not agreed to by the labor unions have been excluded. Although this is unfortunate, the agreed to changes that are included are still worth making and are a good addition to the comprehensive Charter update proposal.

2. Revenue Bond Financing. One significant set of proposed changes based on recent input from bond counsel relates to provisions for the issuance of revenue bonds to finance utility infrastructure. These changes are presented in new Section 805.6. They replace what bond counsel and City staff consider to be outdated language set forth in existing Charter Section 1321. The language in new Section 805.6 is consistent with current/best practices for utility infrastructure financing. It would allow the City to issue revenue bonds to finance utility infrastructure pursuant to a City Council resolution, **without** the requirement for voter approval. The rationale for this is that revenue bond debt is not like general fund debt that relies on new taxes for repayment. Under state law, that type of general obligation bond debt requires voter approval. Instead, repayment of utility revenue bond debt is secured solely by a pledge of actually received utility enterprise revenues. Many other Charter cities including Sunnyvale, San Diego,

Los Angeles, Hayward, Oakland, Pasadena, Redwood City, Sacramento and San Francisco have similar provisions in their charters . This type of debt is also allowed for general law cities, but in that case requires majority voter approval (not the 2/3rds voter approval required by the current Santa Clara City Charter).

The deleted provisions regarding revenue bond financing are considered to be outdated and limiting in ways that go beyond current state law limitations and best practices that have evolved over time. Although in the interim, the City has been able to finance utility infrastructure using debt financing without voter approval (for example, using certificates of participation), this finance mechanism is more cumbersome and costly. Accordingly, it is recommend that the existing provisions for revenue bond financing be replaced with the provisions and guidelines set forth in new Section 805.6.

Note: However much aligned this proposal is with current/best practices, because it proposes removing a voter approval right, it could be viewed as a Level Three proposal.

Conclusion/Next Steps

The CRC recommendation is obviously substantial. The hope is that the amount and types of information presented will allow the Council to digest and evaluate the proposal efficiently and with a full understanding of the context in which the recommendation is being made. If the Council proceeds with the CRC's recommendation to place one or more measures on the November 2026 ballot, additional information will be developed and made accessible to voters in order to enhance their understanding of the full scope and breadth of the measure as well.

As a reminder, if Council desires to proceed to place one or more Charter Project measures on the ballot, the full ballot package would need to be delivered to the County Registrar by no later than August 7, 2026. In order not to intrude on the Council's scheduled summer recess, that means any final City Council action on a Charter update ballot proposal would need to occur at the Council's currently scheduled July 14, 2026 meeting.

Attachments

1. City Charter with Proposed Modifications—Underline/Strikeout Version with Updated Language and Annotations
2. City Charter with Proposed Modifications—Clean Version (Changes Accepted) with Updated Language and Annotations

MASTER WORKING DRAFT

~~6/23~~7/1/26~~6/5/26~~

THE CHARTER OF

THE CITY OF SANTA CLARA

CALIFORNIA

Group One Powers and Structure of City Government: Rules/Process for Action	Steve Kelly Bernard Tansey Patrick Nikolai Eric Jensen Joe Sosinski
Group Two City Council: Elections, Powers and Conduct of Meetings	Steve Kelly Mark Boeckman Eric Crutchlow Holly Roberts Susan Peters
Group Three Senior Officials: Duties and Qualifications	Bernard Tansey Patrick Nikolai Lauren Diamond Mohammad Naveed
Group Four Boards and Commissions: Composition, Powers and Duties	Lauren Diamond John Brooks Burt Field Joe Sosinski
Group Five Civil Service: General Rules for Classified and Unclassified Employees; Commission Composition and Duties	Susan Peters Mark Boeckman Holly Roberts Mohammad Naveed
Group Six Fiscal Administration and Procurement	Eric Jensen Eric Crutchlow John Brooks Burt Field

~~Article I. Name of City~~

~~Sec. 100 Name.~~

~~Article II. Boundaries~~

~~Sec. 200 Boundaries.~~

~~Article III. Succession~~

~~Sec. 300 Rights and liabilities.~~
~~Sec. 301 Ordinances.~~

Sec. 302 Continuance of present officers and employees.
Sec. 303 Continuance of contracts and public improvements.
Sec. 304 Pending actions and proceedings.

Article IV. Powers

Sec. 400 General grant of power.
Sec. 401 Disposal of public utility.

Article V. Form of Government

Sec. 500 Form of government.

Article VI. The Elective Officers

Sec 600 City Elected Officers

Sec. 600.01 Municipal elections.
Sec. 600.02 Consolidation of elections.

Article VII. The Council

Sec. 700 Term – Method of holding elections.
Sec. 700.1 Elections – City Council Districts.
Sec. 700.2 Election Following Change of Boundaries.
Sec. 701 Term limits of mayor and council members.
Sec. 701.1 Qualifications for Chief of the Police Department.
Sec. 702 Compensation.
Sec. 703 Vacancies.
Sec. 704 Presiding officer – Mayor.
Sec. 704.1 Mayor – Limitation of terms.
Sec. 704.2 Mayor – Political position.
Sec. 704.3 Mayor – Powers and duties.
Sec. 704.4 Mayor – Vacancy.
Sec. 705 Vice Mayor.
Sec. 706 Powers.
Sec. 707 Regular meetings.
Sec. 708 Special meetings.
Sec. 709 Place of meeting.
Sec. 710 Quorum.
Sec. 711 Election and qualification of Council members.
Sec. 712 Proceedings.
Sec. 713 Action by ordinance or resolution.
Sec. 714 Power to lease, sell, or convey City property.
Sec. 714.1 Protection of parkland and public open space.
Sec. 715 Power to levy and collect taxes.

Article VIII. City Manager; Ordinances; Meetings

Sec. 800 Appointment.
Sec. 801 Compensation.
Sec. 802 Powers and duties.
Sec. 803 Rules and regulations.
Sec. 804 Manager pro tempore.

Sec. 805 Participation in Council action.
Sec. 806 Removal of the City Manager.
Sec. 807 Prohibition against Councilmanic interference.
Sec. 808 Ordinances.
Sec. 809 Repeal or amendment of ordinances.
Sec. 810 Effective date of ordinances.
Sec. 811 Emergency ordinances.
Sec. 812 Publication of ordinances.
Sec. 813 Codification of ordinances.
Sec. 814 Adoption of printed building codes, etc.
Sec. 815 Publishing of legal notices.

Article IX. Officers and Employees

Sec. 900 Officers to be appointed by the City Council and by the City Manager.
Sec. 901 Other appointive officers.
Sec. 902 Appointive officers; duties.
Sec. 903 City clerk; powers and duties.
Sec. 904 Director of Finance.
Sec. 905 City Engineer and Department of Public Works.
Sec. 906 Chief of the Police Department.
Sec. 907 Chief of the Fire Department.
Sec. 908 City Attorney.
Sec. 909 City Auditor.
Sec. 910 Administrative Code.
Sec. 911 Official bonds.
Sec. 912 Oath of office.

Article X. Appointive Boards and Commissions

Sec. 1000 In general.
Sec. 1001 Appropriations.
Sec. 1002 Appointments; terms.
Sec. 1003 Meetings; Chair.
Sec. 1004 Compensation, vacancies.
Sec. 1005 Oaths; affirmations.
Sec. 1006 Planning Commission—Generally.
Sec. 1007 Planning Commission—Duties and powers.
Sec. 1008 Parks and Recreation Commission.
Sec. 1009 Parks and Recreation Commission—Powers and duties.
Sec. 1010 Civil Service Commission.
Sec. 1011 Civil Service Commission—Powers and duties.
Sec. 1012 Board of Library Trustees.
Sec. 1013 Board of Library Trustees—Powers and duties.

Article XI. Civil Service

Sec. 1100 Civil service; merit principle.
Sec. 1101 Classified service.
Sec. 1102 Appointments from classified to the unclassified service.

Sec. 1103 Classification.
Sec. 1104 Pay plan.
Sec. 1105 Civil service rules and regulations.
Sec. 1106 Reserved.
Sec. 1107 Prohibitions.
Sec. 1108 Contract for administrative services.

Article XII. Retirement

Sec. 1200 State system.

Article XIII. Fiscal Administration

Sec. 1300 Fiscal year.

Sec. 1301 Annual budget; preparation by the City Manager.
Sec. 1302 Budget; Submission to City Council.
Sec. 1303 Budget; Public hearing.
Sec. 1304 Budget; Further consideration and adoption.
Sec. 1305 Budget; Appropriations.
Sec. 1309 Bonded debt limit.
Sec. 1310 Contracts on public works.
Sec. 1311 General fund.
Sec. 1312 Capital project funds.
Sec. 1313 Department funds.
Sec. 1314 Petty cash funds.
Sec. 1317 Actions against City.
Sec. 1318 Centralized purchasing.
Sec. 1319 Independent audit.
Sec. 1320 Utilities fund.
Sec. 1321 Revenue bonds.

Article XIV. Franchises

Sec. 1400 Procedures; terms.

Article XV. Reserved

Article XVI. Reserved

Article XVII. Reserved Powers, State Election Code and Amendments to State Elections Code

Article XVIII. Miscellaneous

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Legal Actions Against the City – currently in article 8
Publishing of Legal Notices
Laws in Effect Pending Enactment of Ordinances
Equivalent Law or Standards to Apply

PREAMBLE

We, the people of the City of Santa Clara, pursuant to our authority under the laws of the State of California, hereby adopt this Charter to be the rules for the governance and operations of our City in an open, fair and effective manner.

Article One
~~I.~~ Foundational Terms ~~Name of City~~

Section 100 Name, Incorporation and Charter City Status.

The City of Santa Clara ("City") is a chartered municipal corporation of the State of California ("State"). The City's official name is "Santa Clara" but it may be referred to from time to time as the "City of Santa Clara." The City was incorporated in July of 1852 under the name "Santa Clara." City records indicate that previous Charters were adopted for the "Town of Santa Clara" in 1927 and for the "City of Santa Clara" in 1951. ~~now existing and known as the "City of Santa Clara" shall remain and continue to be a municipal body politic and corporate, as at present, in name, in fact, and in law.~~

Commented [GG1]: Not legally required, but thought to be a good presentation and framing of what a Charter is, consistent with the purposes of the Charter Project

Level Two

Commented [GG2]: Article One aggregates Old Articles I through V, eliminating unnecessary terms and adding language to inform the public on certain Charter essentials.

Both Level One and Level Two as indicated, below

Commented [GG3]: Section revised to indicate "official name" as "Santa Clara," and that it can be referred to as the "City of Santa Clara." Language regarding incorporation and previous Charter adoption not legally required, but thought useful for historical context and framing

Level One (add defined terms and rewording for clarity)
Level Two (additions of incorporation date and Charter adoption dates)

~~Sec. 200~~

~~Article II. Boundaries~~

Section~~.~~ 101~~200~~ City Boundaries.

The territory of the City over which it shall exercise lawful jurisdiction shall be ~~that~~ the territory contained within its ~~present~~ boundaries as ~~now~~ established under State Law.~~, with the power and authority to change the same in the manner provided by law.~~ City boundaries may be modified, but only in accordance with State Law requirements and procedures.

~~Article III. Succession~~

~~Sec. 300 Rights and liabilities.~~

~~The City of Santa Clara shall remain vested with and continue to have, hold and enjoy all property, rights of property and rights of action of every nature and description now pertaining to this municipality, and is hereby declared to be the successor of same. It shall be subject to all the obligations, liabilities, debts and duties that now exist against this municipality.~~

~~Sec. 301 Ordinances.~~

~~All lawful ordinances, resolutions, rules and regulations, or portions thereof, in force at the time this Charter takes effect, and not in conflict or inconsistent herewith, are hereby continued in force until the same shall have been duly repealed, amended, changed or superseded by proper authority.~~

~~Sec. 302 Continuance of present officers and employees.~~

~~The present officers, boards, commissions, and employees shall, without interruption, continue to perform the duties of their respective offices and employments for the compensation provided by ordinances, resolutions, rules, or laws, until the appointment and qualification of their successors under this Charter and subject to such removal and control as is herein provided.~~

~~Sec. 303 Continuance of contracts and public improvements.~~

~~All contracts entered into by the City, or for its benefit, prior to the taking effect of this Charter, shall continue in full force and effect. Public improvements for which proceedings have been instituted under laws or charter provisions existing at the time this Charter takes effect, in the discretion of the City Council, may be carried to completion as nearly as practicable in accordance with the provisions of such existing laws and charter provisions or may be continued or perfected hereunder.~~

~~Sec. 304 Pending actions and proceedings.~~

~~No action or proceedings, civil or criminal, pending at the time when this Charter takes effect, brought by or against the City or any office, department or agency thereof, shall be affected or abated by the adoption of this Charter or by anything herein contained; but all such actions or proceedings may be continued notwithstanding that functions, powers and duties of any office, department or agency party thereto, by or under this Charter, may be assigned or transferred to another office, department or agency, but in that event, the same may be prosecuted or defended by the head of the office, department or agency to which such functions, powers and duties have been assigned or transferred by or under this Charter.~~

~~Article IV. Powers~~

Section~~.~~ 102~~400~~ ~~General grant of power~~ Charter City Authority.

102.1 In General. The City~~, of Santa Clara,~~ by and through its City Council and other officials, shall have and may exercise all powers lawfully available ~~necessary and appropriate~~ to a chartered municipal corporation in the State for ~~and~~ the general welfare of its inhabitants which are not prohibited or otherwise limited by the

Commented [GG4]: Improved wording for clarity with explicit reference to defined term "State Law."

Level One

Commented [GG5]: These Sections are not legally necessary and don't appear to add value. See the sentence that addresses this in the Voter Approval/Amendment Section 104, below.

Level Two (deletion of no longer needed language)

Commented [GG6]: This Section, and its subsections, is intended to state in the broadest possible terms the City's Charter City Authority to make its own laws, subject to applicable law and rules made by voters.

Level One and Level Two

Constitution of the State of California, ~~or by~~ the terms of this Charter or other laws applicable to charter cities. Such general powers shall include, without limitation, the full power and authority to make and enforce all laws and regulations with respect to municipal affairs. ~~, and which it would be com-~~

~~petent for this Charter to set forth specifically, and the~~ The specification ~~herein~~ in this Charter of any particular powers of the City shall not be held to be exclusive of, or any limitation upon the general grant of powers to the City under this Section. ~~heretofore or hereafter granted to municipal corporations by the constitution or general laws.~~

102.2 Relationship with Other Laws. To the extent of any conflict between the terms of this Charter, and any laws only applicable to general law cities under State law ("General City Laws"), the terms of this Charter shall govern. To the extent of any conflict between the terms of any City ordinances, regulations or policies adopted under the authority of this Charter ("Local Laws") and any General City Laws, the terms of such Local Laws shall govern. To the extent there is no Charter provision or Local Law prohibiting or regulating the conduct of the City, any City official or employee, or any business or individual acting within the City, then the laws governing such conduct shall be those set forth in General City Laws. City reserves the right to adopt as its laws any General City Laws it may specify, either through the provisions of this Charter or the enactment of Local Laws, provided that such laws are consistent with the terms of this Charter.

Commented [GG7]: Section changes include language modernization/clean up, with an added explicit reference to "municipal affairs" as provided in the State Constitution.

Level Two

Commented [GG8]: This Section added for CAO/general interpretation purposes to make explicit the relationship of the Charter, and any Local Laws enacted to implement the Charter to State Laws. State laws can govern if incorporated, or in the absence of local laws in the area. See also new Section 905 on this subject, below.

Level Two (added language adds clarity in relationship between Charter and State Law)

~~Section~~ 102.3 Voter Approved Limitations on City Authority.

In addition to the limits on City Authority contained in Applicable Laws and set forth in other Sections of this Charter, the following voter approved limitations shall apply:

(a) **Disposal of ~~p~~Public ~~u~~Utilities.** ~~-~~ No public utility service owned by the City shall be sold, leased or otherwise transferred for operation by a third party~~-~~ unless authorized by the affirmative vote~~s~~ of two-thirds of the Qualified ~~e~~Electors voting on such proposition at a City Election. ~~any election at which the question of such disposal is submitted to the electors~~ This requirement for voter approval shall not apply to the disposition of public utility real or personal property determined by the City Council as no longer necessary for public utility use.

(b) **Disposal or ~~c~~Change of ~~u~~Use of ~~c~~Certain City ~~p~~Park ~~l~~Land.**

~~(a)~~ (1) Neither the Ulistac Natural Area, the Santa Clara Youth Soccer Park nor any other real property owned or controlled by the City that is presently listed or hereafter listed by ordinance in the inventory of parks and recreation facilities contained in Appendix Eight of the City of Santa Clara 2010-2035 General Plan, or any subsequent General Plan (collectively, "Dedicated Parklands"), shall be sold, leased or otherwise disposed of for a period of one hundred eighty (180) days or more, nor shall ~~its~~ the use of any such Dedicated Parklands be changed, abandoned or discontinued for a period of one hundred eighty (180) days or more without such sale, lease, disposal or changed use having been first authorized or ratified by a two-thirds (2/3) majority vote of the Qualified Electors ~~electorate,~~ voting at a General Municipal Election of the City ~~Election general municipal election~~ for that purpose.

~~(b)~~

~~(c)~~ (2) No substantial building, construction, reconstruction or development upon or with respect to any ~~lands so dedicated~~ Dedicated Parklands shall be made except ~~pursuant~~ as may be approved by the City Council by~~to~~ ordinance subject to referendum.

(3) The provisions of this Section ~~714.1~~ shall not apply to real property owned or controlled by the City that is subject to the CityPlace Master Community Plan originally adopted by the City Council by Resolution No. 8339.

(4) The provisions of this Section shall not apply to dispositions or changed uses of Dedicated Parklands that are strictly limited to uses that are secondary to, and will not adversely impact, any underlying parks and recreation uses. Any such proposed dispositions or use(s) must be approved by five affirmative votes of the City Council. Further, any net revenues to the City generated by any such approved use(s) must be used exclusively for parks and recreation purposes within the City. -

102.4 Powers of Initiative, Referendum and Recall. There are hereby reserved to the Qualified Electors of the City the powers of initiative and referendum and of the recall of Elected Officials as provided in General City Laws.

~~**Sec. 401 Disposal of public utility.**~~

~~**Article V. Form of Government**~~

~~**Sec. 500**~~

Section 103 ~~———~~City Council-Manager Form of ~~government~~Government.

The City shall be governed under what's commonly known as the ~~municipal government provided by this Charter shall be known as the~~ "Council-~~–~~Manager" form of government, where the City Council is responsible for City law making and major policy decisions, and a professional manager, appointed by and serving at the pleasure of the City Council, is responsible for implementing Council policy and managing day-to-day operations. This Charter sets forth the basic terms for how this form of government is structured and will operate in the City of Santa Clara.~~-~~

Commented [GG9]: This Section is intended to house these and any future voter approved limitations on City conduct so that they are easy to find all in one place.

Level One
(reorganization)

Commented [GG10]: Level Two
Per input from Group One, revisions as proposed intended to clarify that voter approval requirement doesn't apply to sales of no longer needed utility property (e.g., the Loyalton property) or an internal City restructuring of utility ownership by creation of a separate, City-controlled entity.

Commented [GG11]: Level One, borderline Level Two
Language changes throughout intended to make provision more clear and contemplate any General Plan updates as a reference point for the now defined "Dedicated Parklands"

Level 3
(sensitive area because affects popular voter approved measure)

The current City Council proposal excludes the added language in (b)(4) from its recommended comprehensive update

A more substantive proposed change, suggested and supported by both Planning Commission and Parks and Recreation is for Subsection (b)(4) regarding allowance for "secondary" uses on the terms presented without requiring a vote.

Both Group Two and the full CRC view this addition to be a useful clarification/modification, especially in light of requirements for a super majority City Council and dedication of any revenues for parks purposes, but recognizes that for some this may be a "hot button" issue that pushes it to Level 3. If that's the case, not clear if it would be worth it to have it be its own measure given the cost.

Commented [GG12]: Level One.
(reorganization)

This section is substantially the same, with minor updated language/definitions, as language contained in current Charter Section 700. Moved here for reorganization purposes..

Commented [GG13]: Level Two
(added explanatory language)

Language added to explain what a "Council-Manager" form of government actually is. The addition of clarity here is based on a number of sources, including the following:

The International City/County Management Association (ICMA), a professional organization for city managers, has listed at least three defining characteristics that distinguish a true council–manager government:

- All governmental authority rests with the council or other elected body, except for certain executive or administrative duties that are assigned to the manager. However, the manager always is employed at the pleasure of the elected body.[9]
- The manager is allocated their functions in codified form by the city charter or other law, not assigned them *ad hoc* by a mayor.[10]
- The manager must be responsible to, hired by, and ... [1]

Section 104 Effective Date; Amendment

This Charter was amended by the approval of City voters of Measure ___ ("Measure __ Amendments.") at the November 43, 2026, City Election. The Measure ___ Amendments went into effect upon their filing with the Secretary of State on _____, 2026 ("Effective Date"). No provisions of the Measure __ Amendments shall have any effect upon the validity of any City action, or any business or individual rights obtained under the terms of the City Charter prior to this Effective Date. The Charter may be further amended, but only with the approval of a majority of voters casting ballots at a General City Election validly conducted under the terms of the Charter.

Section 105 Use and Definitions of Capitalized Terms.

Capitalized terms used in this Charter shall have the meanings ascribed thereto in Article Nine, Section 908, of this Charter, below. To the extent of any conflict between the definitions of capitalized terms provided in Section 908, and any other common understandings or definitions of such capitalized terms, the definitions in Section 908 shall govern.

Article ~~V~~ITwo. ~~The Elective Officers~~Elected Officials

Section~~.~~ ~~600~~200 ~~City elected officers~~In General.

The City shall have the following elected officials: the Mayor (who shall also be considered a City Council Member), six City Council Members, one for each of the six City Council Dedistricts (each a "District Council Member," and collectively the "District Council Members") the Chief of Police, and the City Clerk (collectively, "Elected Officials"). Elected Officials shall be chosen by election, except in certain interim circumstances where they may be chosen by City Council appointment. The processes for City elections and appointments are set forth in Article Three of this Charter, below.

Section 201 Qualifications

~~Section~~ 201.1 Requirements for All Elected Officials.

~~No person shall be eligible to hold the elective office of Mayor, Chief of Police Department or City Clerk,~~

a. To be an Elected Official ~~unless he or she is a~~ a person must be a resident ("Resident") and ~~a qualified~~ registered ~~elector~~ voter ("Qualified Elector") of the City. ~~No person shall be eligible to hold the elective office of City Council Member, excepting the Mayor, unless he or she is a qualified registered elector of the City and a~~ District Council Members must also be Residents of their respective Council district (each a "District" and collectively "Districts"). ~~resident in the district represented by the Council Member office~~.

b. All persons seeking to be Elected Officials ~~In order to hold the elective office of Mayor, Chief of the Police Department or City Clerk a person~~ must have been a R~~r~~esident of the City, and, in the case of a District Council Member, of their District, ~~of Santa Clara for~~ commencing at least thirty (30) days immediately preceding the last day specified ~~by law~~under the Elections Code for the filing of nomination papers with the City Clerk for such office or, if appointed, preceding the date of the person's appointment to fill a vacancy.

c. Whether or not a person is a Resident shall be determined in accordance with State Law. Qualified Elector status shall be determined by the Santa Clara County Registrar of Voters ("ROV"). The City Clerk shall administer these requirements as provided in Section 302, below.

~~In order to hold the elective office of Council Member, excepting the Mayor, a person must have been a resi- dent of the City of Santa Clara and of the District represented by the person as a Council Member for at least thirty (30) days immediately preceding the last day specified by law for the filing of nomination papers with the City Clerk for such office or, if appointed, preceding the date of the person's appointment to fill a vacancy.~~

~~The elective officers of the City shall consist of a City Council composed of seven members, the Chief of the Police Department and the City Clerk. The Mayor and the Chief of the Police Department and the City Clerk shall be elected from the City at large at the times and in the manner provided in this Charter.~~

~~Section~~701.1
201.2 Special Requirements for the Chief of Police.

Commented [GG14]: Level Two (added explanatory language)

Language added to put this major Charter update in context, and to make clear the effective date by operation of law and the requirement for voter approval of any amendment. Blanks to be filled in upon assignment of letter and voter approval

Commented [GG15]: Level One (Charter-wide convention)

This is an important Charter-wide convention: the addition of the concept of Capitalized Terms being formally Defined Terms under the Charter.

The process is ongoing among the CRC and CAO to make sure the correct defined term is being used in each case, and to make sure the Definitions Section at the end includes all the capitalized terms and the definitions are what they should be.

Commented [GG16]: This Article aggregates in one place the list of elected officials, all of their common and unique qualifications, their terms, compensation and events triggering vacancy/forfeiture from office. Depending upon the Section(s) involved, Group One, Two and Three were assigned working groups

Level One and Level Two changes proposed as indicated below

Commented [GG17]: Level One (reorganization)

Section added to have an enumeration of all the City's Elected Officials all in one place with clarity and defined terms. Previously this was addressed in one paragraph in a string of paragraphs in Old Section 600 (now deleted, see below)

Commented [GG18]: Changes in this Section are generally Level One with some Level Two added clarity on the roles of the ROV and City Clerk in determining Qualified Elector and Residency status in subsection c.

Commented [GG19]: This timing for required residency was discussed but is not proposed to be changed. This is the requirement for General Law Cities and is consistent with federal law statutes and cases that have found constitutional issues with time period requirements any longer than 30 days

Commented [GG20]: Level Two (clarifying existing/best practice)

What constitutes residency was discussed but not proposed for change. Standard practice is to defer to State Law, which provides for voting purposes that your voting residence is your domicile: the one place you treat as your permanent home and where you intend to return whenever you're away. The standard approach among City Clerks is to rely on a (often sworn) statement of the candidate of their residency, which is then checked and confirmed with the ROV along with "Qualified Elector" status.

In addition to the requirements for all Elected Officials set forth in Section 201.1, above, persons running for and holding ~~Candidates for~~ the office of Chief of Police shall (1) meet the minimum eligibility and qualification requirements imposed by Sstate Llaw upon candidates for the office of sheriff; and (2) have achieved the rank and have the experience necessary to qualify for a Management Certificate from the State of California Commission on Peace Officer Standards and Training (commonly known as "POST"), as provided in California Code of Regulations 11 CCR Section 1202 as of the Effective Date of this Charter ("POST Management Certificate Standard"). ~~, (Added by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Section** **201.3 Challenges to Qualifications.**~~

Any Qualified Elector of the City or the City Council may challenge the qualifications of an Elected Official as provided under State Law.

Section 202 Powers and Duties

~~**Sec. 704.3 Mayor Powers and duties.**~~

202.1 Mayor Powers and Duties

a. In General. The Mayor shall have the following powers and duties:

(1) The Mayor shall be the political leader within the community by providing guidance and leadership to the City Council, by expressing and explaining to the community the City's policies and programs and by assisting the City Council in the informed, vigorous and effective exercise of its powers. Political leadership shall be concerned with the general development of the community and the general level of City services and activ- ity programs.

(2) The Mayor shall be the presiding officer at City Council meetings. In such capacity the Mayor shall have authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any meeting of the City Council for disorderly conduct, to enforce the rules of the City Council and to determine the order of business under the rules of the City Council.

(3) The Mayor shall have a voice and vote in all City Council proceedings as a member of the City Council; the Mayor shall have no veto power.

(4) The Mayor shall be the official head of the City for all ceremonial purposes.

~~a.~~ (5) The Mayor ~~shall have the power to~~ may make recommendations to the City Council on matters of policy and programs which require City Council decision; ~~provided, that if he/she recommends any increases in the City budget, he/she shall recommend the method of financing such expenditure; and provided, further, that if he/she proposes curtailment of service, such recommendations and~~ The Mayor's ~~his/her reason therefor shall be specific.~~

~~(a)~~ (6) The Mayor~~He/she~~ may also, on ~~his/her~~ their own account, inform the community on matters of policy or program which ~~he/she~~the Mayor believes the welfare of the community make necessary.

~~b. The Mayor shall preside at meetings of the City Council and shall have the vote as a member of the City Council. He/she shall have no veto power.~~

~~c. The Mayor shall have authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any meeting of the City Council for disorderly conduct, to enforce the rules of the City Council and to determine the order of business under the rules of the City Council.~~

(7) The Mayor shall exercise such other powers and perform such other duties as may be prescribed by the City Council, provided that the same are not inconsistent with this Charter.

b. Limitations on Authority. Nothing in this Section shall be construed in any way as an infringement or limitation on the powers and duties of the City Manager as the~~Chief Administrative Officer and~~ head of the executive and administrative branch of the City government as ~~prescribed~~ provided in other sections of this Charter. Except as otherwise herein provided, the Mayor shall possess only such authority over the City Manager and the administrative branch as ~~he/she~~ the Mayor possesses as one member of the City Council.~~.~~

Commented [GG21]: Level 3
(sensitive area)

The highlighted change (explained below) is currently excluded from the City Council's proposal for the comprehensive Charter update:

This provision was discussed extensively by Group Two and the full CRC with the consensus being that adding to the qualification requirements as proposed makes sense (the current standard is very low (not many total years of law enforcement experience required, with no management level experience), and all of the Chiefs over the past 30 plus years have met the proposed requirement (the equivalent of a Lieutenant with 2 years experience). At the same time, it is recognized that the sensitivity of this area presents challenges to any proposed modifications, no matter how reasonable.

As a result, the CRC recognizes this proposal to be, at a minimum, a Level Three proposal. They are also concerned about further limiting who might qualify to run for Chief of Police in light of the existing requirement for residency. As a result, the CRC recommends it might be worth exploring the pros and cons of removing or modifying the residency requirement for the Chief of Police. They recognize, however, that any such proposal would be a Level 4 proposal.

The following information is provided for context: ... [2]

Commented [GG22]: Level One
(deletion of extra language/reorganization)

This Section history, along with all other section histories throughout the Charter, has been deleted. Instead, a Matrix of Charter histories for all sections, all in one place will be added to the end of the Charter

Commented [GG23]: Level Two
(revises existing Charter language to align with current best practices)

This Section replaces the provision that the City Council "judges" the qualifications of elected officials contained in former Section 711. How this process would work was explained in the report to Council when they certified the City's 2024 election results.

Commented [GG24]: Generally Level One
(reorganization) except as provided, below

This new Section isn't intended to substantively increase or decrease the Mayor's authority; instead, its intended to consolidate the Mayor's authority set forth in various Sections of the Charter all in one place.

Commented [GG25]: CRC consensus was to delete this limiting provision. The Mayor doesn't really have any greater power here than a Councilmember (i.e., anyone can do this), and the limits on such power where there are budget implications seem unnecessary/difficult to fulfill.

See Section 202.2.b.3, below where this authority to recommend was included as a general City Council member power.

Considered Level Two because it deletes a current Charter requirement to align with current best practices

c. Vice Mayor. During the Mayor's absence or disability, the Mayor's duties shall be performed by the Vice Mayor. The Vice Mayor shall be a City Council Member appointed by and serving at the pleasure of the City Council.

~~Sec. 706~~

202.2 City Council Powers and Duties.

a. In General. All powers of the City shall be vested in the City Council, subject to the provisions of ~~the~~ this Charter and ~~to the Constitution of the State of California~~Applicable Law. Such powers shall include: (1) the certification of City Elections as provided in Section 302.3; (2) the declaration of Elected Official Vacancies and appointment of Elected Officials to fill any such Vacancies as provided in Section 205; (3) the appointment of the City Manager, City Attorney and City Auditor as provided in Section 501; (4) appointment of members of City Bboards and Ccommissions as provide in Section 602.1; (5) adoption of ordinances, resolutions and policies as necessary for the determination of land uses, the governance of City operations, the delivery of City services, and the regulation of conduct of persons and businesses within the City as provided in Article Four; (6) actions on fiscal matters, including the approval of budgets, the issuance of debt, the levying of taxes, fees and assessments, and the awarding of contracts as provided in Article Eight; (7) the ability to conduct investigations and to subpoena witnesses in personnel matters involving City Council appointees, in City Council quasi-judicial proceedings and where otherwise expressly provided under General City Law; and (8) such other powers as may be reasonably necessary to advance City interests, provide for the efficient and effective delivery of City services and to maintain the overall public health, safety and welfare of the City, its residents, businesses and visitors.

b. Individual Council Members. City Council members (including the Mayor) shall have the following powers and duties in their conduct of City business:

(1) Prepare for, attend and participate in, meetings of the City Council, Council subcommittees, and such other State or regional boards or commissions to which they are appointed;
(2) Solicit and give due consideration to input from residents and businesses within the City, City staff and consultants, and other stakeholders with interests in City matters,
(3) Make recommendations on matters of policy and programs which require City Council action;
(4) Comply with all Applicable Laws, including the provisions of this Charter, the City Code and all adopted City policies;
(5) Place the interests of the City above their own personal interests; and
(6) Report to the City Council on the occurrence of any event listed in Section 205.1 of this Charter which may result in their disqualification from office no later than fifteen (15) days after the date of such occurrence.

In addition, in all interactions with each other, City staff and the public, City Council members (including the Mayor) are expected to conduct themselves in a professional and courteous manner.

~~(1)~~c. Limitations on Authority. Neither the City Council nor any of its members shall order or request the appointment of any person to an office or employment or ~~his/her~~ any person's removal therefrom, by the City Manager, or by any of the department heads in the administrative service of the City. Except for the purpose of inquiry, or as may be expressly approved by the City Manager, the City Council and its members shall deal with the administrative service under the City Manager solely through the City Manager and neither the City Council nor any member shall give orders to any subordinates of the City Manager, either publicly or privately. Any City Council ordinance or resolution that permits or takes any of the actions prohibited in this Section shall be void. ~~Any City Council member violating the provisions of this Section, or voting for a resolution or ordinance in violation of this section shall be guilty of a misdemeanor and, upon conviction, shall cease to be a Council Member.~~

Commented [GG26]: Level One
(relocated provision)
This Section regarding the Vice Mayor is included here in lieu of old Section 705 which essentially says the same thing.

Commented [GG27]: The proposed changes/additions in this Section are generally Level Two as they add language currently not in the Charter, but with content consistent with current City/best practices.

Commented [GG28]: Level Two
(clarification if existing authority)

This power is taken from Section 712. Based on discussions in CAO and consultations with outside counsel, the resulting language is intended to put appropriate boundaries around a power that is necessary, but could be subject to abuse. Listed are the typical/appropriate areas for use, with a reference to General Laws to make sure the list of powers in the Charter is not too limiting. Here's the original language from Section 712

"It shall have the power and authority to compel the attendance of witnesses, to examine them under oath, and to compel the production of evidence before it. Subpoenas may be issued in the name of the City and be attested by the City Clerk. Disobedience of such subpoenas, or the refusal to testify (upon other than constitutional grounds), shall constitute a misdemeanor."

Note: The "punishment" part of this is now addressed in the general "Violations; Enforcement" Section (902), below.

Commented [GG29]: Level Two
This is added language to provide a summary of City Council powers. This non-exclusive list of City Council authority is not legally necessary, but is intended to be informative and tie into various aspects of City Council authority provided throughout the Charter and in City Code Chapter 2.10. It also includes l "catch all" provision at the end, but all within "good government" parameters of what City Councils do.

Commented [GG30]: Level Two
(added language in Section 202.2.b to fill a gap and introduce ethics concepts)

It was noted that all key senior positions included some statement of duties and responsibilities, but not individual City Council members. This Section is intended to fill that "gap". Thought also was that this was a good opportunity to reflect a Group Two and CRC consensus that good, ethical City Council conduct was important to emphasize at the Charter level.

Note: given the subjective nature of this last identified "standard of conduct" for professional and courteous conduct, to mitigate concerns about being unfairly ... [3]

Commented [GG31]: Level Two
Existing provisions updated to align with current/best practices

This language is from old Section 807, Prohibitions against Councilmanic interference.

This remedy as drafted is overly broad and lacks appropriate calibration to the severity of any particular offense. Accordingly, it is proposed that this sentence be delete(... [4]

~~Sec. 906~~ ~~Section~~ 202.3 **Chief of ~~the~~ Police Powers and Duties ~~Department~~.**

The elected Chief of Police shall serve as the head of the Police Department of the City of Santa Clara ("Police Department") responsible for the supervision, management and administration of the affairs of such department in accordance with the terms of this Charter and Applicable Laws. In this role, the Chief of Police shall have the power and be required to:

(a) Preserve the public peace;

(b) Execute and return all process issued to ~~him/her~~the Chief of Police by legal authority; and

(c) Exercise all the powers that are now or may hereafter be conferred upon sheriffs and other police officers by the laws of the State. ~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)~~

(d) Update and advise the City Council and the City Manager, in their professional discretion, on matters relating to public safety and law enforcement.

~~(e)~~

~~Sec. 903~~
~~Section~~ 202.4 **City Celerk ~~:~~ Ppowers and Dduties.]**

a. City Clerk. The City Clerk, as an Elected Official, shall have the power and be required to:

~~(1) Administer oaths or affirmations, take affidavits and depositions pertaining to the affairs and business of the City and certify copies of official records; and~~

(1) Act as the City's "Elections Official" with administrative authority over all City Elections in accordance with the terms of this Charter and Applicable Law. ~~Have charge of all City elections.~~

~~—~~Be the custodian of the City seal~~.~~

and oversee the use of the City seal to certify official City actions and records; and

(2) Administer oaths for Elected Officials, ~~or~~ and issue required affirmations, and ~~take~~ affidavits ~~and depositions~~ pertaining to official City business ~~and certify copies of official records~~.

~~(2)~~
The City Clerk shall consult with the Assistant City Clerk in their conduct of these duties and, with the concurrence of the Assistant City Clerk, may authorize the Assistant Clerk to assist with the performance of such duties.

b. Assistant City Clerk. The Assistant City Clerk, who shall be appointed by the City Manager, shall have the power and be required to:

~~(3)~~ (1) Attend all meetings of the City Council and be responsible for the recording and maintaining of a full and true record of all the proceedings of the City Council ~~in books that shall bear appropriate titles and be devoted to such purposes;~~

(1)

Commented [GG32]: Level 3
(sensitive area)

The highlighted changes are currently not included as part of the City Council's proposed comprehensive Charter update.

Given the subject matter, it was agreed by Group Three and the full CRC that any modifications in this area, no matter how sensible they might seem, should be considered as "Level 3"

Chief as Head of the Dept.
That being said, designating the elected Chief of Police as the head of the police department is consistent with both the provisions of the City Code (Section 2.80.010 which places the department under the Chief's "direct supervision") and best practices for elected sheriffs and appointed Chiefs of Police.

Duties of the Chief.
While vague, the existing list of the duties of the Chief were viewed as generally okay, with changes not necessary.

The addition of (d) was thought important to connect the elected Chief's duties to the rest of the City. The current Chief is supportive of this addition, and all additions in this Section.

Other Changes.
The City Manager and the Chief of police discussed potential terms for clarifying the allocation of duties between them with respect to appointments and discipline with the department and presented to Group Three on this issue. Ultimately they agreed that the existing cooperative arrangement was working, and a formal resolution with Charter language, while helpful, would prove challenging and might needlessly distract from other good, agreed upon, changes. Group Three and the full CRC agreed.

Commented [GG33]: Level Two
Substantive update but consistent with current City practices

Proposed changes clarify and formalize at the Charter level the current allocation of duties implemented by the City Council by ordinance in 2018 (See City Code Chapter 2.20) and agreed by the current elected City Clerk/Assistant City Clerk to be a good practice.

~~(4)~~(2) Maintain ~~separate books, in which shall be recorded respectively~~ certified copies of all ordinances and resolutions with proof of publication where required by this Charter or Applicable Law ~~, with the certificate of the clerk annexed to each thereof stating the same to be the original or a correct copy, and as to an ordinance requiring publication, stating that the same has been published or posted in accordance with this Charter;~~

~~(5)~~(3) Maintain copies ~~separate books, in which a record shall be made~~ of all written contracts and official ~~bonds~~documents;

(4) Keep all ~~aforementioned~~ such ~~books~~ records properly indexed and open to public inspection ~~when not in actual use;~~

(5) Administer oaths for appointed City officials;

(6) Administer filing requirements imposed on Elected Officials and certain appointed officials under State and local conflict of interest and gift laws; and

~~(6)~~(7) In the event of a Vacancy in the City Clerk's office, the City Clerk's extended absence or an urgent necessity where the City Clerk is unavailable to act, take action with respect to City Clerk duties as necessary for continuity of City operations, the conduct of City Elections, or compliance with Applicable Law.

~~The City Council may, in its discretion, appoint any other officer or employee of the City as City Clerk and grant such person additional compensation for the performance of such duties.~~

Section 203 Terms of Office

203.1 In General. Except as otherwise ~~oth- erwise~~ ~~herein~~ provided in this Charter, ~~a person elected to an office~~ an Elected Official's ~~for other than an unexpired~~ term~~,~~ shall be ~~serve a term of~~ for a period of four years~~, and shall serve until a successor is elected and qualified.~~ The Elected Official's term shall commence on the date the City Council certifies ~~the canvass of the election returns~~ the results of their election and they are officially sworn in by the City Clerk, and shall terminate on the date the City Council certifies the election of their successor and their successor is sworn in.

203.2 Term Limits.

a. Mayor and Council Members. No person elected as a member of the City Council or as Mayor, shall be eligible to ~~-~~ serve in such position ~~, or serve~~for, for more than two (2) full terms in their lifetime ("Lifetime Term Limit"); ~~but such~~ provided, however, no amount of Council service occurring prior to the commencement of the Council term resulting from the November ~~December 1,~~ 2016 election~~,~~ shall be counted towards this Lifetime Term Limit. ~~not disqualify any person from further service as a member of the Council~~. If a member of the City Council or Mayor serves a partial term in such position in excess of two (2) years, it shall be considered a full term for the purpose of this Section. ~~provision. The office of elected Mayor, to be filled from the City at large, is a separate office from the Council and solely for the purpose of this term limit disqualification, is not a Council office or the Council. Consequently,~~ For the avoidance of doubt, time served as ~~in such office of elected~~ Mayor shall not treated as ~~is not~~ time served on the Council, ~~-~~and time served on the Council shall not be treated ~~is not~~ as time served in the office of~~such office of elected~~ Mayor.

b. Chief of Police and City Clerk. There are no Lifetime Term Limits applicable to the positions of Chief of Police and City Clerk. ~~submitted to it by the CTounty Registrar of Voters.~~

~~The person receiving the most votes cast for a particular City office shall be declared duly elected. Ties shall be broken as provided from time to time by ordinance.~~

~~The office of Mayor shall be separately voted upon and is a separate office. The person elected at any election to the office designated "Mayor" shall be deemed elected, both as a Mayor and as a member of the Council. Although the Mayor is a Council member, his or her election does not change the number of Council members from seven.~~

Commented [GG34]: Level Two (removal of outdated provisions)

This provision appears to be a hold over from 1951 when the elected City Clerk position was created. It doesn't make sense to have an elected City Clerk with no duties. Instead, consistent the City Council's action in 2018 by ordinance, there is now a logical allocation of duties between the elected City Clerk and the CM appointed Assistant City Clerk.

Commented [GG35]: Level One with some borderline Level Two changes given the amount of addition language.

In general, revised/added language in this Section (most taken from Old Sections 600 and 701) is clarifying and non-substantive.

Commented [GG36]: Level Two (elimination of ambiguity)

Change adds clarity that elected officials term only begins once they are sworn in.

Commented [GG37]: Level Two (elimination of ambiguity)

Again, clarifying, especially on two key points. Two four year terms is a "Lifetime Term Limit" and years served in one office don't count as years served in a different office.

Commented [GG38]: This is intended to be a direct statement of fact that the current Charter doesn't impose any term limits on these offices.

Since this language has been added (where the lack of a term limit was previously implied, this could be considered a Level Two change

Commented [GG39]: Level One (reorganization)

This deletion is not intended to change this. Its just that the statement in this way is not necessary and is covered in other Sections

203.3 Additional Rules for Elected Official Candidacies and Holding Office.

a. No person shall be a candidate for more than one Elected Official position ~~both Mayor and a City Council office at~~in the same election.

b. ~~However,~~ During their term, an incumbent ~~member of the City Council~~ Elected Official may run for a different Elected Official position if they are otherwise qualified to do so. ~~the elective office of Mayor, and the Mayor may run for the separate office of Mayor or other City Council office~~.

c. ~~However, a~~At no time shall any Elected Official ~~a member of the Council, including the Mayor,~~ hold more than one City elective office. If an Elected Official prevails in an election for a different Elected Official position, upon being sworn in for that position, they immediately forfeit their previous Elected Official seat.

d. ~~Except as otherwise provided elsewhere in this Charter, n~~No incumbent ~~member of the~~ District City Council Member while serving in such office with an unexpired term of more than six months shall be a candidate for any other District Council office other than the one which such District City Council Member ~~he or she~~ holds.

~~Sec. 702~~

Section 204 Compensation.

~~Commencing on July 1, 2017, each member of the City Council, other than the Mayor, shall receive as compensation the sum of two thousand dollars ($2,000) per month. The Mayor shall receive as compensation the sum of two thousand five hundred dollars ($2,500) per month.~~

204.1 In General. Since ~~Commencing on~~ July 1, 2019, the salary and benefits (collectively, "Total Compensation") of all Elected Officials has been determined by ~~and every two years on July 1 thereafter, the compensation of the City Council and Mayor shall be set by a~~ Salary Setting Commission. The composition and operations of the Salary Setting Commission, and the manner in which they determine the Total Compensation for all such Elected Officials are set forth in Section 604.5 of this Charter, below. ~~consisting of five members to be appointed by the Civil Service Commission from the qualified electors of the City for a term of four years. The first members shall be appointed for a term commencing January 1, 2019. Initially, the Commissioners shall be appointed in a manner so that two are appointed for two-year terms and three are appointed for four-year terms. On or before March 15 of every odd year, the Salary Setting Commission shall establish the salary of the Mayor and members of the City Council for the period commencing July 1 of that odd year and ending two years there- after. Salaries so established by the Commission shall not exceed one hundred ten percent (110%) of the pre- vious figure.~~

204.2 Reductions for Unexcused Absences. If a member of the City Council, including the Mayor, does not attend all meetings of the City Council or study sessions called on order of the City Council and held during the month, the compensation to such City Council Member ~~him/her~~ for such month shall be reduced by the sum of twenty-five dollars ($25.00) for each meeting or study session not attended unless ~~he/she is~~their absence is excused ~~t with the consent of or on order of the~~ by action of the City Council.

~~Absence from five consecutive regular meetings, unless excused by resolution of the City Council, shall operate to vacate the seat of any member of the City Council so absent. (As amended by electors at election held November 5, 1968, approved by Joint Resolution of the Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended by electors at an election held November 8, 2016, Charter Chapter 17 of the State *Statutes of 2017*)~~

Commented [GG40]: The provisions in this Section are taken from old Section 600 and are generally Level One (updated/clarifying wording using new defined terms), except where indicated, below

Commented [GG41]: The last sentence of subsection c. could be considered a Level Two change as it adds the legal consequence of forfeiture of office to be consistent with applicable law/best practices.

Commented [GG42]: CAO and Clerk believe this is likely a holdover/pre-District election concept when Councilmembers were elected at large. How can you hold a District seat where you must be a resident of that District and then also be a candidate for a different District seat where you must be a resident of that District to run?

Even if it can't realistically apply, It doesn't need to be deleted (no need to create controversy or to inadvertently miss a scenario where it might still be meaningful), but a carve out of the Mayor would be appropriate as that appears to be the original intent.

Because this revision interprets and updates a provision that appears out of date as drafted, it should be considered a Level Two change.

Commented [GG43]: Proposed changes viewed as clarifying of fact that Elected Official compensation has a salary and a benefits component. The details of this have been moved to Article Six., in the Section added regarding the Salary Setting Commission "powers and duties" (Section 604.5)

These changes are closer to Level One as they are more a restatement of existing language. The updates in Section 604.5 fill in some gaps based on current interpretations and practices, so these are better characterized as Level Two.

Commented [GG44]: Level One (improved wording) No substantive change was made here, although the possibility of increasing the amount of reduction in compensation for an unexcused absence was discussed as explained below.

CAO did the research on what Council salaries were at the time this $25 amount was established

Current salaries (per measure O)
Mayor: 2500/mth 2.5% is 62.50
Council: 2000/mth 12.5% is 250.00 2.5% is 50

1980 – first mention of the $25 charge for missed meetings (unexcused)
Mayor: 1000/mth = 2.5%
Council 200/mth = 12.5%

Group Two (and CRC) consensus was, in light of most absences being excused anyway, and any increase (even if doubled), not likely to be significant, the attention/further study any proposed change to this provision might require was not worth it in light of other more important issues.

Commented [GG45]: Level One (reorganization) This concept of 5 excused absences resulting in a vacation of office is not deleted from the Charter, but moved to Section 205.1, below

Sec. 600.01

~~(Added by electors at election held November 7, 1972, approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10); Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended by electors at an election held June 7, 2022, Charter Chapter 17 of the State *Statutes of 2023*)~~

~~**Sec. 600.01 Municipal elections.**~~

~~(Amendment ratified 4-5-77; Amendment ratified 11-6-79; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 600.02 Consolidation of elections.**~~

~~Any special election may be consolidated with a general municipal election and any municipal election may be consolidated with any State, County, or School District election held in the City or part thereof, in which case only one ballot need be printed for such consolidated election.~~ ~~(Amendment ratified 4-5-77)~~

~~**Sec. 600.1 Time of taking office Term.**~~

~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 601 Eligibility.**~~

~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Section 205 Vacancies.

205.1 What Constitutes a Vacancy. An Elected Official shall be deemed to have vacated their office and no longer be qualified to hold such office as of the date such Elected Official:

(1) no longer meets the qualifications necessary to hold their position under the terms of this Charter;
(2) is convicted of (1) any felony, or (2) any misdemeanor involving moral turpitude or misconduct in office under Applicable Law;
(3) is recalled from office by vote of the people;
(4) resigns from office;
(5) is sworn into to an office or position requiring the surrender of the City office (for example, an office that is determined to be an "incompatible office' under State Law);
(6) is removed from office by judicial procedure or other State Law proceeding;
(7) for the Mayor or City Council, is absent, without the approval of the City Council per an approved Council policy, for five consecutive convened regular meetings;
(8) is judicially determined to be physically or mentally incompetent;
(9) becomes permanently disabled so as to be unable to perform their assigned duties as determined by an affirmative vote of at least five Council members, based on competent medical evidence, and after compliance with Applicable Law with respect to the provision of reasonable accommodations;
(10) dies.

205.2 Process for Filling Vacancies.

~~1.~~ a. By Appointment. As soon as practical, but not later than thirty (30) calendar days after receiving notice of the occurrence of a vacancy in an elected office, the City Council shall adopt a Resolution declaring the existence of such vacancy ("Declaration of Vacancy"). Thereafter, in accordance with procedures adopted by the City Council, the Council shall solicit interest from qualified individuals in the vacant position, and from those qualified individuals expressing interest, appoint one individual to fill the vacancy. Such appointment shall be made~~A vacancy in any elective office of the City, including Mayor, City Council, Chief of Police Department, and City Clerk, from whatever cause arising, shall be filled by appointment by the City Council~~ by a four-fifths (4/5) vote of the remaining Council M~~m~~embers.

b. By Election. In the event the City Council shall fail to fill a vacancy by appointment within

Commented [GG46]: Level One
Section deleted here and moved to Section 301 and revised as shown.

Commented [GG47]: Level One
Section deleted here and moved to Section 301 and revised as shown.

Commented [GG48]: Level Two
(substantive addition to fill a gap, in a manner consistent with best practices)

This entire new Section 205 should be considered Level Two, with the exception of item (7) as noted, below

Current Charter talks about what happens if there is a City Council member vacancy, but doesn't define what that means.

This added Section defines what vacancy means by listing events that result in a vacancy, ranging from the obvious (death) to the more nuanced (conviction of a crime of moral turpitude or assumption of an "incompatible" office

Commented [GG49]: Based on research into moral turpitude (see below), and group consensus that ANY felony should be disqualifying, but only certain misdemeanors, this is the language Group Two and the full CRC was comfortable with

Commented [GG50R49]: Under California law, a crime of moral turpitude is conduct that reveals dishonesty, fraud, a general readiness to do evil, or moral depravity, determined by examining the minimum statutory elements of the offense rather than the specific facts of a particular violation. California courts apply the "least adjudicated elements test," which requires that from the elements of the offense alone, without regard to the facts of the particular violation, one can reasonably infer the presence of moral turpitude (People v. Aguilar, 245 Cal.App.4th 1010 (2016))[1], (People v. Bedolla, 28 Cal.App.5th 535 (2018))[2].
Definition and Core Principles
California decisional law establishes that moral turpitude includes fraud and that any crime in which an intent to ... [5]

Commented [GG51]: Level Two
(addition to align with best practices)

Added by GRG since circulation of version dated 6.5.26.

There was a discussion and CRC support for an excused absence policy, but this came up in the context of Boards and Commissions. It should really be addressed her ... [6]

Commented [GG52]: Level One
(reorganization)

This is the existing standard in the Charter, moved here from old Section 702. For comparison, the general law standard for vacancy is this circumstance is an absence from all regular meetings for 60 consecutive days since the last regular meeting attended.

Commented [GG53]: Level Two
(added language to clarify process)

This updated Section includes a Level Two change to clarify process with the addition of a step for the City Council to make a determination and "declare" a position vacant.

forty-five ~~thirty~~ (~~30~~45) days after ~~such office shall have been declared vacant~~the City Council's Declaration of Vacancy, the City Council shall take such steps as are necessary to ~~it shall forthwith~~ cause an election to be held to fill such vacancy at the next scheduled state-wide election.~~.~~

205.3 Term for Appointed/Elected Council Members Filling Vacancies. A person appointed or elected to fill a vacancy holds office for the unexpired term of the former incumbent, provided that if the vacancy occurs in the first half of a term of office and at least one hundred thirty (130) days prior to the next G~~g~~eneral ~~municipal~~ E~~e~~lection, the person appointed to fill the vacancy shall hold office until the next G~~g~~eneral ~~municipal~~ E~~e~~lection that is scheduled one hundred thirty (130) or more days after the date the City Council is notified of the V~~v~~acancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified by City Council certification of the election and their swearing in. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office. ~~(As approved at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Sec~~.

Commented [GG54]: Level Two
(proposed process improvement)

Because it will take some time to organize this, including the solicitation of interest, the process for narrowing down the applications submitted and the scheduling of the Council meeting (per the Assistant City Clerk), the CRC is recommending an additional 15 days be added to this process.

Commented [GG55]: Level Two
(added language adds clarity/updates provision for when the special election to fill a vacancy will occur)

The current Charter currently doesn't specify any terms for when a special election must be called versus waiting for a general election. However, it does say "forthwith" which may suggest the thought was call a special election. Per the ACA, this was not what was done in the recent past, however. The arguments for a special vs. general requires a balancing of interests. From a cost standpoint, it makes sense to wait for the general election. And this seems consistent with the rules regarding the terms of an appointed City Council person, that it should probably be voted on at the next general election no matter what. But if a vacancy and an appointment occurs early in the term, it could be a long time for a general election to again present itself. The compromised recommendation of the CRC is to have this occur at the next state-wide election, which could be sooner then a regular General, but would allow for consolidation with other matters on the ballot to save costs.

Commented [GG56]: Level One
(minor wording changes)

Updated language only with no substantive changes

~~Santa Clara City Code Sec. 704.3~~

~~retary of State January 15, 1969; Amended by electors at an election held November 8, 2016, Charter Chapter 19 of the State *Statutes of 2017*)~~

~~**Sec. 704 Presiding officer Mayor.**~~

~~The Mayor shall be the presiding officer. The Mayor shall have a voice and vote in all its proceedings. He/she shall be the official head of the City for all ceremonial purposes. He/she shall perform such other duties as may be prescribed by this Charter or as may be imposed by the City Council consistent with his/her office. (As amended by the electors at election held November 5, 1968, approved by Joint Resolution of the Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 704.2 Mayor Political position.**~~

~~The Mayor shall be the political leader within the community by providing guidance and leadership to the City Council, by expressing and explaining to the community the City's policies and programs and by assisting the City Council in the informed, vigorous and effective exercise of its powers. Political leadership shall be concerned with the general development of the community and the general level of City services and activity programs. (Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with Secretary of State January 15, 1969)~~

Commented [GG57]: Level One
(sections moved to be better organized)

Section 704 and 704.2, with only minor wording changes, have been moved to new Section 202.1, which incorporates this language into a Section aggregating all the Mayor's roles and authority

Article Three

City Elections ~~VII. The~~

~~Council~~

~~Sec. 700 Term – Method of holding elections.~~

Commented [GG58]: Level One
(reorganization)

This old Section 700 was broken up, with most moving to a new Article Three, City Elections, and the provision regarding power of referendum moved to consolidated Article One under New Section 102.4Le

Section 300 In General.

City Elections for (a) Elected Officials (b) proposed amendments to this Charter, or (c) for other matters requiring a vote of the electorate, shall be conducted in accordance with the terms of this Charter and the State Elections Code. ~~Except as specifically provided otherwise in this Charter with respect to City elections, t~~The provisions of the State Elections Code, as amended from time to time~~,~~ that are consistent with the terms of this Charter are hereby adopted. To the extent of any conflict between the terms of this Charter and the State Elections Code, the terms of this Charter shall govern; provided, however, in the event that it is necessary for the ROV to comply with a provision of the State Elections Code in order to administer a City Election, and such State Elections provision is inconsistent with a provision of this Charter, the necessary State Elections Code Section shall govern. ~~The City expressly reserves its rights with respect to the conduct of City elections pursuant to Section 5 of Article XI of the California Constitution. Any changes made by the~~ Any policies or procedures adopted by the City Council or the City Clerk to implement City elections shall ~~in the City elections procedure shall be by ordinance and shall not be in conflict with any other sections~~ be consistent with the terms of this Charter.

Commented [GG59]: Level Two
(alignment with State Law)

Some provisions in this Section are Level Two. For example, this sentence was added to address any circumstance where the Charter inadvertently contains a provision that is, or becomes, out of alignment with State Law and the ROV needs to follow State law in order to implement a City election.

~~There are hereby reserved to the electors of the City, the powers of the initiative and referendum and of the recall of municipal elective officers.~~

Commented [GG60]: Level One
This Section has been moved to new Section 102.4, above

Section 301 Regular and Special Elections.

~~Commencing with the year 2000, a~~ A regular election shall be held in the City ~~of Santa Clara on~~ the first Tuesday following the first Monday in November of even numbered years to align with the regular elections of the State. The regular election shall be held for the election of each ~~municipal elective officer~~ Elected Official whose term of office regularly expires at that time, and for such other lawful purposes as the City Council may prescribe or as may be

required by law. Each such regular election shall be known as ~~the~~ a "~~g~~General Municipal Election of the City~~municipal Eelection~~." ~~of the City, and shall be in lieu of all others previously so called~~. ~~All~~ Any other City Election~~municipal elections~~s that may be called under the authority of this Charter, or the ~~California~~ State Elections Code, shall be known as a ~~special elections~~"Special City Election". Any Sspecial City eElection may be consolidated with a Ggeneral City Eelection and ~~an~~either type of~~y~~ City Election may be consolidated with any State, County, or School District election held in the City, or part thereof, in which case only one ballot shall be printed for such consolidated election. No primary election shall be held for any City ~~municipal~~Election. ~~officers.~~

Section 302 Administration and Determination of Election Outcomes.

302.1 In General. City Elections shall be administered in accordance with the terms of this Charter by the County Registrar of Voters ("Registrar") and the City Clerk, in consultation with the Assistant City Clerk as provided in Section 202.4, above. If an incumbent City Clerk is running for re-election, all matters relating to that City Clerk Election shall be administered by the Assistant City Clerk. No error, omission or defect in the notice of elections shall be cause to invalidate any election held under the provisions of this Charter.

302.2 Election Outcomes. For election contests for all Elected Officials the winner shall be the person receiving the most votes cast as determined by the ROV. In the event of a tie, the City Clerk shall administer a process to determine the winner by lot. Elections for other matters shall be determined in accordance with the requirements of State Law.

302.3 Role of City Council. The City Council shall be responsible for certifying the outcome of all City Elections in accordance with the State Elections Code. ~~judge the qualifications of its members as required by the Charter and shall judge all election returns.~~

~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 700.1 Offices separately filled.**~~

~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Commented [GG61]: Level One
Added language merely clarifying and incorporating new defined terms

Commented [GG62]: Level One/Level Two
This Section is mostly a statement of how things currently work, with a reference to the now more clearly defined relationship between the elected City Clerk as the "Elections Official" and the Assistant City Clerk on the front line. Adds a provision to remove the City Clerk from administration duties with respect to their own election.

Commented [GG63]: Level One
A consolidation of existing process, with better language.

Commented [GG64]: Level Two
This is the existing language modified to change the City Council from "judging" all elections to "certifying" them. Balance between deference to County Registrar on outcome and City Clerk's office on administration (so outcomes are determined based on state mandated procedures versus political considerations), with some level of Council authority/right to challenge still retained.

Here's a summary of what CAO advised Council about their role in certifying the election and the available paths to challenge election results or candidate eligibility/qualifications in the report to Council for certifying the results of the 2024 election:

"Legal Requirements and Effects of the Election Certification Process

Under the City Charter, unless an express provision of the Charter provides otherwise, City elections are governed by the California Elections Code [Charter Section 700]. With respect to election certification, there are no Charter provisions providing otherwise.
Under the Elections Code, section 10262 requires the elections official to conduct the canvass of votes (i.e., count the votes cast in the election), pursuant to its sections 15302 and 15303. "Upon the completion of the canvass, the elections official shall certify the results to the governing body." (Elec.
Code § 12062.) The canvass must be completed by the fourth Friday after the election (Elec. Code §10262, subd. (a)), and for a consolidated election, the elections official shall certify the results to the
governing body, and the governing body *must* certify the election results in compliance with section 10263 by its next regularly scheduled meeting after the 28-day canvass or at a special meeting called
for that purpose. (Elec. Code § 10262, subd. (b).) Elections Code section 10263 requires the governing body to adopt a resolution reciting "the fact of the election and the other matters that are enumerated in section 10264." The governing body must also "declare the results and … install the
newly elected officers." (Ibid., subd. (a).)
Although the certification process described above, is mandatory, election certification does not definitely decide the outcome of every election contest. Even after "certification" there are separate legal processes for challenging the outcome of an election, or the qualifications of an elected
candidate to hold office. The first such process is contained in Elections Code Section 16100. The second such process is known as a "quo warranto" proceeding.
Elections Code Section 16100. Most of the bases for challenge to an election under Elections Code 16100 re ... [7]

~~Sec. 700.1~~
~~Section 303 Elections – City Council Districts.~~City Council Members Nominated and Elected by Districts.

303.1 In General. The six District ~~Members of the~~ City Council Members~~, excepting the Mayor,~~ shall be nominated and elected, respectively, by voters within the City's six designated geographic districts (each a "City Council District" and collectively, the "City Council Districts."~~,~~ Starting with the November 2022 City Election, the geographic boundaries of the six City Council Districts shall be

~~For the election to be held in November 2022 and each election thereafter, there shall be 6 (six) districts as such districts are~~ those ~~designated on that certain map adopted by judgment of the Superior Court dated July 24, 2018,~~adopted by the City of Santa Clara Independent Redistricting Commission on February 28, 2022 and implemented by ~~as set forth in Resolution~~ Ordinance No. ~~204418-8585 of~~ adopted by the City Council on April 5, 2022. These City Council District boundaries shall be used in each City Council election until such time that they may ~~, as the boundaries of such districts shall~~ be amended through ~~a~~ the redistricting process set forth in Section 304 of this Charter, below. ~~following each decennial United States Census.~~

303.2 Staggering of City Council District Elections.

City Council District elections shall be conducted as follows:

~~(a) Each District shall be represented by one (1) Council Member.~~

~~(b)~~(a) In the election to be held in November 2022 and in each Council District election held every four years thereafter the Council District elections shall be conducted as follows:

1. the voters of District 2 shall ~~nominate and~~ elect one (1) Council Member for a four-year term; and
2. the voters of District 3 shall ~~nominate and~~ elect one (1) Council Member for a four-year term.

~~(c)~~(b) In the election to be held in November 2024 and in each Council District election held every four years thereafter the Council District elections shall be conducted as follows:

1. the voters of District 1 shall ~~nominate and~~ elect one (1) Council Member for a four-year term;
2. the voters of District 4 shall ~~nominate and~~ elect one (1) Council Member for a four-year term; and
3. the voters of District 5 shall ~~nominate and~~ elect one (1) Council Member for a four-year term.
4. ~~the voters of District 6 shall nominate and elect one (1) Council Member for a four-year term.~~ ~~(Added by electors at election held November 7, 1972, approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10); Amended and renumbered from section 700.2 by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended by electors at an election held June 7, 2022, Charter Chapter 17 of the State *Statutes of 2023*)~~

~~Sec. 700.2 Election Following Change of Boundaries.~~

Section 304 Redistricting

304.1 Redistricting Process. City Council Districts shall be subject to modification through a mandatory redistricting process using data obtained from each decennial federal census ("Mandatory Redistricting"). The City Council shall adopt by ordinance the terms and conditions for implementing Mandatory Redistricting. Such ordinance shall include provision for (a) the creation of an Redistricting Commission to oversee the process and to determine on its own, or make a recommendation to the City Council regarding any proposed City Council District boundary adjustments, (b) a timetable for completing the process that allows for implementation of any approved boundary adjustments for use at the first General Municipal Election of the City ~~Election~~ following the issuance of federal census

Commented [GG65]: Level One/Level Two
In general, new/modified language intended to be clarifying, with updates to reflect the redistricting process in 2022 following the judicial order requiring districts based on the 2020 decennial census, and using new defined terms.

Commented [GG66]: Level One
The requirement that any candidate be "nominated" added here in better context; allows for deletion, below, where it makes less sense

Commented [GG67]: This language was updated as was noted as necessary at the City Council's June 15th meeting to reflect the Redistricting Action taken by the Council following the 2018 judicial order in response to the 2020 decennial census information. Only a minor change was made to the District boundaries through that process, but still this is relevant map to reference.

Commented [GG68]: Level One
(updated language)
"nominate" deleted here and moved above to be more clear.

Commented [GG69]: Level Two
(addition of language to fill a gap in a manner consistent with City/best practices)

While Redistricting is required based on the decennial census, having a Redistricting Commission is NOT required and the City Council could redraw the map itself so long as it follows State and Federal Law. For obvious reasons, the "best practice" however is the form a Redistricting Commission. Various levels of independence are possible, ranging from little to no City Council involvement, to City Council ultimate authority to accept or reject a Redistricting Commission's recommendation. This draft language tries to strike a balance by requiring a Redistricting Commission, but leaving the details for how its put together and its level of ultimate authority to City Council ordinance. The details for this are far too complicated to develop and resolve as part of this project.

Note: As proposed, a City Council ordinance with these details is required. To be ready for the next cycle, the Council should direct staff to start preparing such an ordinance right away.

The Secretary of Sate refers to AB 849 (2019) and has template for city council and city council redistricting commissions.... elections code 21601.

data, in compliance with all Applicable Laws, and (c) such other provisions consistent with this Section that the Council deems necessary and appropriate to implement the Mandatory Redistricting process ("Redistricting Ordinance"). The Redistricting Ordinance may also include provisions for redistricting in the event that the boundaries of the City are adjusted to add or subtract territory.

304.2 Redistricting Impact on Incumbents. Upon any redistricting pursuant to the provisions of this ~~section of the~~ Charter or ~~the~~ any Redistricting ~~o~~Ordinances enacted hereunder, each incumbent member of the City Council will continue, during the remainder of the member's term, to hold office and represent the D~~d~~istrict by which the member was elected prior to such redistricting, notwithstanding any provision of Section ~~600~~ 201.1.a requiring a member to be a R~~r~~esident of the D~~d~~istrict represented by such member. ~~(Section Number Repealed — text amended and renumbered to section 700.1 by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended and renumbered to Section 700.2 by electors at an election held June 7, 2022, Charter Chapter 17 of the State *Statutes of 2023*)~~

~~**Sec. 701 Term limits of mayor and council members.**~~

~~(As~~

Commented [GG70]: Per CRC subcommittee recommendation, the word "outside" before "boundaries" was deleted here as "unnecessary"

Commented [GG71]: Level One
(updates to definitions and cross-references)

Commented [GG72]: Level One
Moved to Section 203.2 and updated there.

~~amended by electors at election held November 5, 1968, approved by Joint Resolution of the Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended by electors at an election held November 8, 2016, Charter Chapter 18 of the State *Statutes of 2017*)~~

~~**Sec. 703**~~

Sec. 704.4

~~(Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 704.4 Mayor – Vacancy.**~~

~~The office of Mayor shall become and be deemed vacant immediately upon the incumbent ceasing to be a member of the City Council. (Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969)~~

~~**Sec. 705 Vice Mayor.**~~

~~The City Council shall designate one of its members as Vice Mayor. The Vice Mayor shall perform the duties of the Mayor during his/her absence or disability. The Vice Mayor shall serve in such capacity at the pleasure of the City Council. (As amended by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State, January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Article Four
City Council Meetings/Actions

~~**Sec. 707**~~ **Section 400 In General.**

The City Council shall exercise its authority under the terms of this Charter through actions taken at properly noticed and agendized public meetings held in accordance with the requirements of the Ralph M. Brown Act, California Government Code Sections 54590 through 54955 ("Brown Act"), and the terms of this Charter. To the extent of any conflict between the Brown Act and the terms of this Charter, including any implementing City ordinances, regulations or policies, the terms of the Brown Act shall govern.

Section 401 Meeting Scheduling, Location and Noticing~~Regular meetings~~.

401.1 Regular Meetings. Except as otherwise provided, below, ~~T~~the City Council shall hold regular meetings at least twice each month, at such dates and times as it shall fix by ordinance or resolution ~~and may adjourn or readjourn any regular meeting to a date certain, which shall be specified in the order of adjournment and when so adjourned, each adjourned meeting shall be a regular meeting for all purposes.~~ For one month each calendar year the requirement to hold two regular meetings may be modified to require just one regular meeting [and one special meeting] in order to accommodate holidays or other scheduling requirements.

~~**Sec. 708**~~
401.2 Special ~~=M~~meetings.

In addition to regularly scheduled meetings, ~~S~~special meetings of the City Council may be called at any time by the Mayor, or by four members of the City Council, as provided ~~pursuant to the provisions of the Ralph M.~~ under the Brown Act and any consistent Local Laws.~~, specifically Government Code Section 54956~~ Subject to Applicable Law, except as provided in this Charter, any Council action that may be taken at a regular meeting may also be taken at a special meeting. ~~, as amended from time to time. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 709**~~
401.3 Place of ~~M~~meetings.

All meetings of the City Council shall be held within the boundaries of the City except as may be authorized under the terms of the Brown Act. ~~at the locations authorized by the Ralph M. Brown Act (com- mencing with Government Code Section 54950) as it now reads or is hereafter amended. (Amended by elec- tors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Commented [GG73]: Level One
This is covered in Section 703, above, with respect to all elected positions. Don't need a special section for the Mayor.

Commented [GG74]: Level One
(relocated)
This Section was absorbed into the Mayor's Section or the City Council Section. as new subsection 202.1.c

Commented [GG75]: Level One/Level Two
This reorganized Article Four aggregates provisions from Old Articles VI and VII. Most changes are to provide information and clarity, with some proposed Level Two modifications as indicated below.

Commented [GG76]: Level One/Level Two
This is an added Section designed to introduce the rest of the Sections in the Article. It summarize how the City Council "acts" and introduces the Brown Act compliance obligation. Essentially a statement of current law and practice, with the only Level Two aspect being that its entirely new language

Commented [GG77]: Level Two
(deletes unnecessary language)

Consensus that this language wasn't necessary as its already expressly covered by the Brown Act as provided below:

The Brown Act (Cal. Gov. Code §§ 54950 et seq.) explicitly governs the adjournment of regular meetings of legislative bodies of local agencies. It permits the legislative body to adjourn any regular or special meeting, or previously adjourned meeting, to a specified time and place indicated in the order of adjournment. Less than a quorum may adjourn a meeting. When no members are present, the clerk or secretary may declare the meeting adjourned and must provide written notice of the adjournment consistent with the rules for special meetings. The order or notice of adjournment must be conspicuously posted at or near the meeting location within 24 hours following the adjournment. An adjourned regular meeting retains the status of a regular meeting for all purposes, and if the adjournment order fails to specify a time, it defaults to the time fixed for regular meetings by ordinance or resolution (California Practice Guide: Administrative Law Ch. 28-L)[3], (2 Cal. Jur. 3 ... [8]

Commented [GG78]: Level Two
(added flexibility in meeting scheduling consistent with Brown Act requirements)

This language added to give flexibility if ever needed, e.g., during the summer recess or around the Thanksgiving/Christmas holiday. Current language could be further modified to only require one meeting of any kir ... [9]

Commented [GG79]: Level Two
Updates delete no longer needed Brown Act section references and introduces concept of what actions can be taken at special meetings under "Local Laws" including the Charter, as further specified in Section 403.1, below.

Commented [GG80]: Level One
(clarifying wording with no proposed modifications to current, applicable law)

The Brown Act requires that regular and special meetings of city councils be held within the boundaries of the territory over which the local agency exercises jurisdiction (West's Ann.Cal.Gov.Code § 54954)[1]. This is a fundament ... [10]

401.4 Noticing.

Advance notice of all regular and special City Council meetings shall be provided as required under the Brown Act. As of the Effective Date of this Charter, this advance notice requirement is 72 hours for Regular Meetings and 24 hours for Special Meetings. In addition to providing Brown Act required noticing, the City shall also provide notices of City Council meetings as may be required under Section 904 of this Charter, below.

Section 402 Procedures and Requirements for Action.

~~Sec. 710~~

402.1 Quorum.

A majority of the members of the City Council shall constitute a quorum for the transaction of City business, but ~~a~~ less ~~number~~ than a quorum may act to adjourn from time to time. For so long as the City Council is comprised of seven Council Members (the Mayor plus the six City Council Members representing Districts), four City Council Members shall constitute a quorum. The vacancy of one or more City Council seats shall not alter this quorum requirement. An abstaining Council Member who is present shall be counted towards the quorum requirement, but their abstention on any matter shall not be counted as a vote either in favor or against such matter or alter the number of affirmative votes required. (See Section 402.3, below for City Council voting requirements.)

~~Sec. 711 Election and qualification of Council members.~~

~~The City Council shall judge the qualifications of its members as required by the Charter and shall judge all election returns.~~

Commented [GG81]: Level One/Level Two
(statement of existing law, but with additional language and reference to possible additional local notice requirements)

Currently, regular meetings must be noticed and with agendas posted at least 72 hours in advance; special meetings must be noticed with agendas posted at least 24 hours in advance.

Note: The yellow highlighted language has been added back in to make the current advance notice requirements a clear reference point in the Charter as people may go looking there for the rule.

The reference to Section 904 allows for additional noticing that may be developed under the City Council "latest technology" legal noticing policy that Group One thought important to have our Charter require an effort to keep up with developing technologies that enhance outreach and transparency

Commented [GG82]: Level Two
(added language consistent with current City practices)

The definition of "quorum" is something the City can determine for itself (by Charter or ordinance), but this is the current practice the City follows (most recently memorialized in CC Policy 055) and is the most commonly used "best" practice. In the alternative we could refer to Council policy for how this requirement is applied (i.e., allow the Council to alter the policy).

Commented [GG83]: Level One
(added language for cross-referencing)

There is very little cross-referencing of this type in the Charter, but in this case it seems appropriate in that its easy to conflate quorum requirements (to transact business at all) with voting requirements (to act on a particular matter of business).

Commented [GG84]: Level One
(reorganization)
This Section was moved to new Section 302.2, above to be revised there.

~~Sec. 712~~

402.2 Rules and Records of Proceedings.

The City Council shall establish rules for the conduct of its proceedings consistent with the terms of this Charter. ~~and punish any member or other per- son for disorderly conduct at any meetings. It shall have the power and authority to compel the attendance of witnesses, to examine them under oath, and to compel the production of evidence before it. Subpoenas may be issued in the name of the City and be attested by the City Clerk. Disobedience of such subpoenas, or the refusal to testify (upon other than constitutional grounds), shall constitute a misdemeanor.~~

As provided in Charter Section 202.4, above, ~~T~~the ~~City Council shall cause the City Clerk~~ Assistant City Clerk shall assist with the administration of City Council meetings, including the taking of votes and maintaining ~~to keep~~ an accurate record of all actions taken. ~~its proceedings and, at the demand of any member, or upon the adoption of any ordinance or resolution for the payment of money, the City Clerk shall call the roll and shall cause the "ayes" and "noes" taken on any question, to be entered in the minutes of the meeting.~~

~~Sec. 713~~

402.3 Action by Oordinance or Rresolution.

~~The~~ Unless otherwise required by Applicable Law, or another provision of this Charter, City Council actions shall require the affirmative votes of four City Council Members and ~~is hereby empowered to act by~~ shall be taken through Council adoption of an Ordinance or a Resolution. An oral motion or order duly passed by the City Council and entered in the minutes of the Council, commonly referred to as a "M~~m~~inutes R~~r~~esolution" shall have the same force and effect as a written Resolution duly introduced and passed by said City Council and shall be deemed to be a Resolution for all purposes.

Section 403 Special Rules for Ordinances.

~~Sec. 808~~

403.1 ~~Ordinances.~~Adoption

~~The enacting clause of every ordinance shall be "Be it ordained by the City of Santa Clara as follows:"~~ Ordinances are local laws enacted by the City Council. They are legally binding on residents, businesses, and visitors and typically cover issues such as zoning, building codes, public safety, and local conduct, or other actions where State Law requires an ordinance for action. In general, except for emergency ordinances as provided in Section 403.4, below, City ordinances must be adopted in a two-step process. First, the City Council must approve the introduction of an ordinance. Second, ~~No ordinance shall be finally adopted by the Council on the day of its introduction, nor within~~ no sooner than five days thereafter, the City Council shall again consider the proposed ordinance and take final action to adopt or reject it. In the event that an ordinance is modified after its initial introduction, it must again be introduced before it can be adopted. The correction of typographical or clerical errors shall not constitute the making of a modification for purposes requiring re-introduction under the terms of this Section. ~~nor at any time other than a regular meeting, nor until its publication as required in Section 812. However, ordinances calling elections and ordinances carrying out the provisions of elections need not be published prior to adoption. In case an ordinance is amended before its final adoption and after its publication, it shall in like manner be republished as required in Chapter Section 812, at least one day before its adoption as amended~~ City ordinances shall only be adopted at regular meetings unless such adoption at a special meeting is determined by the City Council to be of urgent necessity and is approved by five affirmative votes.

~~;~~

~~a. provided, however, that where such amendment is made for the correction of clerical errors or omissions of form only, then such ordinances need not be given a first reading or a republication as corrected. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 809~~

402.2 Repeal or ~~amendment~~ Amendment ~~of ordinances~~Ordinances.

Commented [GG85]: Level Two
This provision saying the City Council "shall punish" any member or other person for disorderly conduct is out of date as a Charter provision. There are also now applicable state laws for managing disorderly conduct of people attending meetings that balance first amendment rights and the need to keep order. CAO suggests that this is the kind of thing is best left to implementation by City Council policy as part of its rules making for the conduct of its proceedings. At most, suggestion would be to add language here that indicates any such policy could provide for punishment for disorderly conduct.

Commented [GG86]: Level One/Level Two
(reorganization, with some modifications to align with current/best practices)

This power and language is addressed in new Section 202.2, above and in amendments to the updated Violations; Enforcement Section in New Section 902, below

Commented [GG87]: Level One/Level Two
(language simplified to reflect current practice with elimination of unnecessary detail)

Commented [GG88]: Level One
(updated language)

Commented [GG89]: Level Two
(additional language fills gap to explain ordinance adoption process with better, more modern wording, with addition of ability to adopt at a special meeting with 5 vote finding of urgency)

The two step process for adopting ordinances is now explained here in relatively plain language. All of this is taken from "general law" See Govt. Code Section 36934. While its technically NOT applicable to Charter cities, its been widely adopted and is considered to be a "best practice." For flexibility and/or to address urgency situations, the last sentence has been added to allow for adoption at a special meeting (which would be noticed and open to the public per standard requirements) with a super majority vote with findings as to the urgent necessity. Other cities within our benchmarking group do have provision for ordinance adoption at special meeting if there is an urgency or emergency situation (e.g., Oakland, Hayward, Anaheim and Alameda).

The process for repealing or amending an ordinance shall be the same process set forth above for approving an ordinance. ~~No ordinance or portion thereof shall be repealed except by ordinance.~~ Any ordinance amendment must clearly present any proposed changes. ~~No ordinance shall be revised, re-enacted or amended by reference to its title only; but the ordinance to be revised or re-enacted, or the section or sections thereof to be amended, or the new section or sections to be added thereto, shall be set forth and adopted according to the method provided in this article for the enactment of ordinances, and such revision, re-enactment, amendment or addition, shall be done by ordinance only.provided, however, that where such amendment is made for the correction of clerical errors or omissions of form only, then such ordinances need not be given a first reading or a republication as corrected.~~

~~Sec. 810~~ 403.3 Effective ~~date~~ Date ~~of ordinances~~Ordinances.

Ordinances ~~No ordinance~~ shall become effective ~~until~~ thirty (30) days ~~from and~~ after their final ~~the date of its~~ adoption, except the following, which shall take effect immediately upon adoption:

(a) An ordinance calling or otherwise relating to an election;

(b) An improvement proceeding ordinance adopted under the terms of a State Law or Local Laws ~~ome law, or procedural ordinance~~;

(c) An ordinance declaring the amount of money necessary to be raised by taxation, or fixing the rate of taxation~~;~~, or levying the annual tax upon property; or

(d) An emergency ordinance adopted in the manner ~~herein~~ provided in Section 403.4, below.

~~Sec. 811~~ 403.4 Emergency ~~ordinances~~Ordinances.

Any ordinance declared by the City Council to be necessary as an emergency measure for preserving the public peace, health, safety~~,~~ ~~or~~ property or welfare~~,~~ and containing a statement of the reasons for its urgency may be introduced and adopted by the City Council at the same meeting with five affirmative votes. ~~and adopted by a five-sevenths vote of the whole Council may go into effect at the will of the Council.~~

~~Sec. 812~~ 403.5 Posting and Publication ~~of PAordinances~~Ordinances~~.~~

~~The City Clerk shall cause each proposed ordinance to be posted at least three (3) days prior to its adoption in three (3) public places in the City and at least three (3) days prior to the ordinance adoption shall cause a single publication in an official newspaper to occur, setting forth the title of the ordinance, the date of its introduction, a brief summary of the ordinance and a list of the places where copies of the full text of the proposed ordinance are posted. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

After completing the ordinance approval process required in Section 403.1 above, for each adopted ordinance, the Assistant City Clerk shall prepare a notice of adoption ("Notice of Ordinance Adoption"). Each Notice of Ordinance Adoption shall contain the title of such ordinance, the date of its adoption, a brief summary of the ordinance and a statement that a copy of the adopted ordinance is available at the City Clerk's office and on the City's website for public review. Not more than fifteen (15) days after its adoption the ~~Senior Appointed~~Assistant City Clerk shall cause the Notice of Ordinance Adoption to be (1) posted in three public places in the City, and (2) published in an Official Newspaper. In addition, the City Clerk shall post the Notice of Ordinance Adoption on the City's website, along with a digital copy of the adopted ordinance, and have a physical copy of the adopted ordinance available for review at the Clerk's office.

~~Sec. 813~~ 403.6 Codification of ~~ordinances~~Ordinances.

Any or all properly enacted and unrepealed ordinances of the City may be compiled, consolidated, revised and indexed, including such restatements and substantive changes as are necessary for clarity in a comprehensive City Code.

~~A City Code may be adopted by reference by the passage of an ordinance in the same manner as other ordinances of the City. The City Code itself need not be published in the manner required for other ordinances.~~

Commented [GG90]: Level Two
(updated language eliminates unnecessary and outdated detail on how to amend an ordinance)

Commented [GG91]: Level One
(minor updates to add clarity/defined terms and cross-references)

Commented [GG92]: Level One
(minor updates to add clarity/modernize language)

Commented [GG93]: Level Two
(proposed process modification)

Current timing requirements can create a problem as this publication frequently needs to occur before its even known if the ordinance is going to be approved on first reading. The proposed updated language replaces the advance publication requirement with required publication within 15 days AFTER adoption, with the posting of the agenda for both first and second readings, and the notice of a public hearing if required, being accepted as substantial and adequate advance notice. Additional notice may also be provided under the new Section 904 noticing requirements. Post adoption publication would give extra notice to anyone seeking to subject the ordinance to referendum and prepare for its effectiveness within 30 days after adoption.

Note: That being said, General laws (not applicable to Charter cities) do have a "five days in advance of adoption" publication requirement under Govt. Code Section 36933. These general law provisions ALSO provide for the 15 day after the fact notice.

~~Prior to its adoption,~~ The City Clerk's Office shall maintain a copy of the City Code ~~not less than three copies of the Code shall be filed~~ in the City Clerk's Office~~.~~ and on the City's website for examination by the public. Any amendments to the City Code shall only be done by ordinance in a form that clearly indicates the changes being made and, as appropriate, the full readoption of any revised City Code section or sections~~.~~. ~~After the Code has been adopted, ordinances may be amendatory or revisory of the Code. Sections of the Code shall not be revised or amended by reference but readopted and published at length as revised or amended. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Commented [GG94]: Level One/Level Two
Proposed changes update/modernize language, with modification to require only one physical copy of the City Code be kept for public review in the Clerk's office.

~~Sec. 814~~ 403.7 Adoption of ~~printed~~ Printed or State ~~a~~Adopted ~~u~~Uniform ~~building~~ Building ~~codes~~Codes, etc.

Ordinances establishing rules and regulations for the construction of buildings, the installation of plumbing, the installation of electric wiring, or other similar work, where such rules and regulations have been printed as a code in book form or adopted by the State, may be adopted, in whole or in part, by reference by the passage of an ordinance in the same manner as other ordinances of the City. At least one physical copy of ~~The~~= any code so adopted shall be made available in the City Clerk's office for public review and posted and accessible on the City's website. ~~need not be published at length, provided, however, that not less than three copies of such code shall have been filed, for use and examination by the public, in the office of the City Clerk prior to the adoption thereof.~~

Commented [GG95]: Level One/Level Two
Outdated language/practice deleted, with now only 1 physical copy of the Charter required to be maintained in the City Clerk's office, and the requirement for posting on the City's website.

~~Sec. 714 Power to lease, sell, or convey City property.~~

~~The City Council shall have power to lease, sell, convey, and dispose of any and all property of the City, subject to the provisions of Section 401 of this Charter, and provided further that no property exceeding five hundred dollars ($500.00) in value shall be sold without first publishing notice of intention to sell in an official newspaper once a week for two weeks preceding the date of such sale. The notice of intention shall describe the property, the price theretofore offered for said property and the time and place when and where the sale will be consummated.~~

~~At the time fixed for said consummation of sale, the City Council shall call for further bids for said property and if any increased bid is received from a responsible bidder in at least five percent in excess of the original price offered for the same, then the City Council may accept the highest bid for said property or may order a new sale or may withdraw the property from sale.~~

Commented [GG96]: Level Two
(elimination of outdated process)

This provision is highly antiquated, and difficult and impractical to follow. (It technically even requires proposed sales to the public of a remnant no longer used easement to an adjacent property holder.) There are all sorts of state rules now requiring declarations of "surplus" land before it can be sold, and this dollar figure is so low as to cover in effect any proposed transfer.

Alternatives include modifying, including increasing the dollar amount (probably dramatically) or deleting.

Consensus of Group Two and the CRC was that this provision is too antiquated to "save." The terms for sales of property are highly negotiated, and must ultimately be approved in open session anyway.

Level 3?
Although this deletion makes sense, to the extent this change might be viewed as taking away a public right to be notified and actually bid on City property for sale, it might be viewed as a sensitive Level 3 matter. A separate ballot measure, though, would probably not be worth the cost in this case.

TO DO:
Clarify with City Council their intent with this Section to either include or exclude from the proposed comprehensive Charter update measure

~~Sec. 714.1 Protection of parkland and public open space.~~

~~Neither the Ulistac Natural Area, the Santa Clara Youth Soccer Park nor any other real property owned or controlled by the City that is presently listed or hereafter listed by ordinance in the inventory of parks and recreation facilities contained in Appendix Eight of the City of Santa Clara 2010-2035 General Plan shall be sold, leased or otherwise disposed of for a period of one hundred eighty (180) days or more, nor shall its use be changed, abandoned or discontinued without such sale, lease, disposal or changed use having been first authorized or ratified by a two-thirds (2/3) majority vote of the electorate, voting at a general municipal election for that purpose.~~

~~No substantial building, construction, reconstruction or development upon or with respect to any lands so dedicated shall be made except pursuant to ordinance subject to referendum.~~

~~The provisions of this Section 714.1 shall not apply to real property owned or controlled by the City that is subject to the CityPlace Master Community Plan originally adopted by the City Council by Resolution No. 8339. (Added by electors at an election held November 8, 2016, Charter Chapter 20 of the State *Statutes of 2017*)~~

Commented [GG97]: Level One
(moved for reorganization)

This Section has been moved to new Section 102.3.c above and modified as shown there in underline/strikeout

~~**Sec. 715 Power to levy and collect taxes.**~~

~~The City Council shall have power to levy and collect taxes, and to collect license taxes for both regulation and revenue.~~

~~**Article VIII. City Manager, Ordinances, Meetings**~~

~~**Sec. 800 Appointment**~~

~~A City Manager shall be chosen by the City Council on the basis of his/her executive and administrative qualifications. No City Council member shall receive such an appointment during the term for which he/she shall have been elected, nor within two years thereafter. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 801 Compensation.**~~

~~The City Manager shall be paid a salary commensurate with his/her responsibilities as chief administrative officer of the City, which salary shall be established by ordinance or resolution. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 802 Powers and duties.**~~

~~**Sec. 807 Prohibition against Councilmanic interference.**~~

~~Neither the City Council nor any of its members shall order or request the appointment of any person to an office or employment or his/her removal therefrom, by the City Manager, or by any of the department heads in the administrative service of the City. Except for the purpose of inquiry, the City Council and its members shall deal with the administrative service under the City Manager solely through the City Manager and neither the City Council nor any member shall give orders to any subordinates of the City Manager, either publicly or privately.~~

~~Any City Council member violating the provisions of this section, or voting for a resolution or ordinance in violation of this section shall be guilty of a misdemeanor and, upon conviction, shall cease to be a Council Member. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Commented [GG98]: Level One
(reorganization)
The power is this Section are both incorporated into broader provisions for authority in Article One and are more specifically referenced in Section 805.1, below. Provision doesn't make sense here.

Commented [GG99]: Level One
(reorganization)
The next few Sections regarding the City Manager have been consolidated in Section 501, below

Commented [GG100]: Level Two
(removal of outdated provision)
This seems an outdated concept. It is highly likely there would ever be a City Council person that have the professional qualifications to be a City Manager of a City like Santa Clara, so contemplating this at all so long as they wait two years seems odd. Group/CRC Consensus is to delete this Section subject to review of 2000 amendment for any unique history.

Note: 2000 update didn't add or change this Section. Instead it deleted the requirement that the City Manager must live in the City.

Commented [GG101]: Level One/Level Two
(reorganization and update to modern practices)
The CM salary and benefits is typically negotiated into the terms of a contract which is approved by Council resolution. The salary is then included in an executive salary schedule that is also approved by Council resolution per state law requirements. This concept has been integrated into new Section 501, below, with compensation approved at a public meeting.

Commented [GG102]: Level One
(reorganization)
This provision was moved up into Section 202.2.c as a limitation on Council Member Authority

Commented [GG103]: Level One
(reorganization)
This was also moved. See notes for Section 202.2.c, above

~~Sec. 815 Publishing of legal notices.~~

~~The City Council shall by resolution designate one or more newspapers of general circulation in the City of Santa Clara as official newspaper for the publication of any legal notice or other matter required to be pub- lished in a newspaper of general circulation in said City. If it appears to the City Council that the rates offered are unfair, it need not designate an official newspaper. Upon making a finding to such effect, or if publication of newspapers which have been so designated are suspended, then legal notices, ordinances or other matter required to be published in an official newspaper may be published by posting copies thereof in at least three public places in the City. The places for posting of legal notices shall be fixed by ordinance of the City Council.~~

~~No defect or irregularity in proceedings taken under this section, or failure to designate an official newspaper, shall invalidate any publication where the same is otherwise in conformity with this Charter, or law, or ordi- nance.~~

~~Article IX. Officers and Employees~~

Article Five

Structure of City Government

Section 500 In General

500.1 Organization by Departments. The City government shall be organized into departments as provided in this Article Five. In addition to those departments specifically enumerated in this Charter, the City Council may provide by ordinance for the creation, consolidation or abolishment of other City departments or offices. Unless otherwise provided by the terms of this Charter, each department shall be headed by a department head or officer appointed and supervised by the City Manager.

500.2 Administrative Code. ~~Within six months after the adoption of this Charter, the~~ The details of the City's organization and operations shall be adopted by ordinance and set forth in one or more Articles within the City Code. ~~Council shall adopt by ordinance an administrative code providing for a plan of administrative organization of the City government~~("Administrative Code"). ~~, which~~ The Administrative Code will cover all matters concerning the specific powers, duties, term of office, procedure of all the officers, boards and commissions, and employees of the City; provided, however, that the provisions of said code shall not be in conflict with any of the provisions of this Charter or other Applicable Law. This A~~a~~dministrative C~~c~~ode will also cover all rules and regulations relating to fiscal operations, personnel management, election procedure, and other matters concerning the operation of the functions of the City government. The Administrative Code shall be reviewed and updated from time to time to align with then current City operations and best practices.

~~Sec. 900~~Section 501 **Officers to be ~~appointed~~ Appointed by the City Council ~~and by the City Manager.~~**

~~In addition to the City Manager, the~~ On the terms set forth in this Section, the City Council shall appoint a ~~and affix the compensation for the~~ City Manager, a City Attorney and a City Auditor (each an "Appointed Officer," and collectively the "Appointed Officers"). Each Appointed Officer shall be selected based on their professional qualifications and compensated commensurate with their respective duties on terms approved by the City Council at a public meeting. ~~who~~ All Appointed Officers shall serve at the pleasure of the City Council and may be removed by motion of the City Council adopted by at least four affirmative votes and subject to any process required by Applicable Law. The primary duties of each Appointed Officer are set forth below. The City Council may also assign additional duties consistent with the terms of this Charter by ordinance, resolution or contract of employment.

501.1 City Manager. The City Manager shall be chief executive officer and the head of the administrative branch of the City government. ~~. He/she shall be responsible~~ accountable to the City Council for the proper administration of all affairs of the City. ~~and to that end, subject to the personnel provisions of this Charter,~~In this role, in accordance with all Applicable Laws, the City Manager ~~he/she~~ shall have the power and ~~shall~~ be required to:

(a) Appoint and remove, subject to the Civil Service provisions of this Charter, all officers and employees of the City, except as otherwise provided by this Charter, and except as the City Manager ~~he/she~~ may ~~authorize~~

Commented [GG104]: Level One (reorganization)
Moved to the end as new Section 904

Commented [GG105]: Level Two (added language to inform)

This Section is new and has been added for educational purposes and context.

Commented [GG106]: Level One/Level Two
This is old Section 910 with revisions as shown. The only real addition is the last sentence that contemplates the review and update of the Code from time to time to align with current City operations and best practice**s.** Some of the current codes are way out of alignment, including, for example, the City Attorney's Office provisions which don't describe the current structure of the department at all.

Commented [GG107]: Level Two
This Section sets up the new Article reorganization that makes clear the distinction between City Council appointed and City Manager appointed positions. Other new language consistent with current/best practices.

Commented [GG108]: Level One/Level Two
Changes here are generally improved language and updates to align with other office obligations and current practices/nomenclature. Some rise to Level Two when adding missing/best practices

delegate authority to the head of a department or office to appoint and remove subordinates in such department or office. No person related to the then currently serving City Manager by blood or by marriage shall be eligible for office or employment ~~in~~ with the City government.

(b) Prepare ~~the budget annually and~~ , submit for Council adoption and administer the City budget in accordance with the provisions of Sections of this Charter. ~~it to the City Council and be responsible for its administration after adoption.~~

(c) Manage the City-owned utilities, including the water and power departments, in a business-like manner, charging equitable rates for the services furnished and building up the properties so as to conserve their value and increase their capacity as needed by the City.

~~(c)~~(d) Manage, or contract for the management of, all City enterprises, including the City's Convention Center, and any Joint Powers Authority formed by the City for the management of a City function or enterprise.

~~(d)~~(e) Cause the Director of Finance to p~~P~~repare and submit to the City Council ~~as of the end of the fiscal year~~ as soon as practicable following the close of each fiscal year a complete financial report ~~on the finances and administrative activities of the City~~ for the preceding fiscal year.

~~(e)~~(f) Keep the City Council advised of the financial condition and future needs of the City and make such recommendations for laws, policies or other actions as ~~may seem to him/her~~the City Manager determines, in their professional judgement to be in the best interests of the City ~~desirable~~.

~~(f)~~(g) Take such actions the City Manager determines necessary or appropriate, to (i) assure the high quality performance of services by every ~~Make investigations into the affairs of this City, or any~~ City department or division ~~thereof~~, (ii) compliance with the terms ~~or~~ of any contract or other , ~~or~~ ~~the proper performance of any~~ obligation owed to the City, and (iii) compliance with the City Code.

~~(g) Submit to the City Council at each meeting for its approval, the list of all claims and bills approved for payment by him/her.~~

~~(h)~~ Perform such other duties as may be prescribed by this Charter, ~~or~~ required ~~by him/her~~ by the City Council, or deemed necessary in the City Manager's professional judgement, that are not inconsistent with this Charter. ~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

(h)

~~Sec. 803 Rules and regulations.~~

~~The City Manager may p~~Prescribe such general rules and regulations as ~~he/she~~ the City Manager may deem necessary or ~~expedi- ent~~appropriate for the general conduct of the administrative offices and departments of the City under ~~his/her~~ their jurisdiction. ~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 804 Manager pro tempore.~~

~~The City Manager shall a~~Appoint~~, subject to the approval of the City Council,~~ one of the other officers of the City to serve as the acting City Manager ~~Pro Tempore~~ during any temporary absence or disability of the City Manager; provided, however, that any such appointment expected to be longer than thirty (30) days shall be subject to City Council approval.

~~Sec. 805 Participation in Council action.~~

~~The City Manager and such other officers of the City as may be designated by the City Council, shall be accorded a seat at the City Council table and shall be entitled to participate in the deliberations of the City Council, but shall not~~ (k) ~~have a vote.~~ Attend and advise, with appropriate staff support, all City Council meetings.

~~Sec. 806 Removal of the City Manager.~~

~~The City Council shall appoint the City Manager for an indefinite term and may remove him/her~~ the City Manager by a

Commented [GG109]: Level One
Discussed as possibly outdated, but ultimate consensus was that any relation of the CM in City government could create issues, even as a part time parks and recreation employee for the summer, so language to be retained.

Commented [GG110]: Deleted "non-regional" here as not needed.

Commented [GG111]: Level Two
(deletion to align with current practices)

This does not currently happen. Instead, per other requirements in the Charter, this happens on a monthly basis.

City Manager's comment: "This feels like an outdated practice, and once we get a "open data" financial system, everything can be online without the need to put on an agenda for public review. That being said, we don't want people to feel like we're taking something away, so maybe soften the language by broadening how this can be done...or provide the Council with the ability to authorize a change to this practice by resolution."

Commented [GG112]: Level Two
(updated to align with current/best practices)

Current (standard) practice is for short term periods, Council authority is not obtained. They are just informed. Consensus of the group was to make approval required only if the absence or disability exceeds a certain time period (e.g., 30 days)

Commented [GG113]: Replaces outdated language with a duty to attend

~~majority vote of the entire Council. At least thirty (30) days before such removal shall become effective, the City Council shall by a majority vote of the entire Council, adopt a preliminary resolution stating the reasons for his/her the City Manager's removal. The City Manager may reply in writing and may request a public hearing, which shall be held not earlier than fifteen (15) days nor later than thirty (30) days after the filing of such request. After such public hearing, if one be requested, and after full consideration, the City Council by majority vote of the entire Council may adopt a final resolution of removal. By the preliminary resolutions, the City Council may suspend the City Manager from duty but shall in any case cause the City Manager to be paid him/her forthwith any unpaid balance of his/her the City Manager's salary and his/her salary for the next calendar month following adoption of the preliminary resolution. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~ these

501.2 City Attorney.

~~There shall be a~~ The City Attorney shall serve as the lawyer for the City, including all of its enterprise and authorities, and be the Director of the City Attorney's Office. In this role, the City Attorney ~~who~~ shall have the power and be required to:

(a) Represent and advise the City Council and all City officers in all matters of law pertaining to their offices;

(b) Represent and appear for the City and any City officer or employee or former City officer or employee, in any or all actions and proceedings in which the City or any such officer or employee in or by reason of ~~his/her~~their official capacity acting in good faith on behalf of the City, is concerned or is a party;~~,~~

(c) Subject to City Council approval, initiate administrative proceedings or litigation on behalf of the City in order to defend or advance City's lawful interests or objectives;

(d) Subject to City Council approval of positions and funding, and in consultation with the City Manager, ~~but the City Council shall have control of all legal business and proceedings and may~~ act as the appointing authority for unclassified employees (lawyers and other legal staff) in the City Attorney's Office and employ ~~other~~ contract attorneys as the City Attorney may deem necessary and appropriate to take charge of any litigation or other legal matter ~~to~~or to assist the City Attorney ~~therein~~in the performance of their duties;

~~(b)~~

(e) Attend and advise at all meetings of the City Council

~~(c)~~(f) Provide ~~and give his/her~~ advice or legal opinions in writing whenever requested to do so by the City Council, or as may be necessary and appropriate to advise ~~by~~ any of the boards or officers of the City;

~~(d)~~(g) Approve in writing the form of all ~~bonds given to and all~~ contracts and other binding legal documents ~~made~~ approved or entered into by the City~~, endorsing his/her approval thereon in writing~~;

~~(e)~~(h) Prepare any and all proposed ordinances or resolutions for the City, and amendments thereto;

(i) Prosecute on behalf of the people all civil and criminal cases for violation ~~of this Charter and~~ of City ordinances;

~~(f)~~(j) Where a conflict exists, facilitate a referral to qualified outside counsel or an enforcement agency with jurisdiction; and

~~(g)~~(k) On vacating the office, surrender to ~~his/her~~the City Attorney's successor, all books, papers, files, and documents pertaining to the City's affairs.

To be eligible for appointment as City Attorney, the appointee shall have been admitted to practice as an attorney at law in ~~before the Supreme Court of the~~ State of California, and shall have been engaged in the active practice of law for at least ~~four~~ seven (7) years immediately prior to the City Attorney's ~~his/her~~ appointment with such additional qualifications as may be approved by the City Council commensurate with the demands of the position. ~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

501.3 City Auditor

Commented [GG114]: Level Two
(update to align with current/best practices)
A lot of this is now negotiated via contract and/or governed by State law (at least for terminations that are "for cause"). A provision was added to Section 501, above for all appointed officials that removal could only happen if it complied with State Law. There is an existing law that gives a CM the ability to have a "name clearing" hearing, so this right isn't being eliminated by deleting this Section

Commented [GG115]: Level One/Level Two
Moved up from Old Section 908. Many changes are Level One. Level Two Changes of substance are highlighted below.

Commented [GG116]: Level Two
(added to align with current/best practices)

Initiation of litigation authority should be added, but always subject to approval from the City Council.

Commented [GG117]: Level Two
City Attorney is proposing that this position should have appointing authority with respect to legal professionals, but any "civilian" "classified positions" would remain a City Manager appointment. The City Manager concurs and the CRC recommends

Commented [GG118]: Level Two
(update to align with best practices)

See proposed revisions to the Violations; Enforcement Section 902, below, which assign Charter violation enforcement to the DA or outside counsel

Commented [GG119]: Level Two
(update to align with best practices)

Conflicts may arise, including an inherent conflict if called upon to prosecute or represent a matter involving a City Council person or a personal interest.. This provision would cover such contingencies.

Commented [GG120]: Level Two
(update to better align with standards)

Four years is clearly too few years to serve in this position. Group/CRC settled on 7 years because didn't want to overly restrict the minimum qualifications

Commented [GG121]: Level One/Level Two
(as noted below)
Moved up from Old Section 909

Level Two
(align with current/best practices)

Updated based upon input from the City Auditor and Finance Director. Adds responsibility for "performance audits" consistent with current practices, and with appropriate balance of independence and Audit Committee/Council oversight

The City Auditor shall serve as the independent auditor of City finances, and City's performance of certain internal functions, with the goal of evaluating and ultimately improving such performance. In this role, the City Auditor shall have the power and be required to:

(a) ~~A~~audit and approve all bills, invoices, payrolls, demands or charges against the City government before payment and, with the advice of the City Attorney, advise the City's Audit Committee and the City Council as to the regularity, legality and correctness of such claims, demands or charges~~;~~.

~~(a)~~ (b) Develop, using risk-based methodology, and present to the City's Audit Committee for approval, an annual work plan for the audit of internal City operations, to be submitted to the City Council ("Approved Annual Work Plan");

(b) Implement, or oversee the implementation of, the Approved Annual Work Plan, and such other performance audits as may be necessary or appropriate in the City Auditor's professional discretion.

(c) Conduct themselves in strict conformance with all applicable professional and ethical standards consistent with best practices.

In the absence of a City Council appointed City Auditor, ~~T~~the City Council may, in its discretion, approve the assignment to ~~appoint~~ any other officer or employee of the City ~~as~~the duties of the City Auditor and ~~grant~~ approve ~~such person~~ additional compensation for the performance of such duties.

~~All other officers and department heads of the City shall be appointed by the City Manager and shall serve at the pleasure of the City Manager at compensation fixed by the City Council. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 901**~~**Section 502 Officers and Employees to be A~~ppointed by the City Manager~~Other appointive officers~~.**

On the terms set forth in this Section, all department heads or division leaders of the City that are not elected or appointed by the City Council ("Senior Officials") shall be appointed by the City Manager. Subject to the terms of Article Seven, Civil Service, below, all such Senior Officials shall be in the "Unclassified Service." Each such ~~appointive officer~~ Senior Official shall perform the duties imposed upon ~~him/her~~that officer by this Charter, and under the terms of any ~~by~~ ordinance, ~~or~~ resolution, or ~~and, if under jurisdiction of the City Manager, shall perform such other duties relating to his/her office~~ City Manager policy or directive, lawfully issued ~~as may be required of him/her by the City Manager~~ consistent with the terms of this Charter.

~~The City Council may provide by ordinance for the creation, consolidation or abolishment of the City depart- ments or offices, not specifically enumerated in this Charter. Each department so created shall be headed by an officer as department head who shall be appointed by the City Manager.~~

~~**Sec. 902 Appointive officers; duties.**~~

~~Each appointive officer shall perform the duties imposed upon him/her by this Charter, by ordinance, or resolution and, if under jurisdiction of the City Manager, shall perform such other duties relating to his/her office as may be required of him/her by the City Manager. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~**Sec. 904 D**~~**502.1 Department and Director of Finance.**

There shall be a ~~D~~department of ~~F~~finance,~~;~~ the head of which shall be the Director of Finance, who ~~as determined by the City Council,~~ shall be~~, or be~~ appointed by~~,~~ the City Manager. ~~The Director of Finance~~ ~~U~~under the supervision of the City Manager the Director of Finance shall have charge of the administration of all City finances~~the financial affairs of the City~~, including the ~~financial affairs~~ finances of ~~the~~ any City-owned public utilities and other City enterprises. In this role, for the City and for all City offices, departments and agencies under City's control, the Director of Finance ~~, and he/she~~ shall have power and be required to:

(a) Assist with the preparation, submittal for approval, and implementation of the City Budget as provided in Section

Commented [GG122]: Level Two
(improved language to align with current standards)

"approve the assignment to" is a better term for this in that any other officer or employee of the City would be appointed by the City Manager

Commented [GG123]: Level One
Concept moved/incorporated into Section 502, below

Commented [GG124]: Level Two
In general, language and Sections updated to improve language, update nomenclature and modernize and align descriptions of duties with current/best practices. Input from all existing Directors obtained, and they are in concurrence with proposed language.

Commented [GG125]: Level One
Language moved into Section 500.1 and updated there

Commented [GG126]: Level One
Language/concept moved into Section 501 and updated there

Commented [GG127]: Level One/Level Two
(wording changes to improve language and bring duties into alignment with current/best practices)

801 below ~~Compile the budget expense and capital estimates for the City Manager~~;

(b) Supervise and be responsible for the disbursement of all monies in conformance with the approved City Budget~~and have control over all expenditures which have been budgeted~~;

(c) Maintain a general accounting system, ~~for the City government and of its offices, departments and agencies;~~ keep ~~books~~ financial records, ~~for,~~ prescribe ~~the~~ financial forms , ~~to be used by~~ and exercise financial budgetary control ~~over each office, department or agency~~;

(d) Submit to the City Council, through the City Manager, a monthly financial report~~statement of all receipts and disbursements in~~ with sufficient detail to show the ~~exact~~ current fiscal ~~financial~~ condition of the City;

(e) Submit to the City Council, through~~Prepare for~~ the City Manager, ~~as of the end of each fiscal year,~~ a complete financial statement and report for the previous fiscal year;

(f) Collect all taxes, special assessments, utility charges, license fees, contract payments, and other revenues of the City for whose collection the City is responsible ~~except City taxes collected by the County and as provided in Section 1306,~~ and receive all money ~~receivable by the~~ to which the City is entitled or has been granted from any other ~~the State or Federal~~ government agencies, private party or from any court or awarding authority~~, or from any office, department or agency of the City~~;

(g) H~~Receive and h~~ave custody as a fiduciary of all monies receiv~~ed~~~~able~~ by the City from any source and either deposit or invest such funds;~~;~~

~~(h) Deposit all monies received in such depositories as may be designated by resolution of the City Council or, if no resolution be adopted, by the City Manager, and in compliance with all the provisions of the State Constitution and laws of the State governing the handling, depositing and securing of public funds; and~~

~~(h) Have custody of all investments and invested funds of the City government, or in possession of such government in a fiduciary capacity, and have the safe keeping of all bonds and notes of the City and the receipt and delivery of City bonds and notes for transfer, registration or exchange. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~(i)~~ Serve as the City's Treasurer in all respects, where required in City's financial dealings, including in any public financing.

(i) Oversee the City's centralized purchasing system as provided in Charter Section 803.1, below.

All such duties shall be conducted in accordance with Applicable Law and best practices applicable to local government agency operations and finances, as determined in the professional discretion of the Director of Finance, or as may be set forth in adopted City policies.

Commented [GG128]: Level Two
With input from Finance "exact" was removed as a standard hard to define and impossible to meet. After considering various replacement adjectives, and discarding as unworthy, consensus was to just remove any adjective.

Commented [GG129]: Level Two
(eliminate unnecessary/outdated language)
These deleted sections, with minor updates in language above, are already included in the Director's duties, as revised above, with inclusion of applicable professional standard, below

Commented [GG130]: Level Two
Treasurer status helpful when this is the term used for City financings

Commented [GG131]: Level Two
Added language to emphasize that all applicable professional standards apply.

~~Sec. 905~~ ~~502.2~~ **Department and Director of ~~City Engineer and Department of~~ Public Works.**

There shall be a Department of Public Works, the head of which shall be the Director of Public Works, who shall be appointed by the City Manager. ~~Utilities. and Utilities, who may be the City Engineer,~~ Under the supervision of the City Manager, the Director of Public Works shall have charge of the design, construction, improvement, maintenance and repair of City facilities and infrastructure, including related engineering functions and approvals. In this role, in addition to the aforementioned duties, the Director of Public Works shall have the power and be required to: ~~and utilities, as are or may be from time to time designated by the City Council.~~

(a) Where outside contractors are necessary or desirable for the implementation of Public Works, oversee the City's Public Works procurement process in accordance with Charter Section 803.2, below; and

(b) Serve as or consult with the City Manager in the appointment of the City Engineer, to oversee all necessary and appropriate City engineering services, including the approval of engineering maps, surveys, designs and permits; any City Engineer must be a registered professional engineer in the State of California.

~~(1) City Engineer. The City Engineer shall be a Registered Professional Engineer in the State of California, and he/she shall have the power and be required to:~~

~~(a) Supervise and be responsible for all City engineering work, including the preparation of engineering maps, surveys, and designs;~~

~~The~~

~~(b) Perform such other duties as the City Council may from time to time prescribe, either by ordinance or resolution; and,~~

~~(c) On vacating the office, surrender to his/her~~the Director of Public Work's ~~successor all maps, plans, field notes and other records and memoranda belonging to the City and pertaining to~~ the Director of Public Work's~~his/her office and the work thereof.~~

~~(2) Director of Public Works and Utilities. The Director of Public Works and Utilities, who may be the City Engineer, shall, under the supervision of the City Manager, be in charge of the administration of such departments of the City, including engineering and utilities, as are or may be from time to time designated by the City Council. (As amended 1965 Statutes, Senate Concurrent Resolution No. 74, Chapter 101; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 907~~

502.3 Chief of the Fire Department.

There shall be a Fire Department, ~~the head of which shall be the~~ Chief of the Fire Department ("Fire Chief"), who shall be appointed by the City Manager. Under the supervision of the City Manager, the Fire Chief shall have the power and be required to:

(a) Supervise all matters relating to the prevention and extinguishing of fires and the protection of ~~all~~ property ~~impaired thereby~~from fire risks and damage;

~~(a)~~(b) Supervise all matters relating to emergency medical response and transportation services, including coordination with regional and local public and private agencies to assure high quality and efficient delivery of such services ~~;~~ ~~and~~

(c) ~~Make frequent~~ Develop and administer programs for inspection of ~~all~~ property within the City to enforce fire prevention and related safety regulations; and

~~(b)~~(d) Develop and administer such other services or programs as may be approved and funded by the City Council consistent with a modern "all risk" fire service, including, without limitation, mutual aid services, hazardous materials regulation and response, and rescue operations.

Commented [GG132]: Level One/Level Two
Changes reorganize and update language to reflect that there are now separate Utility Depts that the Public Works Director (PWD) does not oversee. Also adds PWD role to implement and oversee public works procurement.

Addition since June 5th draft reverts appointment authority of City Engineer back to the City Manager (this change was not discussed/intended), but requires this appointment be made in consultation with the PWD.

Commented [GG133]: Level Two
(update to be consistent with current standards/practices)

Revisions conform format with all City manager appointed officers, and update the description of the Fire Chief's duties to align with a "modern" Fire Service

~~Sec. 908 City Attorney~~

~~Sec. 909 City Auditor~~

~~Sec. 910 Administrative Code.~~

~~Within six months after the adoption of this Charter, the Council shall adopt by ordinance an administrative code providing for a plan of administrative organization of the City government, which will cover all matters concerning the powers, duties, term of office, procedure of all the officers, boards and commissions, and employees of the City; provided, however, that the provisions of said code shall not be in conflict with any of the provisions of this Charter. This administrative code will cover all rules and regulations relating to fiscal operations, personnel management, election procedure, and other matters concerning the operation of the functions of the City government.~~

~~Sec. 911~~
Section 503 ~~Official~~ Employee Performance ~~b~~Bonds.

503.1 In General. The City Council may approve by ordinance or resolution a policy requiring the posting of faithful performance bonds with respect to certain officers and employees within the City ("Employee Performance Bonds"). Any such policy shall, at a minimum, include provision for (1) the City positions covered, (2) the amount and required terms for bonds, and (3) the standards for any issuer of such bonds. Any premiums for Employee Performance Bonds shall be paid by the City.

503.2 Form and Filing. All Employee Performance Bonds s~~The City Council shall fix by ordinance the amounts and terms of the official bonds of all officials or employees who are required by this Charter or by ordinance to give such bonds. All bonds shall be executed by responsible corporate surety,~~ shall be approved as to form by the City Attorney, and shall be filed with the City Clerk, except ~~the~~ that any bond required of the City Clerk or any employee of the City Clerk's office~~'s bond which~~ shall be filed with the City Manager.

503.3 ~~Premiums on official bonds shall be paid by the City.~~Limited Liability of Supervisor.

In all cases wherein an officer or employee of the City is required to furnish an Employee ~~faithful p~~Performance ~~b~~Bond, there shall be no personal liability upon, or right to recover against, ~~his/her~~ that person's supervisor ,~~superior officer,~~ or the bond of the ~~latter~~bonded officer or employee, for any wrongful act or omission of the ~~former~~supervisor, unless ~~such superior officer~~the supervisor was a party to, or conspired in, such wrongful act or omission. ~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

503.4 Relationship to State Law. In the absence of a City Council approved policy with respect to Employee Performance Bonds, the provisions of General City Laws shall apply.

~~Sec. 912~~
~~Official Oaths of Office.~~

~~**Each member of the** City Council,Elected Official, of every member of a City bBoard and Ccommission, and each officer City Council appointed official, and each and department head, before entering upon the discharge of the duties of his/her office shall take, subscribe to and file with the City Clerk the following oath of affirmationoffice: "I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter." (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Article X. Appointive~~
Article Six

Commented [GG134]: Level One
Moved to New Section 501.2

Commented [GG135]: Level One
Moved to New Section 501.3

Commented [GG136]: Level One
Moved up as new Section 500.2. Changes shown there in underline/strikeout.

Commented [GG137]: There was discussion on need for this language in the Charter at all, with a possible option to radically reduced to a sentence or two calling for rules to be adopted by ordinance. Current recommendation is to retain provisions, but to update to make more clear and better align with State law.

California law establishes comprehensive requirements for city employees who must obtain and furnish faithful performance bonds or other forms of bonds in connection with their official duties. These requirements are governed primarily by the California Government Code, which sets forth the conditions, obligations, and payment provisions for official bonds of municipal officers and employees.

Statutory Framework for Official Bonds

The fundamental condition of an official bond is established by California Government Code § 1501, which provides that "the condition of an official bond shall be that the principal will well, truly, and faithfully perform all official duties then required of him by law, and also all such additional duties as may be imposed on him by any existing law of the State or law enacted subsequently to the execution of the bond" (West's Ann.Cal.Gov.Code § 1501)[1]. This statutory language ensures that bonds cover both current and future duties imposed by law.

California Government Code § 1504 further specifies that every official bond executed by any officer pursuant to law "is in force and obligatory upon the principal and sureties therein for" both "any and all breaches of the conditions thereof committed during the time such officer continues to discharge any of the duties of or hold the office" and "the faithful discharge of all duties which may be required of such officer by any law enacted subsequently to the execution of the bond" (West's Ann.Cal.Gov.Code § 1504)[2]. The statute includes important limitations on personal liability for officers whose sole compensation is a fixed salary, providing that they shall not be personally liable for negligent acts or omissions of deputies or employees unless the officer failed to exercise due care in selection, appointment, or supervision (West's Ann.Cal.Gov.Code § 1504)[2].

Charter City Authority Over Bond Requirements

California Constitution Article XI, § 5 grants charter cities plenary authority to provide for "the manner in which, the method by which, the times at which, and the terms for which the several municipal officers and employees whose compensation is paid by the city shall be elected or appointed, and for their removal, and for their compensation" (West's Ann.Cal.Const. Art. 11, § 5)[5]. This constitutional provision allows charter cities to establ... [11]

Commented [GG138]: Level Two
(alignment with State law)
If City doesn't make its own policy, state law provisions apply.

Commented [GG139]: Level One
(reorganization)
Section moved to Section 907 in Legal/Miscellaneous Article.

Boards and Commissions

~~Sec. 1000~~

Section 600 In general.

600.1 Chartered Boards and Commissions. The City ~~re~~ shall ~~be~~ have the following ~~enumerated~~ boards and commissions: Planning Commission, Parks and Recreation Commission, Board of Library Trustees, Civil Service Commission, and the Salary Setting Commission (collectively, the "Chartered Boards and Commissions"). Chartered Boards and Commissions ~~which~~ shall have the powers and duties (1) set forth in this Article, ~~herein stated,~~ and (2) such ~~other~~ additional powers and duties, consistent with the terms of this Article, as the City Council may assign by ordinance. ~~be conferred by the City Council. which are not incon- sistent herewith. In addition, t~~

600.2 City Council Created Boards and Commissions. The City Council may also create, by ordinance ~~such~~ additional boards or commissions as in its judgment are required or useful, ~~and may grant to them~~ with such powers and duties Council may assign, ~~as~~ are consistent with the provisions of this Charter and Applicable Law ("Council Created Boards and Commissions"). Unless the City Council otherwise provides by ordinance all terms and conditions of this Charter applicable to Chartered Boards and Commissions shall also apply to Council Created Boards and Commissions.

600.3 Qualifications.

a. To be qualified all members of Chartered Boards and Commissions shall be Qualified Electors and Residents of the City. No member of any Chartered Board or Commission shall simultaneously be a paid employee of the City.

b. Unless otherwise specified by the City Council by ordinance, members of Council Created Boards and Commissions need only be residents of the City and 18 years of age or older.

600.4 Compensation. The members of boards and commissions shall serve without compensation for their services ~~as such~~, but may receive reimbursement for necessary traveling and other expenses when on official duty in accordance with an approved budget and policies and procedures approved by ~~on order of~~ the City Council.

600.5 Rules of General Application. Where terms of this Charter are intended to apply to both Chartered Boards and Commissions and City Council Created Boards and Commissions, such boards and commissions shall be collectively referred to as "City Boards and Commissions" and the members thereof as "Board and Commission Members."

600.6 Conflict of Interest Rules. City Boards and Commissions members shall be subject to all Applicable Laws regarding conflicts of interest and gifts, including any Local Laws.

~~Sec. 1001 Appropriations~~

Section 601 Funding and Staff Support ~~.~~

The City Council shall ~~include~~ provide ~~in~~ in the City's ~~its annual~~ budget sufficient ~~appropriations of~~ funds and staffing resources necessary for the efficient and proper functioning of all City Boards and Commissions ~~such boards and commissions~~.

~~Sec. 1002~~

Section 602 Appointments; Tterms and Vacancies.

Section 602.1 Appointment; Removal. Except as otherwise provided in this Aarticle, the members of ~~each of such bo~~ City Boards or Ceommissions shall be appointed, and shall be subject to removal, by motion of the City Council adopted by at least four affirmative votes. The decision to appoint, reappoint, or remove any board or commission member shall be in the sole discretion of the City Council. Consistent with the

Commented [GG140]: Level One/Level Two
(both minor and more significant language updates, with other Level Two changes as indicated below)

This Article was updated with substantial input from the existing Boards and Commissions listed.

Note: "Commissions" are generally understand to mean groups that are permanent with some independent authority or ongoing subject matter jurisdictions. "Committees" are almost always advisory, and sometimes are of limited duration. "Subcommittees" are always subordinate bodies to the primary Council or Commission. "Board" appears to be just a historical name for the Board of Library Trustees, and in this context has no particular meaning distinct from Commission. ... [12]

Commented [GG141]: Level One
(reorganization)
Consensus of Groups Two and Four was to move the details of the Salary Setting Commission composition and role and function (previously described in Old Sec ... [13]

Commented [GG142]: Level Two
(alignment with current standards)

Here are the current Code Sections for both Charter created and City Council created Boards and Commissions. R ... [14]

Commented [GG143]: Why addition of an Ethics Commission not proposed by CRC.

Group Four discussed extensively the pros and cons to proposing for inclusion in the Charter provision for th ... [15]

Commented [GG144]: Level One/Level Two
(updated language to improve understanding)

Commented [GG145]: Level One
(existing language moved and updated to be more explicit without substantive change)

Qualified Elector Status. The need for "qualified elec ... [16]

Commented [GG146]: From City Code Section 2.120.010

"All members of boards, commissions, and committees, except for members of the Youth Commission and Bicycle and Pedestrian Advisory Committee, shall be eighteen ... [17]

Commented [GG147]: Level One
(reorganization and minor language update
This section was modified and moved here. Its old Section 1004 (see below)

Commented [GG148]: Level One
(addition of defined terms language to make more clear/user friendly)

Commented [GG149]: Level Two
(alignment with applicable law)
CAO noted that bodies that only make recommendations are not required to file Form 700s under State Law, and this language wouldn't change that.

Commented [GG150]: Level Two
(improved wording consistent with existing practices)

Commented [GG151]: Level Two
(addition of requirement for a policy consistent with desired/best practices)

Group Four discussed extensively options for making ... [18]

requirements of State Law and the terms of this Charter, the City Council shall approve policies for the appointment, reappointment and removal of Boards and Commission Members in an orderly and transparent manner.

Section 602.2 Terms of Service; Term Limits. Except as otherwise provided in this Aarticle, ~~the members of such boards and commissions~~ City Boards and Commission Members terms shall ~~beserve for a term of~~ four years, commencing upon their appointment and swearing in, and continuing until their respective successors are appointed and ~~qualified~~sworn in. ~~; provided, however,~~For any newly created City Board or Commission, the members first appointed ~~to those boards and commissions~~ shall ~~so~~ classify themselves by lot in order to stagger their terms such that each succeeding July 1st the term of at least one of their ~~number~~ members shall expire. Unless otherwise provided by City Council ordinance the Lifetime Term Limit rules applicable to Elected Officials shall also apply to City Boards and Commission Members; provided, however, time served on one City Board or Commission shall not count towards any time served on any other City Board or Commission.

Section 602.3 Vacancies. A City Boards and Commission Member's seat shall be considered "Vacant" upon the occurrence of any "Event of Vacancy" provided in Charter Section 205, above. In addition, ~~I~~if ~~a member of~~ a board or commission member is absent~~s himself/herself~~ from three regular meetings of such board or commission, consecutively, unless ~~with permission of~~ excused by such board or commission expressed in its official minutes in accordance with policies that shall be approved by the City Council, ~~or is convicted of a crime involving moral turpitude, or ceases to be a qualified elector of the City, his/her office~~ that member's position shall be considered V~~v~~acant ~~and shall be so declared~~upon declaration of ~~by~~ the City Council. ~~Except as otherwise herein provided, a~~

Section 602.4 Filling of Vacancies. Any vacancies in any board or commission position from whatever cause arising, shall be filled in the same manner as provided for the original ~~by~~ appointment of such position ~~by the City Council~~. Upon a vacancy occurring leaving an unexpired portion of a term, any appointment to fill such vacancy shall be for the unexpired portion of such term.

~~Sec. 1003~~

Section 603 Conduct of Meetings~~; Chair~~.

~~As soon as practicable, following the first day of July of every year, each of such boards and commissions shall organize by electing one of its members to serve as presiding officer at the pleasure of such board or commission.~~

603.1 Meetings. Each ~~board or commission~~City Board and Commission shall hold regular meetings as required by ordinance or resolution of the City Council, and such special meetings as it may require to perform its assigned duties. All proceedings shall be conducted in accordance with (1) the Brown Act and shall be open to the public unless otherwise permitted under the Brown Act, and (2) any other meeting requirements adopted by the Council from time to time consistent with the terms of this Charter and Applicable Law.

603.2 Chair. As soon as practicable, following the first day of July of every year, each ~~of such~~ boards and commissions shall ~~organize by elect~~ing one of its members as "Chair" to serve as its presiding officer for that year at the pleasure of such board or commission. ~~unless, the nature of any proceeding is such that in the opinion of such board or commission the public interest would be best served by closing a particular proceeding to the public, and the reasons therefor are declared in any action closing such proceeding. Upon conclusion of any such proceeding any final action which is to be taken by such board or commission, with respect to such proceedings, shall be taken in open meeting.~~

603.3 Actions. The affirmative or negative vote of a majority of the ~~entire membership~~authorized number of members of City Board or Commission ~~such board or commission~~ shall be necessary for it to take action. Each board or commission shall keep a record of its proceedings and ~~trans~~actions.

603.4 Additional Rules and Procedures. Consistent with the terms hereof, the City Council may adopt additional rules and procedures for the conduct of meetings and the taking of actions by City Boards and Commissions.

~~Each board or commission may prescribe its own rules and regulations which shall be consistent with this Charter and copies of which shall be kept on file in the office of the City Clerk where they shall be available for public inspection. It shall have the same power as the City Council to compel the attendance of wit-~~

Commented [GG152]: Level Two
(update language to reflect current/best practices)
Group/CRC consensus was okay to include reference to "lifetime" term limits. The only current authority for this is set forth in the Boards and Commissions handbook. It is a matter of practice as opposed to formally adopted policy. An option could be to not include this requirement and instead allow the City Council to establish terms limits by ordinance/policy.

Commented [GG153]: Level Two
(addition of requirement for a policy consistent with desired/best practices)

Parks and Recreation Commission and others suggested adding some clarity around what criteria and process is for excused vs. unexcused absences. Per Assistant City Clerk, there are currently no policies. She has proposed and would like there to be for both City Council and Boards and Commissions. Ultimate decisions was to not try to make such rules, but to require that they be made.

Section requires City Council creation of an excused absence policy for Boards and Commissions.

Commented [GG154]: Level Two
(addition of provisions to fill gaps)

Consensus was to tie into the "vacancy" standard for CC members, while preserving, appropriately given the different meeting cadence, the unique Boards and Commissions standard for vacancies resulting from missed meetings.

Commented [GG155]: Level One
(minor language updates)

Commented [GG156]: Level Two
Updated generally to improve language, emphasize application of Brown Act and any City Council approved rules, and to eliminate provisions that conflict with the Brown Act (e.g., deleted language at the end of Section 603.2)

Commented [GG157]: Level Two
(updated to clarify/align with current practices)

This phrase "entire membership" needed clarification. Proposed revisions reflects the current rule and practice for the City Council.

CC Option: But with Boards and Commissions that have vacancy problems or attendance problems, this strict rule could block or delay action. Options include allowing majority votes of the number of filled seats and/or members in attendance so long as quorum requirements are met. The general consensus, though was that consistency of rules was the better "default" provision.

Commented [GG158]: Level Two
(delete provisions inconsistent with current/best practices)

Regarding Boards and Commissions making their own rules, this is not current practice, and is not recommended. There is a need and real value in consistency, especially with need for compliance with Brown Act. The current City Council Policy 055 for "Meeting Management Protocols" will apply to Boards and Commissions when it converts from a "pilot program" to a permanent policy and it allows for some variation on rules at the Boards and Commissions ... [19]

~~nesses, to examine them under oath and to compel the production of evidence before it. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Commented [GG159]: Discuss. This power is extraordinary and really doesn't apply to the roles and functions of any of the Boards, save maybe Civil Service Commission. See similar note, below, regarding Section 1005 and the power to conduct "investigations". Consensus of Group/CRC for deletion as a "general power."

~~Sec. 1004~~

~~Sec. 1004 Compensation, vacancies.~~

~~The members of boards and commissions shall serve without compensation for their services as such, but may receive reimbursement for necessary traveling and other expenses when on official duty on order of the City Council.~~

~~Except as otherwise herein provided, any vacancies in any board or commission from whatever cause arising, shall be filled by appointment by the City Council. Upon a vacancy occurring leaving an unexpired portion of a term, any appointment to fill such vacancy shall be for the unexpired portion of such term. If a member of a board or commission absents himself/herself from three regular meetings of such board or commission, consecutively, unless with permission of such board or commission expressed in its official minutes, or is convicted of a crime involving moral turpitude, or ceases to be a qualified elector of the City, his/her office shall be vacant and shall be so declared by the City Council. (As amended, 1967 Statutes, Senate Concurrent Resolution No. 35; Chapter 61; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~M

~~Sec. 1005 Oaths; affirmations.~~

~~Each member of any such board or commission shall have the power to administer oaths and affirmations in any investigation or proceeding pending before such board or commission.~~

~~Sec. 1006~~

Section 604 Composition, Powers and Duties of the Chartered Boards and Commissions.

The Chartered Boards and Commissions shall be composed and have the powers and duties set forth below. The City Council may assign additional powers or duties not inconsistent with this Charter as may be prescribed by ordinance.

604.1 Planning Commission ~~– Generally.~~

a. Composition. ~~There shall be a City~~ The Planning Commission ~~consisting~~ shall consist of seven members to be appointed by the City Council from the Qqualified Eelectors of the City.~~, none of whom shall hold any paid office or employment in the City government except that the City Manager, and the Director of Public Works and Utilities, or their designated representatives, shall serve as ex officio members of the commission. (As amended, 1965 Statutes, Senate Concurrent Resolution No. 74, Chapter 101)~~

~~Sec. 1007 Planning Commission – Duties and powers.~~

b. Powers and Duties. The Planning Commission shall have power and be required to:

~~(a)~~ (1) Long Range Planning. Review and make recommendations ~~After a public hearing thereon, recommend~~ to the City Council regarding any proposed ~~the~~ adoption, amendment, or repeal of all or any portion of the City's General Plan or any other master plan ~~or any part thereof~~ for the physical development of the City;

(2) Zoning. Review and make recommendations to the City Council regarding the City land use and zoning regulations;

~~(b)~~ (3) Permits and Approvals. Exercise such functions as the City Council may prescribe by ordinance with respect to land subdivisions, precise plans, specific plans, zoning modifications, conditional use permits, variances, or such other land use or development permits required or available under the City Code ("Project Permit or Approval") ~~planning, and zoning as may be prescribed by ordinance~~; ~~and~~

(4) Environmental Policies and Impacts. Exercise such functions for recommendations or determinations regarding City environmental policies or programs, and the environmental impacts of proposed projects under the California Environmental Quality Act ("CEQA") as the City Council may prescribe by ordinance or as required by Applicable Law;

Commented [GG160]: Level One
(reorganization)
Elements of these Sections were moved and revised as show above in Sections 600.4 and 602

Commented [GG161]: Level Two
(deletion to conform with current/best practices)
Very few Boards and Commissions need to exercise this authority, and those who do, under very limited circumstances. Better approach is to provide these things by ordinance as is allowed per CC general authority in Section 600.1 above and 604, below

Commented [GG162]: Level One/Level Two
Language clean up and elimination of outdated concept that City staff serve as ex officio members of these groups.

Planning Commission okay with maintaining a seven member Commission, with the existing qualifications

Commented [GG163]: Level One/Level Two
(Language clean up and updates based on Planning Commission input and City Code)

Planning Commission and staff input intended to fully describe duties, with alignment to updated City Code provisions (see below).

Planning commission took this up at two PC meetings and a designated representative made a presentation to the Group Four meeting on April 16, 2026. A particular interest was shown in adding reference to advanced planning work, environmental impacts and solicitation of public input.

Relevant City Code Sections:

§ 2.120.050**Planning Commission. [1]**
The Planning Commission shall be primarily responsible for and have the following duties:
(a)
The establishment, acceptance and continued supervision of a long-range master plan for the future development of the City.
(b)
The proper application and preservation of the zoning and land use regulations of the City and recommending such revisions and amendments as may be deemed necessary.
(c)
The processing of subdivision tract maps and property development applications in accordance with prescribed standards.
(d)
Serve as a correlating agency for the capital improvement program of the City.

(5) Solicitation and Consideration of Public Input. In accordance with City policies and Applicable Law, solicit and give due consideration to public input regarding any proposed land use policy change, project or permit before the Planning Commission; and make recommendations to the City Council regarding City policies for the solicitation of public input;

(6) Other. Perform such other related duties or functions as may be required by Applicable Law or assigned by the City Council by ordinance consistent with ~~such planning, zoning, environmental or other function as now or may be hereafter authorized by the State of California in so far as they do not conflict with~~ the provisions of this Charter. ~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~(c)~~ c. City Council Deference. The City Council, in its consideration of any appeal of a lawful determination by the Planning Commission with respect to a Project Permit or Approval shall give due consideration to the Planning Commission determination.

~~**Sec. 1008**~~

604.2 Parks and Recreation Commission.

~~There shall be a City~~

a. Composition. The Parks and Recreation Commission ~~consisting~~ shall consist of seven members to be appointed by the City Council from the Qqualified Eelectors of the City~~., none of whom shall hold any paid office or employment in the City government~~.

~~**Sec. 1009 Parks and Recreation Commission - Powers and duties.**~~

b. Powers and Duties. The Parks and Recreation Commission shall have power and be required to:

(1) Act in advisory capacity to the City Council and staff regarding major improvements ~~in all matters~~ ~~pertaining~~ to public parks, ~~recreation~~, playgrounds, ~~and~~ sports/recreation facilities;

~~(a) and entertainment;~~

Commented [GG164]: Level Two
(proposed addition to align with Planning Commissions view of a best practice)

This was important to the Planning Commission. They even proposed a provision that would require and City Council decision to overturn a Planning Commission decision on appeal require a super majority vote. While both Group Four and the full CRC were sympathetic, there was sensitivity to how this may be received by the City Council. Such a modification is lawful, but not typical, and may be a matter of substantial debate at the Council level since it proposes to reduce their discretion on appeals.

The CRC ultimately concluded it should not recommend this change. This conclusion was helped by the fact that the CAO confirmed that the commission has an inherent right to designate a PC member to represent their position at the City Council should they elect to do so with respect to any particular item.

Commented [GG165]: Level One
(minor wording changes)
Parks and Rec okay with existing composition and qualifications

Commented [GG166]: Level Two
(updates to align with current/best practices)

Parks and Recreation Commission and staff provided support for updating Charter language to align with current/best practice duties as an advisory board, not one that manages programs or contracts (as currently suggested by some outdated provisions in the Charter and the City Code.

§ 2.120.060**Parks and Recreation Commission. [1]**
The Parks and Recreation Commission shall be primarily responsible for the following:
(a)
The establishment, acceptance and continued supervision of a long-range parks and recreational program for the City.
(b)
Planning and implementing an annual program of recreational and cultural activities for all age groups.
(c)
Recommending and supervising all the City's contractual relationships with other agencies in the recreational field.
(d)
Serve as a correlating agency between the City and other units of government on recreational undertakings.
(e)
The planning and supervision of the City cemetery.

Commented [GG167]: Level Two
(update to align with current/desired practices)

Changes here and below made are designed to be consistent with both input from the Parks and Recreation Commission and City staff to reflect what goes on now and what they believe is a full and accurate description of their appropriate scope

~~(b)~~ (2) Review any~~Consider the annual~~ proposed operations and capital budgets ~~of~~ for the Parks and Recreation Department during the process of ~~its~~ their preparation and make recommendations on such budget(s)~~with respect thereto~~ to City staff ~~the City Manager~~ and the City Council; and

(3) Review any proposed Parks and Recreation Master Plan, or any amendments thereto, and make recommendations on such plan or amendments to City staff and the City Council ~~Assist in the planning and supervision of a~~ ;

(4) Review and provide input to City staff on plans for City-wide recreation programs ~~for the inhabitants of the City~~ and ways to ~~,~~ promote and stimulate public interest ~~therein~~in such programs;

(5) When requested by City Council or staff, provide input on proposals for City-wide events using City parks and recreation facilities or resources;

~~(c)~~ (~~7~~6) ~~and to that end, solicit to the fullest extent possible~~ Assist with and encourage the development of ~~the~~ cooperation ~~of~~ with school authorities and other public and private ~~agencies~~ entities interested in parks and recreation facilities and programs ~~therein~~. ~~(Amended by electors at an elec- tion held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1010~~

604.3 Civil Service Commission.

~~There shall be a~~

a. Composition. The Civil Service Commission ~~consisting~~ shall consist of five members to be appointed by the City Council from the Qqualified Eelectors of the City.~~, none of whom shall hold any paid office or employment in the City government.~~

~~Sec. 1011 Civil Service Commission – Powers and duties.~~

~~The Civil Service Commission is charged with the duty of providing qualified persons for appointment to the service of the City.~~

~~(a)~~ b. Powers and Duties. All appointments and promotions in the classified public service shall be made for the good of that service, and solely upon merit and fitness, as established by appropriate test of qualifications, without regard to partisan politics, and in a non-discriminatory manner in accordance with all Applicable Laws. ~~race, color or religious belief~~ In furtherance of this purpose, the Civil Service Commission shall:~~.~~

(1) Perform those functions and duties as required und the Civil Service Rules and Regulations, as adopted and amended by the City Council.

~~(b)~~ (2) Act as Board of Review to hear petitions by classified ~~civil service~~ employees, and applicants for classified ~~civil service~~ positions, ~~and~~ to grant or deny such petitions pursuant to the Civil Service Rules and Regulations and to adopt and amend procedures for conduction hearings on such positions.

~~(c)~~ ~~(3)~~ c. Appointment of Salary Setting Commission: The Civil Service Commission shall a~~A~~ct to appoint and remove members of the Salary Setting Commission. ~~Perform such other duties as may be required by the civil service rules and regulations. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1012~~

604.4 Board of Library Trustees.

~~There shall be a~~ a. Composition. The Board of Library Trustees (BOLT) ~~consisting~~ shall consist of seven ~~five~~ members ~~to be~~ appointed by the City Council from the Qqualified Eelectors of the City. below. ~~and no member of said Board shall hold any paid office or employment in the City government.~~

~~\Sec. 1013 Board of Library Trustees – Powers and duties.~~

b. Powers and Duties. With respect to the Santa Clara Library System, ~~T~~the BOLT ~~Board of Library~~

Commented [GG168]: Level Two
(update to conform with existing/best practices)
Per Parks and Rec staff: as noted above, programming has not (in the last many years) gone to Commission for input. Nor has there been any direct role in "soliciting cooperation" from schools and other public and private agencies. This as been a staff function.

Commented [GG169]: Level One/Level Two
(wording/format changes and non-substantive changes to conform with current/best practices)

Changes presented reviewed and approved by the Civil Service Commission.

Changes submitted to labor groups in required meet and confer process. As of June 23, 2026 all changes presented have been accepted and are okay to include in the comprehensive Charter update.

Commented [GG170]: Level One (reorganized)
This deleted provision is included in Section 600.3 to be of general application to all Chartered Boards and Commissions

Commented [SR171]: Level One
(additional language to cross-reference Salary Setting Commission, non-substantive change)

Commented [GG172]: Level One/Level Two
(combination of format/wording updates and changes to align with current/desired Board of Library Trustees (BOLT) practices)

BOLT met a number of times to consider proposed/desired changes. The BOLT president presented their input to Group Four at the their March 12th Subcommittee meeting.

Comments/proposals regarding BOLT composition included:
--Expand number of members from 5 to 7: expands diversity of representation; bring in line with other Boards, minimize cancellation due to lack of quorum; increase sub committee flexibility and reach (I.e., don't have enough members now to get everything done to advance Library services, including connections/relationships with other City constituencies and Boards (e.g., Cultural Arts Commission).
—Changing "qualified electors" to "residents" in line with library mission to expand participation to all residents, including non-citizens; increases diversity of board
—Note: "standard" appointment process to be maintained, with entire Council given an an opportunity interview and appointing all members. "at large"

Commented [GG173]: Level Two
Increases board membership from 5 to 7

Commented [GG174]: BOLT comments/proposals on powers and duties included:
--Desire to primarily advisory (guide and recommend), but don't want to abdicate "accountability".
--This can be achieved by requiring them to be part of certain Library administrative processes. E.g., Library budget needs to come to BLT for review and recommendation before it goes to City Council. (e.g.'s Anaheim and Chula Vista); annual report to City Council on Library activities (Anaheim).

For reference, current City Code provisions provide as follows:

... [20]

~~Trustees shall have charge of the administration of the Santa Clara Free Public Library and~~ shall have power and be required to:

~~(1) Make and enforce such by-laws, rules and regulations as it may deem necessary for the administration and protection of the City library;~~

(1) Approve or disapprove the appointment of a librarian~~,~~ who shall be the Director ~~department head~~of the Santa Clara City Library system (Library Director) in accordance with a selection process developed and administered by the City Manager in consultation with the BOLT;

(2) In consultation with the Library Director (1) assist with the development of ~~and enforce rules and regulations~~ policies for library operations with approval rights over policies regarding collection development, materials reconsideration, materials lending, patron conduct, and use of meeting rooms and grounds, subject, however, to compliance with Applicable Law and City-wide facility operations requirements ~~as it may deem necessary for the administration and protection of the City library;~~(2) consider and make recommendations to the City Council regarding any library facilities or operational master or strategic plan; (3) consider and make recommendations to the City Council regarding the library budget; and (4) ~~Accept into the library fund and administer~~make recommendations regarding the proper allocation of "significant donations" (as may be defined by City Council policy) of money, personal property or real estate ~~donated~~ to the City earmarked for library purposes.~~otherwise acquired for library purposes subject to the approval of the City Council;~~

(3) Provide/present an annual report to the City Council as an agendized item at a City Council meeting regarding the state of the Santa Clara Library system; and

~~(3) Contract with school, county or other governmental agencies to render or receive library services or facilities, subject to the approval of the City Council. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~3

604.5 Salary Setting Commission

a. Composition and Appointment. The Salary Setting Commission shall consist of five members to be appointed by the Civil Service Commission from the Qualified Electors of the City. The City Manager and the City Attorney, or their designees, shall provide support for this Commission as necessary and appropriate.

b. Power. The Salary Setting Commission shall have the power and be required to establish the salary and benefits ("Total Compensation") of the Mayor, the City Council, the Chief of Police and the City Clerk (collectively, the "City Elected Officials"). They shall do so in accordance with the following process:

(1) On or before March 15 of every odd year, the Salary Setting Commission shall meet as necessary to evaluate the existing Total Compensation of the City Elected Officials and determine what, if any adjustments should be made to such compensation.
(2) Salaries established by the Commission as part of the Total Compensation shall not exceed one hundred ten percent (110%) of the previous salary figure.
(3) The Salary Setting Commission determination of Total Compensation for the City Officials shall go into effect for the period commencing July 1 of that odd year and ending two years thereafter.
(4) All determinations shall be final, with City Council action limited to ratification of such determinations as required by Applicable Law.

c. Special Rules for Benefits for Part Time Officials. Any "benefits" established by the Commission for the Mayor, City Council and the City Clerk shall be limited to (1) health benefits, including medical, dental and vision (collectively, "Health Benefits"); and (2) retirement benefits on an opt-in basis in accordance with the City's then in effect retirement system. In no event shall any Health Benefits provided be convertible to cash.

Section 605 Committees. The City Council may also create by resolution (a) subcommittees of the City Council, or (b) committees of limited duration (not to exceed 24 months) comprised of a combination of Council Members and private individuals, or solely private individuals, in each case that are advisory to the City Council. The composition and role and function of such committees shall be as set forth in the enacting resolution. Any such committee must be formed and operated in accordance with all Applicable Laws including the Brown Act.

Commented [GG175]: Level Two
(updates to conform with existing standards)

This is name now recognized by the California State Library (and federal govt.) as official name. This name change will facilitate flow of state and federal funds to the officially named designated recipients. Under state law, all Californians entitled to "free access" to the library. Cerritos example, they charge non residents for a library card, and as a result are not entitled to state funding. Another example is San Leandro.

Commented [GG176]: Level Two
(update to conform with existing/desired practices)
This retains an existing BOLT power, but integrates it with the City Manager hiring process

Commented [GG177]: Level Two
(update to conform with existing/desired practices)

This update recommended by Group Four and CRC incorporates substantially all BOLT requests for retention of key aspects of authority, with addition of more clarity on the types of polices that the BOLT will reserve the power to "approve." Proposed language reflects a list of types of polices, with some protections added to make sure any policies comply with law and City wide facility requirements

Commented [GG178]: Level Two
(update to conform with existing/desired practices)

BOLT requests this to be modified to keep but reduce direct involvement. "Significant" is intended to have both a quantitative and qualitative component.

Commented [GG179]: Level Two
(update to conform with existing/desired practices)

BOLT and Group Okay with deletion of this

Commented [GG180]: Level One/Level Two
(reorganization, updated language and clarifying changes to eliminate ambiguity consistent with current interpretations/practices)

This is a new Section that takes the role and function content from old Section 702 (now 204.1) and moves it here.

Notes/considerations from discussion
--Salary question: Proposed language eliminates ambiguity regarding extent to which Charter language dictates terms for salary only or other forms of compensation
—Current benefits that have been discussed by the Commission include pensions (currently offered as an ... [21]

Commented [GG181]: Changing this compensation standard was discussed, but group recognized that any such change would be **Level 4**

Commented [GG182]: Level One/Level Two
Moved this to its own subsection to make it easier to distinguish for "part time" officials (i.e., not the Chief of Police)

Commented [GG183]: Level Two
(added language fills a gap in a manner consistent with current/best practices)

This Section is intended to contemplate other advisory bodies that are intended to be purely advisory and/or temporary in nature, with some flexibility to Council (... [22]

Article ~~XI~~Seven. Civil Service

Sec. ~~1100~~700 Civil service; merit principle.

Appointments and promotions in the classified service of the City shall be made for the good of that service, solely upon ~~according to~~ merit and fitness, as established by appropriate test of qualifications, without regard to partisan politics, in a non-discriminatory manner, in accordance with all Applicable Laws, ~~to be ascertained, so far as practicable, by competitive examination,~~ and shall be subject to the provisions of the Civil Service Rules and Regulations duly adopted by the City Council.~~.~~

Sec. ~~1101~~701 Classified service.

The civil service of the City shall be divided into the unclassified and classified service.

(a) The unclassified service shall comprise the following offices and positions:

(1) All elective officers;

(2) City Manager;

(3) City Attorney;

(4) City Clerk;

(5) City Auditor;

(6) The head of each department, including but not limited to, the Director of Finance, Director of Public Works and Utilities, City Engineer, Chief of the Police Department, Chief of the Fire Department;

(7) The Assistant City Manager, Assistant City Attorney, and Assistant Department Heads, whenever so designated by the City Council;

(8) All members of boards and commissions;

(9) Persons employed for a temporary or special purpose, for a period not to exceed six months in any one calendar year, if the City Manager certifies that such employment is temporary and that the work shall not be performed by employees in the classified service;

(10) Persons employed to render professional, scientific, technical or expert service of an occasional and exceptional character;

(11) Volunteer members of the Fire Department and Police Reserve; and,

(12) The City Council by ordinance may divide or separate any department of the City into divisions and by ordinance may provide that the employee selected to be the head of any such division shall be in the unclassified service.

(b) The classified service shall comprise all positions not specifically included in this section in the unclassified service.

Sec. ~~1102~~702 Appointments from classified to the unclassified service.

In the event an officer or employee of the City holding a position in the classified service is appointed to a position in the unclassified service, and should subsequently be removed therefrom, ~~he/she~~the officer or employee shall revert to ~~his/her~~the officer or employee's former position in the classified service without

Commented [GG184]: Level One/Level Two (updated language generally and alignment with current/best practices)

The proposed Changes in this Article (Old Article XI, New Article Seven) are the product of (1) initial input from HR and CAO, with the objective to align the language with current laws and existing City/best practices, (2)discussions with the Civil Service Commission and Group Five, (3) action/direction by the full CRC, and (4) CAO/Meeting and Conferring with Labor Groups.

Note:
Revised language reflects changes agreed to or not objected to by labor groups as of June 23, 2026. Proposed changes not accepted by labor groups, consistent with the CRC recommendation, are not proposed as part of the comprehensive Charter update.

loss of any rights or privileges and upon the same

terms and conditions as if ~~he/she~~the officer or employee had remained in said position continuously. Should such person be eligible for retirement under the retirement system at the time of such subsequent removal, upon recommendation of the City Manager, ~~he/she~~that person shall be retired in lieu of being restored to ~~his/her~~the former position.

Sec. ~~1103~~703 Classification.

The City Manager shall prepare and submit to the City Council a plan of classification and grading of all positions in the City Service according to similarity of authority, duties and responsibilities. Such classification plan shall take effect when adopted by the City Council. Additions or changes in the classification plan may be adopted from time to time by the City Council upon the recommendation of the City Manager.

Sec. ~~1104~~704 Pay plan.

The City Manager shall prepare and submit to the City Council a standard schedule of pay for each position in the classified service. Such pay plan when adopted by the City Council shall include a minimum and maximum and such intermediate rates as may be deemed desirable for each class of positions. Amendments to the pay schedule may be adopted from time to time upon the recommendation of the City Manager.

Sec. ~~1105~~705 Civil service rules and regulations.

The City Council shall adopt civil service rules and regulations governing the administration of the City civil service system to implement the provisions of this Article.

~~**Sec. 1106 Reserved.**~~

~~Code reviser's note: At an election held on November 7, 1972, the electors repealed former section 1106 containing provisions prohibiting persons in the classified service from engaging in certain political activities. Said former section was adopted by the electors at an election held on April 2, 1951, and approved by the State legislature on April 25, 1951. The repeal of said section 1106 was approved by Senate Concurrent Res- olution (1973 Stats., Res. Ch. 10).~~

Sec. ~~1107~~706 Prohibitions.

No person shall willfully ~~or corruptly~~ make any false statement, certificate, mark, rating or report in regard to any application, test, certification, or appointment held or made ~~under the personnel provision of~~ pursuant to Article ~~XI~~Seven of this Charter or in any manner commit or attempt any fraud preventing the impartial execution of the provisions of this Article Seven~~XI.such personnel provisions or rules and regulations made hereunder.~~

Any person who ~~by himself/herself~~individually or with others willfully ~~or corruptly~~ violates any of the provisions of this Article shall be guilty of a misdemeanor and the penalty therefor shall be the same as established for misdemeanors under ~~general~~State law. ~~and shall upon conviction thereof be punished by a fine of not more than one thousand dollars ($1,000.00), or by imprisonment for a term not exceeding one year, or by both such fine and imprisonment.~~ Any person convicted hereunder, or any person found by the Civil Service Commission to have violated the provisions of this Article ~~XI~~Seven, shall be ineligible for a period of five years for employment in the City service and shall, if ~~he/she~~that person is an officer or employee of the City, immediately forfeit ~~his/her~~that person's office or position. ~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Sec. ~~1108~~707 Contract for administrative services.

The City Council, upon recommendation of the City Manager, may contract with the governing body of any other city, or county within this state, or with any state department, or with any private or governmental agency for the furnishing of administrative, fiscal, or personnel services.

Section 708~~Article XII.~~ Retirement

~~709.1Sec. 1200~~ State system.

The State "Public Employees' Retirement Law," ("Retirement Law") as it now exists or may hereafter be amended, is hereby adopted for the City ~~of Santa Clara,~~ and plenary authority and power are hereby vested in ~~said~~ the City, ~~its~~ the City Council and its several officers, agents and employees at their discretion to do and perform any act, or exercise any authority granted, permitted, or required under the provisions of ~~said~~ the Retirement Law, to enable ~~said~~ City to become or continue as a contracting City participating in the Public Employees' Retirement System; provided, however, that the City Council may terminate any contract entered into with the Board of Administration of the Public Employees' Retirement System only under authority granted by ordinance~~s~~ adopted by a majority vote of the Qualified Electors ~~electors of the City of Santa Clara,~~ voting on such proposition at an election at which such proposal is presented. ~~(As amended by electors at election held November 7, 1972, approved by Senate Con- current Resolution (1973 Stats., Res. Ch. 10))~~

Article ~~XII~~Eight. Fiscal Administration and Procurement

~~Sec. 1300~~Section 800 Fiscal year.

Unless otherwise provided by ordinance, the fiscal year of the City government shall begin on the first day of July of each year and end on the 30th day of June of the following year. ~~(As amended 1959 Statutes, Senate Concurrent Resolution No. 37; Chapter 121)~~

~~Sec. 1301 Annual budget; preparation by the City Manager.~~

Section 801 Budget Preparation, Approval and Implementation

801.1 In General. The City shall have in effect, at all times, an approved budget, setting forth the City's program for expenditures for the then applicable fiscal year ("City Budget").

801.2 City Manager to Prepare. The City Budget shall be prepared by the City Manager and approved by the City Council every year (annually) or every two years (biennially) as determined by City Council policy. The City Manager shall cause the preparation of the City Budget in consultation with the Director of Finance and all other City departments in consideration of their requests for expenditures and projected revenues in the upcoming fiscal year(s). The City Budget may be comprised of an operating budget and a capital budget approved in alternating biennial budget cycles.

801.3 Budget Contents. The City Budget shall contain provisions to fund (1) City operations, programs and services; (2) City facility and infrastructure improvements, maintenance and repair; (3) reserve accounts to cover future anticipated or unexpected operational or capital needs ("Reserve Accounts"); and (4) such other lawful projects or programs approved by the City Council. Reserve Accounts shall be funded at levels determined by the City Council, in accordance with adopted City Council policies, and in consideration of recommendations by the City Manager and Director of Finance regarding best practices and available funds. To the extent required by Applicable Law, Applicable Government Accounting Standards, or as otherwise determined necessary or appropriate by City Council policy, the City Budget shall also include separate accounts tracking revenues and expenditures for certain City functions or enterprises, including City utilities. Additional provisions for the accounting and use of utilities revenues are set forth in Section 804, below. ~~At such date as he/she shall determine, the City Manager shall obtain from each office, department or agency of the City, estimates of revenue and expenditure for such office, department or agency, detailed in such man- ner as may be prescribed by the City Manager. In preparing the proposed budget, the City Manager shall review the estimates, shall hold conferences thereon with the head of such office, department or agency, respectively, and may revise the estimates as he/she may deem advisable. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1302 Budget - Submission to City Council.~~

801.4 Budget Approval Process.

Commented [GG185]: Level One
(changes to make minor language updates and add defined terms)

Note: because these changes are wholly non-substantive and will not result in any foreseeable impact on any condition of employment they are not subject to meet and confer obligations.

Commented [GG186]: Level One/Level Two
This Article presents both substantive and non-substantive updates to finance and procurement provisions, with most substantive proposal regarding Public Works (Section 802.2)

Substantial input in both areas was provided by the Finance Dept. and Public Works Dept., with the Public Works director presenting to Group Four on March 17 and the Finance Director on April 6 and May 11th.

Commented [GG187]: Level Two
(updated language and alignment with current/best practices)

This is a new Section that aggregates old language and provides a framework to allow for the current practice of biennial budgeting with the operating and capital budgets in alternating years

Commented [GG188]: Level Two
(updated language and alignment with current/best practices)

This Section replaces detailed sections regarding certain types of required funds, now deleted (see below), more a more general list using more contemporary language and nomenclature.

Most of the Group Six discussion centered around their shared concerns regarding City budgeting for future capital and other needs through maintenance of adequate reserves. The Group even considered proposing specific reserve standards. Because this is the Charter, and that exercise would be complicated and changing over time, the ultimate consensus (consistent with the Finance Director's preference) was to call for Reserves, but continue to have this set by Council policy. Additional language for "consideration of recommendations by the City Manager and Director of Finance regarding best practices and available funds." was intended to set at least general standards upon which City Council policy would be based.

a. Proposed Budget Submittal by the City Manager.

At least ~~thirty~~forty-five (~~35~~45) days prior to the beginning of each fiscal year, ~~or at such prior date thereto determined~~ear ~~by the City Council, the~~ the City Manager shall submit to the City Council the proposed budget for their consideration and input. ~~as prepared by him/her~~.

b. City Council Proposed Revisions and Notice of Public Hearing. After reviewing the ~~same~~ proposed budget and ~~making~~ proposing such revisions or recommendations as it may deem advisable, the City Council shall ~~determine~~ set the time and date for the holding of a public hearing ~~thereon~~ on the proposed budget. ~~and shall cause to be published a notice thereof~~ Nnot less than ~~ten~~ 10 days prior to the date of ~~said~~ such hearing, the City Manager shall (1) cause notice of the hearing to be published ~~, by at least one insertion~~ in an Oofficial Nnewspaper ,and distributed as provided in Section 904.2, below; and (2) make~~,~~

cCopies of the proposed budget ~~shall be~~ available for inspection by the public in the office of the City Clerk and accessible on the City's website. ~~at least ten days prior to said hearing~~. ~~(As amended 1959 Statutes, Senate Concurrent Resolution No. 37; Chap- ter 121; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1303 Budget Public hearing.~~

c. Public Hearing and Adoption. At the ~~time so advertised, or at any time to which such~~ public hearing ~~shall from time to time be adjourned~~, the City Council shall hear and give due consideration to all testimony presented by City staff and the public. ~~hold a public hearing on the proposed budget, at which interested persons shall be given an opportunity to be heard~~.

Commented [GG189]: Level Two
(update to current/best practices)

45 days before is consistent with current practice (initial budget proposed in early March), with idea that provides greater opportunity for meaningful public/stakeholder input.

Commented [GG190]: Level One/Level Two
(improved wording and update to reflect additional noticing requirements)

Consistent with other "legal notice" requirements, this Section now includes cross-reference to the "modern technology" noticing policy in Section 904.2, below.

Commented [GG191]: Level Two
(updated language with addition of "due consideration" for public input and deletion of unnecessary/outdated details for internal distribution, etc.)

~~Sec. 1304 Budget - Further consideration and adoption.~~

After the conclusion of the public hearing, the City Council shall further consider the proposed budget and make any final revisions ~~thereof~~ that it may deem advisable~~, and o~~ On or before June 30 ~~it~~ of each year in which the previous approved City Budget is expiring, the City Council shall adopt the new City ~~b~~Budget ~~with revisions, if any,~~ by majority vote ~~the affirmative votes of at least four members~~. Upon final adoption, the budget shall be in effect for the ensuing fiscal year (or years for a biennial budget. A copy ~~thereof~~of the approved City Budget, certified by the City Clerk, ~~-~~shall be posted on the City's website, and ~~filed with the City Man- ager and a further copy shall be placed and shall remain~~ maintained on file in the office of the City Clerk where it shall be available for inspection. ~~The budget so certified shall be reproduced and copies made available for the use of departments, offices and agencies of the City. (As amended, 1959 Statutes, Senate Concurrent Resolution No. 37; Chapter 121)~~

~~Sec. 1305 Budget - Appropriations.~~

801.5 Budget Implementation. ~~From~~ Upon the July 1 effective date of the adopted City ~~b~~Budget, the ~~several amounts stated therein as~~ proposed expenditures set forth therein shall be ~~and become~~ Aappropriated to the several funds, departments, offices and agencies for the ~~respective objects and~~ purposes specified ~~therein named~~. The City Manager shall have the authority and responsibility to administer the approved City Budget in accordance with its terms. The City Manager's administrative authority shall include the authority to reallocate money within the several funds, departments, offices and agencies; provided, however, any proposed reallocation of Appropriated funds from one department to another, or from one fund to another (including out of existing reserves or fund balances), shall require City Council approval of a budget amendment. At the end of each fiscal year, ~~A~~all Aappropriations that have not been expended or encumbered (through a commitment to a future expenditure as part of an approved Capital Improvement Project or under contract with a third party), shall lapse. ~~at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered.~~ Funds with lapsed appropriations may not be expended until the City Council takes action to reappropriate such funds.

801.6 Budget Amendments.

~~At any meeting~~ Aafter the adoption of the City Bbudget, the City Council may amend ~~or supplement~~ the City ~~b~~Budget. Any budget amendment ~~by motion adopted by the affirmative votes of at least five members so as~~ to authorize the ~~transfer~~ reallocation of funds from one department to another or from one fund to another (including out of existing reserves or fund balances) shall require five affirmative votes. Budget amendments ~~unused bal- ances appropriated for one purpose to another purpose, or~~ to Aappropriate ~~available~~ revenue not previously included in the adopted budget, [to reallocate funds no longer needed for their original Appropriated purpose], or to reduce a an appropriated expenditure based on projected reduced revenues, or to realize projected savings, shall only require four affirmative votes.

~~Sec. 1306 Tax system and collection of taxes.~~

~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1306.5 Budget and levy of taxes for interim period between fiscal years.~~

~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1307 Tax limits.~~

~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1308 Tax liens.~~

~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1309 Bonded debt limit.~~

~~The bonded indebtedness of the City may not in the aggregate exceed the sum of fifteen percent (15%) of the total assessed valuation of property within the City, exclusive of revenue bonds or any indebtedness that has~~

Commented [GG192]: Level Two
(update to align with current practices and current finance terminology)

This generally aligns with current practices, but with better terms and clarity. The one addition is for the provision of carryforward of multi-year capital projects. This is consistent with current best practices, including the City of Sunnyvale as provided in their Charter.

Commented [GG193]: Level Two
(update language to align with current/desired best practices)

The Finance Director requested a review of legal requirements for budget amendments to see if certain more technical amendments could be approved by a simple majority vote. He pointed out that there are hundreds of appropriation amendments that are brought forward each year during the monthly financial report and year-end processes. Many are technical in nature (e.g. grant carryover, reconciling fund balances to actual performance), and that there's no operational reason these changes should be held at a higher standard.

CAO research suggests the City Council vote required to amend the budget is something the City can determine as a Charter City. I.e., there is legally no 5 vote requirement for any type of Charter amendment.

With Group Six and CRC concurrence, the proposed language still requires 5 votes to shift money from one department or fund to another, but only requires 4 votes for "new money" or if a certain use no longer requires that money (e.g., a contract uses less money than originally allocated).

Commented [GG194]: Level One
(deletion of headings from previously deleted sections)

Applies to Sections 1306, 1307 and 1308.

~~been or may hereafter be incurred for the purposes of acquiring, constructing, extending, or maintaining municipally owned utilities, for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the State Constitution and of this Charter.~~

~~Sec. 1310 Contracts on public works.~~

Section 802 Purchasing and Procurement

802.1 Goods and Services

A centralized purchasing system shall be established for all City Departments, offices, and agencies. The City Manager, in consultation with the Director of Finance, shall recommend and the City Council shall consider and adopt by ordinance, rules and regulations governing the contracting for services and the purchasing, ~~storing~~ storage, distribution, or disposal of all supplies, materials and equipment, required by any department, office or agency of the City government.

OPTION A: PREFERRED BY CITY STAFF AND RECOMMENDED BY GROUP SIX

802.2 Public Works

a. **Rules to be Implemented by Ordinance**. The City Council shall, by ordinance, adopt specific policies and procedures for the award of contracts for the construction, reconstruction, renovation, alteration, improvement or demolition of public buildings, streets, drains, sewers, utilities, parks, playgrounds and similar public facilities (each a "Public Work" and collectively, "Public Works").

b. **Required Provisions.** The City's implementing Public Works ordinance ("Implementing Ordinance") shall, at a minimum, contain provisions for the following:

1. City Council to retain approval rights over what it defines as "major project" contracts (based on factors such as contract cost, project value, or other relevant considerations), with "minor project" contracts approved by the City Manager
2. Competitive bid processes for all contracts, with formal advertisement for bids and sealed bids required for all "major" contracts.
3. In general, except as provided below, the award of contracts to the lowest responsive and responsible bidder.
4. The ability to reject any and all bids, to re-advertise for bids, or to waive minor defects in any bid if determined by the designated contract-approving authority that such action is necessary or appropriate for the benefit of the public;
5. Emergency authority to waive the applicable competitive bid process requirements if the approving authority determines that the work required is of urgent necessity for the preservation of life, health or property.
6. The ability of the City to implement Public Works using City employees upon a determination by the approving authority (the City Council for major projects, the City Manager for minor projects) that the work can be performed better or more economically by City employees;
7. Defined terms, including definitions for what types of maintenance, repair, restoration, minor improvements, and equipment installation and equipment acquisition, which shall not be considered "Public Works" for purposes of this Section, but shall remain subject to City's general competitive procurement standards.
8. Such other provisions consistent this this Section as may be necessary or appropriate to implement the City's Public Works procurement process.

c. **Procurement Alternatives**. The City's Implementing Ordinance may also provide for one or more alternative Public Works procurement processes to those described in Subsection b, above. Such alternatives may include, without limitation: (1) sole source or limited bid contracts where it is determined by the approving authority that the work required can only be performed by one contractor, or a limited group of contractors; (2) "best value" or other alternative procurement mechanisms, including but not limited to: progressive design-build, construction manager at risk, fixed-price design-build, and design-build-operate

Commented [GG195]: Level One (reorganization)
This Section has been moved to the Finance Section, below

Commented [GG196]: Level Two (update to current/best practices)

Language added regarding services and City Manager need to consult with the Finance Director

Commented [GG197]: Level Two (update to align with best practices)

Detailed rule making is better made in the City Code, not the Charter. The existing rules are very outdated (e.g. the $1,000 threshold for Council approval and formal bidding) and provide no flexibility for alternative procurement mechanisms, which even General Law cities are able to use (e.g., design build).

This OPTION A sets for parameters and checks and balances for public works procurement, but provides that the details of this be implemented by ordinance. OPTION A is preferred by staff and recommended by Group Six. Its considered superior to OPTION B, below, because it doesn't try to define dollar thresholds in the Charter itself as these may change over time and a major increase in the number (which is what is needed) may not be well-received by voters (e.g., a proposal to increase the threshold for Council approval/formal bidding/use of City forces from $1,000 to just $50K back in 2000 was voted down)

Level 3
The changes proposed with respect to the City's public works procurement process are substantive. The existing process and dollar threshold is clearly outdated, and the proposed changes are very consistent with the kind of changes contemplated by the Charter Project. Accordingly, it would be reasonable to include this proposed public works update as part of the overall comprehensive update proposal.

But if the Council was concerned that voters might not be accepting of this substantial of a change, and don't want to risk rejection of other desired changes, or if Council thought it necessary that voters be provided additional information on this one proposed change, Council could consider presenting this change as a separate ballot measure. The extra cost involved in this would be worth it in the view of the CRC and City staff.

Commented [GG198]: An ordinance implementing this Section is required. This will need to be acted on right away. Some good models exist, however (e.g., Chula Vista). Section 905, below provides that General City Laws would apply pending the City's enactment of its local ordinance.

Commented [GG199]: Level Two
Note: language from the previous subsection d., "Maintenance, Repair and Certain Minor Improvements Excluded" was deleted as redundant of this Section, which has been slightly modified in this draft to incorporate some of the deleted elements.

contracts; and/or (3) such other alternative procurement mechanisms currently provided under State Law, or that may be provided under State Law in the future. The City's Implementing Ordinance for any such procurement alternatives shall include standards for solicitation, evaluation and selection of qualified proponents. No such exception or alternative process shall be applied to a Public Work unless it is part of a City-wide policy or program approved by the City Council by ordinance and the approving authority has determined that its application to that Public Works is in the best overall interests of the City.

d. **Relationship with Other Laws.** To the maximum extent allowed by law, the provisions of this Charter Section, and any Implementing Ordinance or policy consistent with the terms of this Section, shall supersede all inconsistent State Laws or regulations that may otherwise be applicable to the City's Public Works procurement processes.

OPTION B – Modify existing language to increase the dollar threshold and add alternative procurement options

a. Every contract involving an expenditure of more than two hundred fifty ~~one~~ thousand dollars ($250,000~~1,000.00~~) for the construction or improvement, ~~(excluding maintenance and repair),~~ of public buildings, works, streets, drains, sewers, utilities, parks and playgrounds (each a "Public Work" and collectively "Public Works") shall be let to the lowest responsive and responsible bidder after notice by publication in an official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids, and as provided in Section __, below.

"Major Public Works," defined as projects costing greater than $250,000, shall be subject to approval by the City Council. "Minor Public Works," defined as projects costing $250,000 or less, shall be subject to approval by the City Manager.

Commented [GG200]: Level Two
(updated to align with best practices)

Possible Level Three Status (see discussion above)

The Public Works Director presented extensively to Group Six on the value of adding this provision to give the City additional public works procurement tools it currently doesn't have but that are used successfully throughout the State. Design build and related mechanisms for certain types of projects can be used to great effect to manage costs, improve quality and shorten bid and construction time frames. This could be especially important/valuable to the City as a tool with a number of the Measure I projects (e.g., Fire Station rebuilds) considered to be great candidates for this. The complicated projects required by Silicon Valley Power (SVP) are also good candidates and the SVP director also strongly supports the addition of these tools.

If the Charter amendment is approved, an ordinance would need to be developed to set out the best practices for how this would work

Commented [GG201]: Option B:
Although not recommended, if Council thought it necessary or advisable to include the actual dollar threshold for Council approval/formal bidding for public works contracts, Council could present Option B instead to the voters. As opposed to leaving it to a City Council determination by ordinance, this proposal sets the "Major" versus "Minor" project threshold at $250,000.

~~Sec. 1311~~

The City Council or the City Manager, whichever is the approving authority, may reject any and all bids presented and may re-advertise in its discretion.

~~The City Council~~Such approving authority, without advertising for bids, or after rejecting bids, or if no bids are received, may declare and determine that, in its opinion, the work in question may be performed better or more economically by the City with its own employees, and upon such declaration ~~after the adoption of a resolution to this effect by at least four affirmative votes, it~~ may proceed to have said work done in the manner stated, without further observance of the provisions of this Ssection. Such contracts likewise may be let without advertising for bids, if such work shall be ~~deemed~~ declared by adopted resolution of the City Council to be of urgent necessity for the preservation of life, health, public safety or property, ~~and shall be authorized by motion passed by at least four affirmative votes and containing a declaration of the~~ including a statement of the facts constituting such urgency.

The City Council shall adopt an ordinance to implement the terms of this Section. Such ordinance may include limited exceptions to the bid solicitation and award provisions set forth above, including, without limitation: (1) sole source or limited bid contracts where it is determined by the approving authority that the work required can only be performed by one contractor, or a limited group of contractors; (2) "best value" procurement mechanisms, including but not limited to: progressive design-build, construction manager at risk, fixed-price design-build, and design-build-operate contracts. The City's Implementing Ordinance for any such procurement alternatives shall include standards for solicitation, evaluation and selection of qualified proponents. No such exception or alternative process shall be applied to a Public Work unless it is part of a City-wide policy or program approved by the City Council by ordinance and the approving authority has determined that its application to that Public Works is in the best overall interests of the City.

For purposes of this Section "Public Works" shall not include maintenance, repair, or restoration of City facilities or infrastructure, any minor improvements required for workspace modifications or installation of equipment, or the purchase of equipment when segregated from the Public Works contracting process.

802.3 Franchises.

~~a.~~ The City Council may by ordinance provide a procedure for the granting of franchises for the provision of City services or grant franchises pursuant to the procedure provided by the State Llaw. Franchises may be granted for the use by any public utility or other City service provider of the streets, public places or property of the City upon such terms, conditions, restrictions and limitations as may be prescribed by ordinance, or in the terms of a negotiated franchise agreement, but no franchise shall be granted without reserving to the City adequate compensation for the privilege conferred. In accordance with applicable City ordinances or State Law, Ssuch franchises may be granted exclusively, or non-exclusively, either for a fixed or an indeterminate ~~period~~term.

~~Sec. 1311 General fund.~~

~~The City Council shall maintain a General Fund for the purpose of accounting for the general government revenue and the expenditures of the various City departments resulting from the provision of general government services.~~

~~The City Council shall maintain a General Contingency Reserve Fund. A reserve shall be built up in this fund from any available sources including any excess of revenues over expenditures in the General Fund during any fiscal year.~~

~~W~~

~~The City Council may establish reserve accounts in the General Contingency Reserve Fund as needed to segregate monies for particular purposes. Transfers may be made by the City Council from the General Contingency Reserve Fund to any other fund or funds, of such sum or sums as may be required for the purposes Council deems appropriate. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Commented [GG202]: Level One
No substance changes proposed. Just some clean up and flexibility consistent with current practices.

Commented [GG203]: Level Two
(deletion of outdated provisions)

Group Six discussed whether all of these listed funds and requirements were necessary. With the recommendation of the Finance Director and CAO, the Group's Consensus by the Group and the CRC was that the Sections were too detailed and not necessary. What's essential in these Sections has been boiled down and included in the Budget Contents Section, 801.3, above.

~~Sec. 1312 Capital project funds.~~

~~Capital Project funds shall be created and maintained as necessary to segregate and account for specific capital improvement project transactions and appropriations shall be included in the Capital Improvement Project Budget. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1313 Department funds.~~

~~The City Council shall maintain separate accounting records for the collection of revenues and disbursement of expenditures that are related to specific functions as determined by federal, state, other agency laws or City Charter provisions and regulations or as determined by Council action. These specific functions include, but are not limited to: the various City utilities whose operations are funded by user charges; grant programs; and trust funds established by bequest. Separate funds or accounts shall be maintained such that proper reporting can be made at any time. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1314 Petty cash funds.~~

~~The City Council may provide for revolving petty cash funds, to be paid to the City Manager or department heads and used for payment in cash of expenditures provided for in the budgets that cannot conveniently be paid otherwise. The City Manager, and such department heads, shall account to the City Council for all disbursements made therefrom when making demand for replenishment of the same and at such other times as the Council may require and the amounts shall thereupon be charged against the proper appropriations.~~

~~Sec. 1315 Presentation of demands.~~

~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1316 Registering warrants.~~

~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1317~~
~~Legal Actions against the City.~~

~~No suit or action for money or damages, whether sounding in tort, contract or some other theory, may be brought against the City, or any board, commission, agency or officer, agent or employee thereof, until a claim has been filed with the City, and either the City acts on the claim or it is deemed denied by operation of law. The procedures prescribed by State law Law governing the presentations, consideration and enforcement of claims against cities and its officers, agents and employees shall apply to the presentation, consideration and enforcement of claims against the City or its officers, agents and employees. Claims for money or damages which are excepted from or not covered by State Llaw may be governed by the procedures established by City ordinance. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1318 Centralized purchasing.~~

~~A centralized purchasing system shall be established for all City Departments, offices, and agencies. The City Manager shall recommend and the City Council shall consider and adopt by ordinance, rules and regulations governing the contracting for purchasing, storingstorage, distribution, or disposal of all supplies, materials and equip- ment, and services required by any department, office or agency of the City government.~~

~~Sec. 1319~~

~~Independent audit.~~

Section 803 Audit Requirements

803.1 In General. The ~~Council~~ City shall employ~~, at the beginning of each fiscal year,~~ an independent Ceertified Ppublic Aaccountant ("Independent Accountant") who shall conduct an audit, at least annually, of ~~the booksfinancial accounting,~~ records for ~~and accounts of~~ all City operations, capital expenditures and enterprises. ~~all officers and employees of the City who receive, admin- ister or disburse public funds, and such other officers, employees, departments and agencies as the Council may direct~~. Such audit shall be conducted in accordance with generally accepted auditing and accounting principles applicable to government agencies. ~~Such audit shall be made at such times as may be prescribed by the City Council but shall be at least annually.~~

803.2 Reporting. As soon as practicable after the end of the fiscal year, a final audit and report ("Final Audit") shall be submitted by ~~such~~ the Independent Accountant ~~inde- pendent accountant t~~to ~~the Council,~~ the City Manager ~~, and~~ the City Attorney and the City Audit Committee for review at a public meeting. The City Audit Committee may be a subcommittee of the City Council or an independent body appointed by the City Council. The Audit Committee shall review the Final Audit, hear public testimony, and cause the Final Audit to be transmitted to the City Council for action at a public meeting. At that time,~~Three (3) copies~~ one physical copy of the ~~audit~~ Final Audit shall be placed on file in the City Clerk's office where ~~they~~ it shall be available for public inspection, and an electronic version shall be posted on the City's website. ~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1320 Utilities fund.~~

Section 804 Special Rules for Utilities Expenditures and Revenues

~~Receipts~~ Revenues from the utilities operated by the City shall be paid into the City Treasury and ~~maintained~~ accounted for in ~~a sepa- rate utilities~~ separate funds for each such ~~utilitiesutility~~. Expenditures from such funds shall be made only

Commented [GG204]: Level One
(subject titles for deleted sections to be deleted Charter-wide)

Commented [GG205]: Level One
(reorganization)
This Section was updated and moved below as New Section 901

Commented [GG206]: Level One
(reorganization)
This Section moved above to new Section 803.1

Commented [GG207]: Level Two
(update to align with current/best practices)

This Section was updated based upon input from the Finance Dept. and the current City Auditor to be consistent with current and best practices. Eliminates confusing language regarding individual employee audits and applies modern auditing standards.

Commented [GG208]: Level Two
(update to align with current practices/procurement standards)

The contract with the independent auditor will be procurement using City standards for approval authority, currently any contract of $250K or above goes to City Council

Commented [GG209]: Level Two
(update to align with current/best practices)

Audit process requires some form of engagement between the auditor and a public body. Currently this happens with the Audit Committee. This leaves it to Council discretion (recommended) on how that Audit Committee is formed.

for lawful purposes related to utility operations and capital requirements, including adequate reserves in accordance with the standards set forth in Section 801.3 above. In addition, as previously approved by the voters on November 8, 2022, ~~for the following purposes only for such utilities in the order named, viz.:~~

~~(a) For the payment of operating expenses, pension charges and proportionate payments to such compensation and other insurance and accident reserve funds as the City or the City Council may establish;~~

~~(b) For repairs and maintenance;~~

~~(c) For the payment of interest and sinking funds on bonds issued for acquisition, construction or extensions;~~

~~(d) For the payment of~~ five per cent (5%) of the gross receipts from such utilities shall be remitted to the general fund of the City to be used for general City purposes approved by the City Council; the use of such funds shall be subject, however, to ~~such~~ any limitations ~~as may be~~ contained in any resolution or indenture ~~heretofore~~ adopted prior to such voter approval.

Commented [GG210]: Level Two
(update to align with current/best practices)

Per request from Finance, this Section revised to eliminate specific allowed expenditures and instead to refer to applicable law.

Commented [GG211]: Level Two
(update to remove any possible ambiguity)

Language added for clarification only, that monies put into the general fund can be used for general fund purposes

~~providing for the issuance of revenue bonds for the acquisition, construction or improvement of such utilities, which bonds are now outstanding or may hereafter be issued under such existing resolution or indenture;~~

~~(e) For extensions and improvements;~~

~~(f) For the establishment of a sinking fund within the utilities fund for the replacement of utilities property in the minimum amount of two million five hundred thousand dollars ($2,500,000.00).~~

~~The City Council shall cause records to be kept of the receipts and expenditures of each utility and of credits and debits of each utility in the aforementioned utilities fund. The City Council may, however, order expenditures from the utilities fund for any utility even though that utility has no credit in the utilities fund, provided only that the balance in the utilities fund is greater than the proposed expenditure. (As Amended, 1967 Statutes, Senate Concurrent Resolution 35; Chapter 61; Amendment ratified 11-4-80; Amended by electors at an election held November 8, 2023, Charter Chapter 18 of the State *Statutes of 2023*)~~

Section 805 Finance and Tax Authority

805.1 Taxes, Assessments and Fees. Subject to and as authorized by all Applicable Laws, the City, with the approval of the City Council, shall have power to levy and collect taxes, either for regulation or revenue generating purposes, and impose assessments and fees to recover the costs of providing City services. The City may also charge rents and/or fees for the use of City property at market or negotiated rates, or for other purposes that may be unrelated to costs recovery.

~~**Sec. 1309**~~
~~**Bonded debt limit.**~~

805.2 Issuance of Debt. Subject to and as authorized by all Applicable Laws, the City, with the approval of the City Council, shall have the power and authority to issue debt to finance City operations, programs, facilities and infrastructure. Types of allowed debt financing include, without limitation: general obligation bonds, lease revenue bonds, utility revenue bonds, certifications of participation, letters of credit, infrastructure and maintenance bonds, and other similar finance mechanisms consistent with best practices. The City Council reserves the right by ordinance or resolution, to implement specific local policies and procedures for the issuance of debt.

805.3 Limits on Indebtedness. The bonded indebtedness of the City may not in the aggregate exceed the sum of fifteen percent (15%) of the total assessed valuation of real and personal property within the City. For purposes of this Section, "bonded indebtedness" means general obligation bond indebtedness of the City payable from the proceeds of Ad Valorem Property Taxes levied upon taxable real and personal property within the City., ~~exclusive of revenue bonds or any indebtedness that has been or may hereafter be incurred for the purposes of acquiring, constructing, extending, or maintaining municipally owned utilities, for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the State Constitution and of this Charter.~~

805.4 Special Rules for Financing of a Nuclear Plant ~~T~~this ~~S~~section 805 ~~(e)~~ does not authorize the financing of a nuclear plant, or an interest therein, unless approved by ~~an election~~the voters. ~~(Amendment ratified 11-3-81)~~

805.5 Special Rules for Revenue Bonds.

a. In General. The City, by resolution of the City Council, shall have power to issue revenue bonds, notes or other indebtedness ("Revenue Bonds") to finance or refinance the acquisition or construction of revenue-producing property, improvements and facilities related to any City utility enterprise.

b. Applicable Procedures. The City Council may use procedures authorized by Applicable Law for the issuance and sale of Revenue Bonds or, by ordinance or resolution, approve and apply its own rules for the issuance and sale of Revenue Bonds.

Commented [GG212]: Level Two
(deletion of outdated provisions)

Per Finance Director, this amount is way too small for our electric utility, but way to high for other utility operations. Proposing to replace (see above) with a reference to the reserve account standards set forth in Section 801.3, above.

The next Section is also proposed for deletion as outdated and inconsistent with current/best practices.

Commented [GG213]: Level Two
(update to align with current/best practices)

These Sections were reviewed with Finance, Bond Counsel, and special finance counsel, with the overall objective to allow City to tax and finance in all ways available to Charter and General Law cities, but without deleting any clearly intended limitations reserved to the voters under State Law, or restricted by the City's voters in the existing Charter language.

Commented [GG214]: Level Two
(update/add provisions to educate/fill in gaps/provide context)

This is a statement of current law.

Commented [GG215]: Level Two
(update to align with current/best practices)

This Section is intended to reflect the City's broad authority to issue debt per existing law and best practices. Local implementation language suggested by outside counsel in case a finance opportunity or limitation arises that the City needs to address.

Commented [GG216]: Level Two
(updates to align with applicable law/best practices)

This provision retains the limits imposed by Government Code Section 43605 on general law cities in California. Although a charter city could modify this requirement, this is an accepted "best practice" and City staff is not recommending any modification. Given City property values, this 15% limit on debt has not been and is not expected to be, an impediment to the City's ability to issue debt.

Commented [GG217]: Although it could be argued this limit is outdated, because ownership/use of nuclear power is a highly sensitive area, and SVP has indicated not urgent need to finance any such access to nuclear power, the CRC has recommended to keep this limitation in place.

Commented [GG218]: Level Two
(update language to align with current/best practices)

This new Section 805.6 is proposed by bond counsel to replace the outdated language in current Section 1321, below.

This new Section is consistent with current/best practices. It would allow the City to issue revenue bonds to finance utility infrastructure by City Council resolution without the requirement for voter approval. The rationale for this is that revenue bond debt is not like general fund debt that relies on taxes for repayment (the type of debt where voter approval is required) as the only pledge for repayment of the bonds are utility revenues. Many ... [23]

c. Limited Obligations. The obligation represented by any issuance of Revenue Bonds shall be a charge upon, and payable solely from, the revenues derived by, and other legally sources of funds available to, the applicable City utility enterprise for which such revenue bonds are issued. No revenue bonds shall be deemed to constitute a debt or liability of the City or a pledge of the faith and credit of the City, or shall be a charge, lien, encumbrance, legal or equitable, upon, nor shall any recourse on account thereof be had against, any other revenues or funds of the City. Neither the credit nor the taxing power of the City shall be deemed to be pledged to, or charged with, the payment of the obligation represented by any revenue bonds, nor shall the holder of any revenue bonds have any right to compel the exercise of any taxing power of the City.

d. No Voter Approval Required. Provided that Revenue Bonds are issued in compliance with the terms of this Section 805.5, this Section such be the complete authority necessary for the issuance of Revenue Bonds by the City and such issuance shall not require approval by the voters of the City.

805.6 Voter Approval Required. Whenever Applicable Law requires voter approval for any actions contemplated by this Section, the City shall seek and obtain such voter approval in advance of taking any such action.

Commented [GG219]: Note: to accommodate the addition of new Sections 805.4 and 805.5, this Section (previously numbered 805.4) has been moved here and renumbered 805.6

~~**Sec. 1321 Revenue bonds.**~~

~~(a) The City Council, when authorized at an election as hereinafter provided, shall have power to issue revenue bonds for the purposes authorized by the general laws of the State of California including the issuance of refunding revenue bonds and also shall have power to borrow money and incur indebtedness for any and all revenue producing works, undertakings, enterprises and utilities (hereinafter in this section referred to as "works") to the end that, as far as practicable, all such works shall be self sustaining and shall be paid for directly out of the revenues therefrom. Such works may be financed through the issuance of revenue bonds.~~

~~(b) Neither such revenue bonds, nor the interest accruing thereon, shall be, or evidence, indebtedness of the City. Such revenue bonds, and the interest accruing thereon, shall be a charge solely upon such of the revenues of the works on account of which they are issued as by the terms of their issuance are so charged therewith, but shall not be a charge, lien or encumbrance, legal or equitable, upon, nor shall any recourse on account thereof be had against any income, receipts, revenues, funds, or property of the City, other than such charge upon such revenues of the work on account of which they are issued, and neither the credit nor the tax-ing power of the City shall be deemed to be pledged to, or charged with, such payment, nor shall the holder of any such bond have any right to compel the exercise of such taxing power.~~

~~(c) The City Council may avail itself of any of the procedures now or hereafter authorized by the general laws of the State of California for the issuance of revenue bonds or the City Council may, by ordinance or resolution effective upon adoption set up and establish a procedure for the issuance of such revenue bonds, the calling and holding of elections therefor, and all matters pertaining to the issuance and sale of such bonds; provided, however, that the issuance of said revenue bonds shall be submitted to the electors at an election and the votes of a majority of all those voting on the proposition shall be required to authorize the issuance of the bonds.~~

~~(d) Nothing in this section or elsewhere in this Charter, shall preclude the issuance, when authorized by two-thirds vote of the duly qualified electors of the City voting upon the proposition, of bonds of the City, for the purposes of any works, pursuant to proceedings therefor taken in accordance with the Constitution and general laws of the State. It is nevertheless the intention of this Charter that all principal and interest accruing on such bonds of the City if any, shall be provided currently out of the revenue fund pertaining to the works on account of which such bonds of the City shall have been issued, so far as it is practicable to make such provisions after the payment of all costs of operation and maintenance of said works and of all principal and interest on revenue bonds of the City issued on account of said works, and that so far as such current provision is not practicable, the general funds of the City shall be reimbursed out of said revenue fund, as soon as practicable, for all moneys paid from such general funds on account of such bonds of the City.~~

~~(e) The City Council shall have power to issue revenue bonds to finance the generation, production, transmission and distribution of electric energy, including the acquisition and/or construction of lands and facilities~~

~~therefore, without authorization at an election. The City Council may avail itself of the procedures now or hereafter authorized by the general laws of the State of California for the issuance of such revenue bonds or the City Council may, by ordinance or resolution effective upon adoption, set up and establish a procedure for the issuance of such revenue bonds and all matters pertaining to the issuance and sale of such bonds. This section (e) does not authorize the financing of a nuclear plant, or an interest therein, unless approved by an election. (Amendment ratified 11-3-81)~~

~~Article XIV. Franchises~~

~~**Sec. 1400 Procedure; terms.**~~

~~The City Council may by ordinance provide a procedure for the granting of franchises or grant franchises pursuant to the procedure provided by the State law. Franchises may be granted for the use by any public utility of the streets, public places or property of the City upon such terms, conditions, restrictions and limitations as may be prescribed by ordinance, but no franchise shall be granted without reserving to the City adequate compensation for the privilege conferred. Such franchises may be granted either for a fixed or an indeterminate period.~~

~~Article XV. Reserved~~

~~Code reviser's note: At an election held on November 7, 1972, the electors repealed former Art. XV, section 1500-1505, pertaining to the police court. Said former article was adopted by the electors at an election held on April 2, 1951, and approved by the State legislature on April 25, 1951. The repeal of said Art. XV was approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10).~~

~~Article XVI. Reserved~~

~~Code reviser's note: At an election held on November 7, 1972, the electors repealed former Art. XVI, section 1600, pertaining to the school department. Said former article was adopted by the electors at an election held on April 2, 1951, and approved by the State legislature on April 25, 1951, and amended by the State legislature (1957 Stats., p. 4459). The repeal of said Art. XVI was approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10).~~

~~Article XVII. Reserved Powers, State Election Code and Amendments to State Elections Code~~
~~Sec. 1700 Reserved powers.~~
~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1701 State Elections Code.~~
~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1702 Amendments to State Elections Code.~~
~~(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

Article Nine ~~XVIII.~~ Miscellaneous and Legal Provisions

Sec. ~~1800~~

Section 900 ~~Definitions~~Mandatory and Permissive.

Unless the provision or the context otherwise requires, as used in the Charter :

~~(a)~~ "sShall" and "must" are ~~is~~ mandatory, and "may" is permissive.

Commented [GG220]: Level One
(moved consistent with proposed reorganization)

Moved and revised (with minor changes) to new Section 802.3, above.

Commented [GG221]: Level One
(clean up and elimination of headings from previously deleted sections

Commented [GG222]: Level Two
(updates Proposed changes to add clarity, fill gaps and to align with current/best practices)

This Section improve language and add helpful "boilerplate" provisions

~~(b) "City" is the City of Santa Clara and "department," "board," "commission," "agency," or "employee," is a department, board, commission, agency, officer or employee as the case may be, of the City of Santa Clara.~~

~~The masculine and feminine gender include the neuter. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)~~

~~Sec. 1317~~
Section 901 Legal Actions A~~a~~gainst the City.

No suit or action for money or damages of any kind ~~, whether sounding in tort, contract or some other theory,~~ may be brought against the City, and City agency or enterprise, or any Elected Officer, Board or Commission Member, ~~board, commission, agency or~~ officer, agent or employee thereof (collectively, "City Entities and Persons"), until a claim has been filed with the City by service upon the Office of the City Clerk, in the manner established by City ordinance, and either the City acts on the claim or it is deemed denied by operation of law. The procedures prescribed by State Law shall apply to the presentation, consideration and enforcement of claims against ~~the City or its officers, agents and employees~~City Entities and Persons. Claims for money or damages ~~which are excepted~~exempt from or not covered by State Law may be governed by ~~the~~ procedures established by City ordinance.

~~Sec. 1801~~
Section 902 Violations; Enforcement.

902.1 Charter Violations. Depending upon the severity of the offense, as determined in the discretion of the prosecuting authority, ~~T~~the violation of any provision of this Charter ~~**shall**~~ **may** be prosecuted as ~~deemed~~ a misdemeanor ~~and be punishable upon convic- tion by a fine of not exceeding one thousand dollars ($1,000.00) or by imprisonment for a term of not exceeding one year or by both~~or as an infraction, subject to associated fines and/or imprisonment as provided under State law for such offenses ~~such fine and imprisonment.~~ If an Elected Official is convicted of a misdemeanor for violation of this Charter, such official shall also be deemed to have forfeited their elected office as provided in Section 205.1(2), above.

902.2 Prosecuting Authority. The prosecuting authority with respect to violations of this Charter, shall be the District Attorney for Santa Clara County. If the District Attorney is not available or declines to perform this role, the City Attorney shall deputize and appoint from outside the City Attorney's Office a qualified special Deputy City Attorney to perform such function.

901.3 Other Violations of Local Law. Any other act or omission that the City Council desires to be prosecuted as a misdemeanor or infraction must be prescribed by ordinance.

~~Sec. 1802 Validity~~
Section 903 Severability.

If any provision~~s~~ of this Charter is held to be illegal, invalid or unenforceable, either on its face or in its ~~the~~ application ~~thereof~~ to any person or circumstance ~~is held invalid,~~ the remainder of the Charter shall not be affected by such holding and shall remain in full force and effect. Further, any holding of invalidity or unenforceability made with respect to a particular person or circumstance, shall be limited to that particular person or circumstance. ~~and the application of such provision to other persons or circumstances, shall not be affected thereby.~~

~~Sec. 1803 Effective date.~~

~~For the purpose of nominating and electing members of the City Council, this Charter shall take effect from the time of its approval by the legislature. For all other purposes it shall take effect on the Tuesday next succeeding the date of election of the first City Council at 8:00 P.M.~~

~~Sec. 815~~

Commented [GG223]: Level One
This short list has been replaced by a long definitions list, below.

Commented [GG224]: Level One
(delete no longer needed provisions)
No longer needed, because changes made already implement gender neutralization

Commented [GG225]: Level Two
(update to align with current law/best practices)

For Charter violations, this Section has been updated to allow for a range of outcomes, depending upon the perpetrator and the severity of the violation, and to provide for who enforces.

As proposed, given an almost certain conflict of interest in prosecuting a Council member or senior official, the City Attorney has been replaced as the Charter's prosecuting authority with the DA or special counsel.

Added language also makes it explicit that a Councilmember convicted of a misdemeanor involving "Councilmanic Interference" or other Charter violation would forfeit their office.

Group One and the CRC were supportive of these clarifications, but recognized the concern that enforcement of the Charter could be (and always could be even before any proposed changes) "politicized". Proposed changes are intended to mitigate that risk by contemplating a range of enforcement outcomes based on severity of conduct and prosecutorial discretion.

Commented [GG226]: Level Two
(rewording to add clarity)

Improved wording without substantive changes

Commented [GG227]: Level One
(reorganization)
Proposed for deletion because already addressed in Section 104, above

Section 904 Publication~~shing~~ of Llegal Nnotices.

904.1 Newspaper Publication. Whenever legal notice is required to be published under the provisions of Applicable Law, the City shall cause such publication to occur in a ~~The City Council shall by resolution designate one or more~~ newspaper~~s~~ of general circulation in the City of Santa Clara designated by the City Council. ~~as official newspaper for the publication of any legal notice or other matter required to be pub- lished in a newspaper of general circulation in said City~~. If no such newspaper exists, or the rates charged for publication are not reasonably aligned with market rates, ~~it appears to the City Council that the rates offered are unfair, it need not designate an official newspaper. Upon making a finding to such effect, or if publication of newspapers which have been so designated are suspended~~, then legal notices, ordinances or other matter required to be published in an official newspaper may be published as otherwise allowed under Applicable Law. ~~by posting copies thereof in at least three public places in the City. The places for posting of legal notices shall be fixed by ordinance of the City Council.~~

904.2 Additional Notice Required. Whenever legal notice is required to be published under the provisions of this Charter or Applicable Law, the City shall also provide such notice electronically in accordance with a policy approved by the City Council designed to make use of modern technologies to maximize the reach of any required notice to those that have expressed interest in or are likely to be impacted by the subject matter of such notice.

904.3 Substantial Conformance. No defect or irregularity in proceedings taken under this Ssection, or failure to designate an official newspaper, shall invalidate any publication where the same is otherwise in ~~conformity~~ substantial conformance with this Charter, or Applicable Law.~~law, or ordi- nance~~.

Section 905 Laws in Effect Pending Enactment of Ordinances.

Pending the enactment of any ordinance or policy required or contemplated under the terms of this Charter, existing Local Laws shall govern. To the extent there are no applicable Local Laws in these areas, General City Laws shall apply, but only to the extent consistent with the terms of this Charter.

Section 906 City Clerk Authority to Make Minor Corrections.

The City Clerk shall be authorized to make minor modifications to the Charter to correct typographical errors or to make other similar non-substantive corrections subject to ratification by the City Council and approval as to form by the City Attorney.

~~**Sec. 912**~~
Section 907 Official Oaths of Ooffice.

Each ~~member of the City Council~~, Elected Official, ~~of~~ every member of a City Bboard and Ceommission, ~~and~~ each ~~officer~~ City Council appointed official, and each ~~and~~ department head, before entering upon the discharge of the duties of ~~his/her~~ the office shall take, subscribe to and file with the City~~-~~Clerk the following oath of ~~affirmation~~office: "I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter." ~~(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statues of 2000)~~

Section 908 Definitions.

Capitalized terms used in this Charter shall have the meanings ascribed thereto in this Section. To the extent of any conflict between the definitions of capitalized terms provided in this Section and any other common understandings or definitions of such capitalized terms, the definitions in this Section shall govern.

Commented [GG228]: Level Two
(updated wording to improve clarity/alignment with state law)

This updated language aligns with State Law, with the addition of electronic noticing in 904.2.

The additional notice requirement requires a City policy to expand its noticing when legal notice is required to maximize the reach of such noticing. This will require the creation of a new City Council policy.

904.3 adds the concept of "substantial conformance" as being adequate for noticing purposes.

The requirements for what constitutes a newspaper of general circulation are contained in Government Code 6000 and 6008.

Commented [GG229]: Per suggestion of CRC subcommittee the word "modern" is proposed to replace "the latest available"

Commented [GG230]: Level Two
Language addresses what rules apply pending enactment of Charter contemplated or required ordinances or policies.

Commented [GG231]: Level Two
A good provision in case we missed something in a defined term or a Section cross reference, misspelled or wrong word (e.g., "of" instead of "if"), etc.

Commented [GG232]: Level One
(reorganization and minor language updates)

Moved here from old Section 912

Commented [GG233]: Level Two
(addition of defined terms to improve clarity)

The Definitions list that follows is still "under construction" and will continue to be refined as we work towards a FINAL document for placement on the ballot.

Also under development is the proposed Appendix/Matrix that will include the history of all changes to each Section, including references to old Section numbers, and an additional column referring to any implementing City Code provisions.

Definitions

- **Administrative Code** — The City's organizational and operational details, adopted by ordinance and set forth in one or more articles within the City Code. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Applicable Laws –** any and all applicable federal, state, and local laws, ordinances, policies, regulations, rules, orders, judgments or decrees.
- **Appointed Officer** — Each of the City Manager, City Attorney, and City Auditor. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Appointed Officers** — Collectively, the City Manager, City Attorney, and City Auditor. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- Appropriated - allocated for a specific purpose or project within the applicable fiscal year(s) budget. ~~Or could we just say "committed" and avoid this term altogether?~~
- **Boards and Commission Members** — The collective term for the members of City Boards and Commissions. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Brown Act** — The Ralph M. Brown Act, California Government Code sections ~~identified in the draft as~~ governing City Council meetings and prevailing over conflicting Charter meeting provisions. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Chair** — The member elected by a board or commission to serve as its presiding officer for that year. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Charter** – The rules for the governance and operations of the City approved by the voters of the City. This defined term first appears on the Preamble.
- **Chartered Boards and Commissions** — The Planning Commission, Parks and Recreation Commission, Board of Library Trustees, Civil Service Commission, and Salary Setting Commission. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **City** — The City of Santa Clara, California. . This ~~definition~~defined term first appears in ~~both~~ Section 100. ~~and Section 1800.~~
- **City Boards and Commissions** — The collective term used when Charter provisions are intended to apply to both Chartered Boards and Commissions and ~~City~~ Council Created Boards and Commissions. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **City Council** – the elected policy making board of the City comprised of the Mayor and the six District Council Members. This defined term first appears in Section 102.1.
- **City Council District** — One of the six designated geographic districts from which the six non-mayoral Council Members are elected. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **City Council Districts** — Collectively, the six designated geographic districts for district-based Council elections. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **City Elected Officials** — The Mayor, City Council Members, Chief of Police, and City Clerk. ~~, for purposes of Salary Setting Commission authority over compensation. City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Council Created Boards and Commissions** — Additional boards, commissions, or committees the City Council may create by ordinance or resolution, with powers and duties consistent with the Charter. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Council-Manager** — The form of government in which the City Council is responsible for lawmaking and major policy decisions, and a professional manager appointed by the Council implements policy and manages day-to-day operations. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Declaration of Vacancy** — The resolution adopted by the City Council declaring the existence of a vacancy in an elected office. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Dedicated Parklands** — The Ulistac Natural Area, the Santa Clara Youth Soccer Park, and any other City-owned or City-controlled real property currently or later listed by ordinance in the General Plan park inventory identified in the Charter. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- ~~**Department Heads** — All department heads or division leaders of the City who are not elected or appointed by the City Council and instead are appointed by the City Manager. City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **District** — Each geographic City Council district for district-elected Council Members. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Districts** — Collectively, the geographic City Council districts for district-elected Council Members. ~~City~~

Commented [CM234]: As of July 1, 2026 - Definitions still under review for refinement by the City Attorney's Office

~~Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~

- **Effective Date** — The date on which the Measure amendments went into effect upon filing with the Secretary of State.~~; the exact date is still blank in the draft. City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Elected Officials** — The Mayor, six City Council Members, the Chief of Police, and the City Clerk. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Elections Official** — The role the City Clerk serves under the Charter and State Elections Law. City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf
- **Event of Vacancy** — A vacancy event provided in Charter Section 205; the draft uses the term by cross-reference rather than giving it a separate stand-alone definitional sentence.
- **General City Laws** — ~~Laws only~~ State Laws only applicable to general law cities and not charter cities unless such charter cities choose to have them apply. This defined term first appears in Section 102.2 ~~under State law. City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **General Municipal Election of the City** — The City's regular election held the first Tuesday following the first Monday in November of even-numbered years. ~~The draft text appears to contain punctuation/quotation glitches, but this is the term and definition as framed there. City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Implementing Ordinance** — The City's implementing Public Works ordinance establishing required procurement rules and, if adopted, standards for alternative procurement methods.
- **Lifetime Term Limit** — The rule that a person elected as a City Council M~~m~~ember or as Mayor may not serve more than two full terms in that position in their lifetime, subject to the counting rules and carve-outs stated in Section 203.2. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Local Laws** — City ordinances, regulations, or policies adopted under the authority of the Charter. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~This defined term first appears in Section 102.2.
- **Major Public Works** — ~~Contracts~~ Public Works projects costing more than ~~above the stated threshold~~$250,000 and subject to City Council approval. ~~, for construction or improvement of public buildings, works, streets, drains, sewers, utilities, parks, and playgrounds, excluding maintenance and repair; the dollar threshold is still blank in the draft.~~
- ~~**Major Public Works Projects** — Projects costing greater than the stated dollar threshold and subject to City Council approval; the threshold amount is still blank in the draft.~~
- **Mandatory Redistricting** — The required redistricting process using data from each decennial federal census.
- **Measure __ Amendments.** — The Charter amendments approved by City voters at the November 3, 2026 City Election. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Minor Public Works Projects** — Projects costing less than $250,000 ~~the stated threshold amount or less~~ and subject to City Manager approval~~; the threshold amount is still blank in the draft~~.
- **M~~m~~inutes R~~r~~esolution** — An oral motion or order duly passed by the City Council and entered in the minutes, having the same force and effect as a written resolution and deemed a resolution for all purposes.
- **Notice of ~~Proposed~~ Ordinance Adoption** — The notice prepared by the City Clerk's Office for each proposed ordinance, containing the ordinance title, introduction date, brief summary, and statement that the full text is available at the Clerk's Office and on the City website. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Official Newspaper** — One or more newspapers of general circulation in the City of Santa Clara designated by resolution of the City Council for publication of legal notices and other matters required to be published in a newspaper of general circulation.
- **Public Work** — ~~Each contract~~A project for the construction, reconstruction, renovation, alteration, improvement, or demolition of public buildings, streets, drains, sewers, utilities, parks, playgrounds, and similar public facilities. ~~under Option A of the draft procurement language. City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Public Works** — Collectively, projects for the construction, reconstruction, renovation, alteration, improvement, or demolition of public buildings, streets, drains, sewers, utilities, parks, playgrounds, and similar public facilities. ~~the public work categories described in the draft procurement section; under Option A, routine maintenance and repair are excluded. City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Qualified Elector** — A registered voter of the City. Status is determined by the Santa Clara County Registrar of Voters. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Qualified Electors** — The Charter uses this plural form for the City electorate in provisions such as initiative, referendum, recall, and voter approvals. It is the plural application of "Qualified Elector."
- **Registrar** — The County Registrar of Voters, which administers City Elections with the City Clerk, in

consultation with the ~~Senior Clerk Appointed Official~~Assistant City Clerk. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~

- **Resident** — A resident of the City for elected-official qualification purposes; whether a person is a Resident is determined in accordance with State law. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **ROV** — The Santa Clara County Registrar of Voters. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- ~~**Senior Clerk Appointed Official** — The senior appointed official in the City Clerk's office with whom the City Clerk consults regarding Charter election duties; if an incumbent City Clerk is running for re-election, this official administers matters relating to that City Clerk election.~~
- ~~**Department Heads**~~**Senior Officials** — All department heads or division leaders of the City who are not elected or appointed by the City Council and instead are appointed by the City Manager. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.~~
- **Shall** — Mandatory. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Special Municipal Elections** — Any municipal elections other than the regular election, called under the authority of the Charter or the State Elections Code. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **State** — The State of California. ~~City.~~ This defined term first appears in Section 100. ~~Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **State Constitution** — The C~~c~~onstitution of the State of California, approved by the voters, and part of State Law and Applicable Laws. This defined term first appears in Section 102.1.
- **State Law** – The laws of the State of California, including, without limitation the State Constitution, State statutes, regulations, and case law. This defined term first appears in Section 101.
- **Total Compensation** — Salary and benefits.
- **Treasurer** — The role the Director of Finance serves in, where required in the City's financial dealings, including public financing. ~~City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf~~
- **Vacant** — A City board or commission seat is considered vacant upon an Event of Vacancy under Section 205, and also when a member is absent from three consecutive regular meetings without an excuse reflected in official minutes and the City Council declares the position vacant.

Page 14: [1] Commented [GG13] **Glen Googins** **5/23/2026 2:03:00 PM**

Level Two
(added explanatory language)

Language added to explain what a "Council-Manager" form of government actually is. The addition of clarity here is based on a number of sources, including the following:

The International City/County Management Association (ICMA), a professional organization for city managers, has listed at least three defining characteristics that distinguish a true council–manager government:

- All governmental authority rests with the council or other elected body, except for certain executive or administrative duties that are assigned to the manager. However, the manager always is employed at the pleasure of the elected body.[9]
- The manager is allocated their functions in codified form by the city charter or other law, not assigned them *ad hoc* by a mayor.[10]
- The manager must be responsible to, hired by, and can be dismissed only by the entire council, not one individual, such as a mayor or chairperson.[10]

Page 16: [2] Commented [GG21] **Glen Googins** **5/29/2026 11:15:00 AM**

Level 3
(sensitive area)

The highlighted change (explained below) is currently excluded from the City Council's proposal for the comprehensive Charter update:

This provision was discussed extensively by Group Two and the full CRC with the consensus being that adding to the qualification requirements as proposed makes sense (the current standard is very low (not many total years of law enforcement experience required, with no management level experience), and all of the Chiefs over the past 30 plus years have met the proposed requirement (the equivalent of a Lieutenant with 2 years experience). At the same time, it is recognized that the sensitivity of this area presents challenges to any proposed modifications, no matter how reasonable.

As a result, the CRC recognizes this proposal to be, at a minimum, a Level Three proposal. They are also concerned about further limiting who might qualify to run for Chief of Police in light of the existing requirement for residency. As a result, the CRC recommends it might be worth exploring the pros and cons of removing or modifying the residency requirement for the Chief of Police. They recognize, however, that any such proposal would be a Level 4 proposal.

The following information is provided for context:

Qualifications of sheriff: Gov Code 24004.3

(a) No person is eligible to become a candidate for the office of sheriff in any county unless, at the time of the final filing date for election, he or she meets one of the following criteria:
(1) An active or inactive advanced certificate issued by the Commission on Peace Officer Standards and Training.
(2) One year of full-time, salaried law enforcement experience within the provisions of Section 830.1 or 830.2 of the Penal Code at least a portion of which shall have been accomplished within five years prior to the date of filing, and possesses a master's degree from an accredited college or university.
(3) Two years of full-time, salaried law enforcement experience within the provisions of Section 830.1 or 830.2 of the Penal Code at least a portion of which shall have been accomplished within five years prior to the date of filing, and possesses a bachelor's degree from an accredited college or university.
(4) Three years of full-time, salaried law enforcement experience within the provisions of Section 830.1 or 830.2 of the Penal Code at least a portion of which shall have been accomplished within five years prior to the date of filing, and possesses an associate in arts or associate in science degree, or the equivalent, from an accredited college.
(5) Four years of full-time, salaried law enforcement experience within the provisions of Section 830.1 or 830.2 of the Penal Code at least a portion of which shall have been accomplished within five years prior to the date of filing,

and possesses a high school diploma or the equivalent.

From the POST website:

Basic Certificate
The Basic Certificate is awarded, as defined in Commission Regulation 1202(external link) to currently full-time peace officers of a POST-participating agency who possess a valid POE, have satisfactorily completed the prerequisite Basic Course requirement, and the employing agency's probationary period of not less than 12 months.

Intermediate Certificate
The Intermediate Certificate is awarded, as defined in Commission Regulation 1202(external link) to currently employed full-time peace officers of a POST-participating agency who possess a Basic Certificate and who have acquired the specified training and education points and/or college degree and the prescribed years of law enforcement experience.

Advanced Certificate
The Advanced Certificate is awarded, as defined in Commission Regulation 1202(external link) to currently employed full-time peace officers of a POST-participating agency who possess an Intermediate Certificate and who have acquired the specified training and education points and/or college degree and the prescribed years of law enforcement experience.

Supervisory Certificate
The Supervisory Certificate is awarded, as defined in Commission Regulation 1202(external link) to currently employed full-time peace officers of a POST-participating agency who possess or are eligible to possess an Intermediate Certificate, have earned a minimum of 60 semester units at an accredited college, served for a period of at least two years as a permanent first-level supervisor or higher in law enforcement, and have completed the POST Supervisory Course.

Management Certificate
The Management Certificate is **awarded, as defined in Commission Regulation 1202(external link) to currently employed full-time peace officers of a POST-participating agency who possess or are eligible to possess an Advanced Certificate, have earned a minimum of 60 semester units at an accredited college, served for a period of at least two years as a permanent middle manager or higher in law enforcement, and have completed the POST Management Course.**

Executive Certificate
The Executive Certificate is awarded, as defined in Commission Regulation 1202(external link) to currently employed full-time peace officers of a POST-participating agency who possess or are eligible to possess an Advanced Certificate, have earned a minimum of 60 semester units at an accredited college, served for a period of at least two years as a permanent agency head with their current employing law enforcement agency, and have completed the POST Executive Development Course

(8) Applicants for Management Certificate Award shall:
(A) Satisfy the requirements specified in subsection 1202(c)(1),
(B) Possess or be eligible to possess an Advanced Certificate,
(C) Complete a minimum of 60 semester units from an accredited college or university or possess an accredited degree (i.e., AA, BA, MA, etc.),
(D) Successfully complete the POST Management Course, and
(E) Possess a minimum of two years of law enforcement experience as a permanent middle manager or higher. Except for appointments to the rank of Acting Chief, intermittent or acting appointments do not count toward eligibility for the Management certificate.

Possible additional considerations and alternatives include: (1) replace this with a simple statement of achieved the rank of Lieutenant with two years in that position; (2) adding requirement that if the POST system is still in place, that they shall obtain the certificate within, say, six months after assuming office.

Page 17: [3] Commented [GG30] **Glen Googins** **5/26/2026 10:22:00 PM**

Level Two
(added language in Section 202.2.b to fill a gap and introduce ethics concepts)

It was noted that all key senior positions included some statement of duties and responsibilities, but not individual City Council members. This Section is intended to fill that "gap". Thought also was that this was a good opportunity to reflect a Group Two and CRC consensus that good, ethical City Council conduct was important to emphasize at the Charter level.

Note: given the subjective nature of this last identified "standard of conduct" for professional and courteous conduct, to mitigate concerns about being unfairly prosecuted for this as a criminal Charter violation resulting in removal, it was agreed that this standard be presented as an "expectation" as opposed to an obligation.

Page 17: [4] Commented [GG31] **Glen Googins** **4/11/2026 9:10:00 PM**

Level Two
Existing provisions updated to align with current/best practices

This language is from old Section 807, Prohibitions against Councilmanic interference.

This remedy as drafted is overly broad and lacks appropriate calibration to the severity of any particular offense. Accordingly, it is proposed that this sentence be deleted and a violation of this Section be treated within the general "Violations; Enforcement" Section (902), below.

The sentence added making any such action void has been added to emphasize the importance of this limitation on City Council authority.

Page 21: [5] Commented [GG50R49] **Glen Googins** **3/9/2026 10:48:00 AM**

Under California law, a crime of moral turpitude is conduct that reveals dishonesty, fraud, a general readiness to do evil, or moral depravity, determined by examining the minimum statutory elements of the offense rather than the specific facts of a particular violation. California courts apply the "least adjudicated elements test," which requires that from the elements of the offense alone, without regard to the facts of the particular violation, one can reasonably infer the presence of moral turpitude (People v. Aguilar, 245 Cal.App.4th 1010 (2016))[1], (People v. Bedolla, 28 Cal.App.5th 535 (2018))[2].
Definition and Core Principles
California decisional law establishes that moral turpitude includes fraud and that any crime in which an intent to defraud is an essential element constitutes a crime involving moral turpitude (In re Hallinan, 43 Cal.2d 243 (1954))[3]. The related group of offenses involving intentional dishonesty for purposes of personal gain are also crimes involving moral turpitude (In re Hallinan, 43 Cal.2d 243 (1954))[3], (Matanky v. Board of Medical Examiners, 79 Cal.App.3d 293 (1978))[4]. Moral turpitude is not limited to dishonesty but extends to crimes involving other sorts of moral depravity and a "readiness to do evil," such as child molestation and crimes of violence, torture, or brutality (People v. Castro, 38 Cal.3d 301 (1985))[5].

Moral Turpitude: See Elections Code 20: (a) A person shall not be considered a candidate for, and is not eligible to be elected to, any state or local elective office if the person has been convicted of a felony involving accepting or giving, or offering to give, any bribe, the embezzlement of public money, extortion or theft of public money, perjury, or conspiracy to commit any of those crimes.
(b) For purposes of this section, "conviction of a felony" includes a conviction of a felony in this state and a conviction under the laws of any other state, the United States, or any foreign government or country of a crime that, if committed in this state, would be a felony, and for which the person has not received a pardon from the Governor of this state, the governor or other officer authorized to grant pardons in another state, the President of the United States, or the officer of the foreign government or country authorized to grant pardons in that foreign jurisdiction.

Page 21: [6] Commented [GG51] **Glen Googins** **6/21/2026 6:38:00 PM**

Level Two
(addition to align with best practices)

Added by GRG since circulation of version dated 6.5.26.

There was a discussion and CRC support for an excused absence policy, but this came up in the context of Boards and Commissions. It should really be addressed here as well, especially since it could be a basis for removal from office. This proposed update will be presented to Council at the July 7th meeting.

Page 24: [7] Commented [GG64] Glen Googins 4/12/2026 8:42:00 PM

Level Two
This is the existing language modified to change the City Council from "judging" all elections to "certifying" them. Balance between deference to County Registrar on outcome and City Clerk's office on administration (so outcomes are determined based on state mandated procedures versus political considerations), with some level of Council authority/right to challenge still retained.

Here's a summary of what CAO advised Council about their role in certifying the election and the available paths to challenge election results or candidate eligibility/qualifications in the report to Council for certifying the results of the 2024 election:

"Legal Requirements and Effects of the Election Certification Process

Under the City Charter, unless an express provision of the Charter provides otherwise, City elections are governed by the California Elections Code [Charter Section 700]. With respect to election certification, there are no Charter provisions providing otherwise.
Under the Elections Code, section 10262 requires the elections official to conduct the canvass of votes (i.e., count the votes cast in the election), pursuant to its sections 15302 and 15303. "Upon the completion of the canvass, the elections official shall certify the results to the governing body." (Elec.
Code § 12062.) The canvass must be completed by the fourth Friday after the election (Elec. Code §10262, subd. (a)), and for a consolidated election, the elections official shall certify the results to the
governing body, and the governing body *must* certify the election results in compliance with section 10263 by its next regularly scheduled meeting after the 28-day canvass or at a special meeting called
for that purpose. (Elec. Code § 10262, subd. (b).) Elections Code section 10263 requires the governing body to adopt a resolution reciting "the fact of the election and the other matters that are enumerated in section 10264." The governing body must also "declare the results and … install the
newly elected officers." (Ibid., subd. (a).)
Although the certification process described above, is mandatory, election certification does not definitely decide the outcome of every election contest. Even after "certification" there are separate legal processes for challenging the outcome of an election, or the qualifications of an elected
candidate to hold office. The first such process is contained in Elections Code Section 16100. The second such process is known as a "quo warranto" proceeding.
Elections Code Section 16100. Most of the bases for challenge to an election under Elections Code 16100 relate to elections official misconduct, material vote counting errors, or the casting of illegal votes. Section 16100(b) also provides for an election challenge based on a determination that a
person elected was not, at the time of the election, eligible to hold office. Under Section 16401(d) a statement of such challenge must be filed with the superior court within 30 days after the City's
certification of the subject election.
Quo Warranto. A quo warranto action must either be initiated by the City Council or be initiated or authorized by the State Attorney General. A quo warranto action doesn't relate to the election itself, but to the qualifications of a party to run for or hold a public office under applicable law. Applicable laws include federal, state or local laws, which would include the City's own Charter requirements. Quo warranto actions can be initiated at any time during the tenure of an elected official. Either form of elections challenge, whether under the Elections Code or a quo warranto proceeding, may be initiated by the City Council itself or an individual "elector" within the City; provided, however, as discussed above, any proposed quo warranto action by an individual elector must first be
approved by the Attorney General."

Page 28: [8] Commented [GG77] **Glen Googins** **4/11/2026 11:08:00 PM**

Level Two
(deletes unnecessary language)

Consensus that this language wasn't necessary as its already expressly covered by the Brown Act as provided below:

The Brown Act (Cal. Gov. Code §§ 54950 et seq.) explicitly governs the adjournment of regular meetings of legislative bodies of local agencies. It permits the legislative body to adjourn any regular or special meeting, or previously adjourned meeting, to a specified time and place indicated in the order of adjournment. Less than a quorum may adjourn a meeting. When no members are present, the clerk or secretary may declare the meeting adjourned and must provide written notice of the adjournment consistent with the rules for special meetings. The order or notice of adjournment must be conspicuously posted at or near the meeting location within 24 hours following the adjournment. An adjourned regular meeting retains the status of a regular meeting for all purposes, and if the adjournment order fails to specify a time, it defaults to the time fixed for regular meetings by ordinance or resolution (California Practice Guide: Administrative Law Ch. 28-L)[3], (2 Cal. Jur. 3d Administrative Law § 139)[4], (45 Cal. Jur. 3d Municipalities § 317)[5]. Additionally, the Brown Act differentiates between adjournment—ending a meeting with intent to resume the agenda later—and continuance, which involves continuing specific agenda items to a subsequent meeting, with associated posting requirements for notices if the continuance occurs within 24 hours (California Practice Guide: Administrative Law Ch. 28-L)[3].

Page 28: [9] Commented [GG78] **Glen Googins** **4/11/2026 9:21:00 PM**

Level Two
(added flexibility in meeting scheduling consistent with Brown Act requirements)

This language added to give flexibility if ever needed, e.g., during the summer recess or around the Thanksgiving/Christmas holiday. Current language could be further modified to only require one meeting of any kind of the bracketed special meeting reference were to be deleted.

Brown Act requirement is as follows:
Regular meetings must be held at least monthly on a schedule fixed by ordinance or resolution, with agendas posted at least 72 hours prior containing a brief general description of business items, including closed session topics.

Page 28: [10] Commented [GG80] **Glen Googins** **4/12/2026 8:51:00 PM**

Level One
(clarifying wording with no proposed modifications to current, applicable law)

The Brown Act requires that regular and special meetings of city councils be held within the boundaries of the territory over which the local agency exercises jurisdiction (West's Ann.Cal.Gov.Code § 54954)[1]. This is a fundamental location requirement that applies to both types of meetings. However, the statute provides several specific exceptions that allow meetings to be held outside the jurisdiction, including to comply with state or federal law or court orders, attend judicial or administrative proceedings to which the agency is a party, inspect real or personal property that cannot be conveniently brought within the boundaries, participate in meetings of multiagency significance (which must still occur within one of the participating agencies' jurisdictions and be properly noticed), meet in the closest meeting facility if the agency has no suitable facilities or offices within its boundaries, meet with elected or appointed federal or state officials when a local meeting would be impractical, or meet outside the jurisdiction in the event of an emergency (West's Ann.Cal.Gov.Code § 54954)[1].

Page 40: [11] Commented [GG137] **Glen Googins** **4/19/2026 10:25:00 PM**

There was discussion on need for this language in the Charter at all, with a possible option to radically reduced to a sentence or two calling for rules to be adopted by ordinance. Current recommendation is to retain provisions, but to update to make more clear and better align with State law.

California law establishes comprehensive requirements for city employees who must obtain and furnish faithful performance bonds or other forms of bonds in connection with their official duties. These requirements are governed primarily by the California Government Code, which sets forth the conditions, obligations, and payment provisions

for official bonds of municipal officers and employees.

Statutory Framework for Official Bonds

The fundamental condition of an official bond is established by California Government Code § 1501, which provides that "the condition of an official bond shall be that the principal will well, truly, and faithfully perform all official duties then required of him by law, and also all such additional duties as may be imposed on him by any existing law of the State or law enacted subsequently to the execution of the bond" (West's Ann.Cal.Gov.Code § 1501)[1]. This statutory language ensures that bonds cover both current and future duties imposed by law.

California Government Code § 1504 further specifies that every official bond executed by any officer pursuant to law "is in force and obligatory upon the principal and sureties therein for" both "any and all breaches of the conditions thereof committed during the time such officer continues to discharge any of the duties of or hold the office" and "the faithful discharge of all duties which may be required of such officer by any law enacted subsequently to the execution of the bond" (West's Ann.Cal.Gov.Code § 1504)[2]. The statute includes important limitations on personal liability for officers whose sole compensation is a fixed salary, providing that they shall not be personally liable for negligent acts or omissions of deputies or employees unless the officer failed to exercise due care in selection, appointment, or supervision (West's Ann.Cal.Gov.Code § 1504)[2].

Charter City Authority Over Bond Requirements

California Constitution Article XI, § 5 grants charter cities plenary authority to provide for "the manner in which, the method by which, the times at which, and the terms for which the several municipal officers and employees whose compensation is paid by the city shall be elected or appointed, and for their removal, and for their compensation" (West's Ann.Cal.Const. Art. 11, § 5)[5]. This constitutional provision allows charter cities to establish their own requirements for official bonds as part of their municipal affairs.

Page 41: [12] Commented [GG140] Glen Googins 2/12/2026 12:10:00 PM

Level One/Level Two

(both minor and more significant language updates, with other Level Two changes as indicated below)

This Article was updated with substantial input from the existing Boards and Commissions listed.

Note: "Commissions" are generally understand to mean groups that are permanent with some independent authority or ongoing subject matter jurisdictions. "Committees" are almost always advisory, and sometimes are of limited duration. "Subcommittees" are always subordinate bodies to the primary Council or Commission. "Board" appears to be just a historical name for the Board of Library Trustees, and in this context has no particular meaning distinct from Commission.

Consideration was given to building in some definition structure here, but doesn't seem necessary. More important to distinguish what rules apply to what boards, commissions (and/or committees) and updated language in this Article Six does that. Also, note the proposed addition of new Section 605, below, regarding "committees"

Page 41: [13] Commented [GG141] Glen Googins 2/12/2026 5:27:00 PM

Level One

(reorganization)

Consensus of Groups Two and Four was to move the details of the Salary Setting Commission composition and role and function (previously described in Old Section 702) to this Article. See new Section 604.5, below for Level Two changes.

Page 41: [14] Commented [GG142] Glen Googins 2/12/2026 10:59:00 AM

Level Two

(alignment with current standards)

Here are the current Code Sections for both Charter created and City Council created Boards and Commissions. Revised language requires any further implementing details be approved by ordinance (not resolution)

§ 2.120.010**Names, membership, qualifications and terms of office.**

There shall be and there is established within the City the following boards, commissions, and committees:

(a) Planning Commission. (SCCC § 2.120.050)

(b) Parks and Recreation Commission. (SCCC § 2.120.060)

(c) Civil Service Commission. (SCCC § 2.120.070)
d) Board of Library Trustees. (SCCC § 2.120.080)
(e) Historical and Landmarks Commission. (SCCC § 2.120.100)
(f) Senior Advisory Commission. (SCCC § 2.120.110)
(g) Youth Commission. (SCCC § 2.120.130)
(h) Cultural Commission. (SCCC § 2.120.140)
(i) International Exchange Commission. (SCCC § 2.120.150)
(j) Housing Commission. (SCCC § 2.120.160)
(k) Bicycle and Pedestrian Advisory Committee. (SCCC § 2.120.170)
All members of boards, commissions, and committees, except for members of the Youth Commission and Bicycle and Pedestrian Advisory Committee, shall be eighteen (18) years of age or older and residents of the City. All members of boards and commissions established by City Charter (i.e., Planning Commission, Parks and Recreation Commission, Civil Service Commission and Board of Library Trustees) shall also be qualified electors of the City.

§ 2.120.020**Powers and duties generally.**
The boards and commissions of the City shall have the following general powers, duties and responsibilities in addition to those set forth in Article X of the Charter:
(a) To establish rules and regulations governing the election of their officers, the holding of meetings and the conduct of business.
(b) To utilize all appropriate techniques in crystallizing and testing public sentiment on major public issues in their respective fields.
(c) To make budget recommendations.
(d) To hold official hearings as required by law or requested by the City Council.
(e) To advise and recommend on City policies and procedures pertinent to their respective activities and functions.
(f) To support and adhere to all City policies promulgated by the City Council and to establish needed interim policies in the absence of the same.
(g) To provide information and promote good public relations between the City and the general public.
(h) To receive at least two hours of training in general ethics principles and ethics laws relevant to their public service every two years, as required by state law and the City Council.
(i) To perform such other related functions as may be assigned to them by the City Council.

§ 2.120.030**Meetings.**
Each board or commission of the City with members thereon appointed by the City Council shall hold regular meetings at the times and on the days indicated by resolution of the City Council except when such day falls on a City holiday, and shall hold such special meetings as it may require. The times and days for holding regular meetings are subject to amendment from time to time by resolution of the City Council. A copy of the applicable resolution(s) is and will be available for public inspection in the office of the City Clerk.

§ 2.120.040**Utilization of City personnel.**
The various boards and commissions may utilize the services of the appropriate City departmental personnel in carrying out their respective functions, subject to the administrative control of the City Manager.
(Ord. 947; Formerly § 2-92)Here

Page 41: [15] Commented [GG143] Glen Googins 5/17/2026 8:28:00 PM

Why addition of an Ethics Commission not proposed by CRC.

Group Four discussed extensively the pros and cons to proposing for inclusion in the Charter provision for the requirement of an Ethics Commission. They ultimately decided (and the full CRC concurred) that while this could be suggested as a **Level 4 i**dea for a future CRC, they were not going to recommend at this time as part of the Charter project. Their decision was based, among other things on the following:

--This is a matter currently being discussed at the City Council Governance and Ethics Committee, including possible terms for a formal Commission, and alternatives to this to reinforce ethics duties and accountability, are under discussion.
--The inclusion of this in the Charter amendment would present challenges as it would, in effect, proposed to "decide" the issue before that full analysis is complete.

--Inquiry was made regarding Chula Vista which has a Board of Ethics, but its not mentioned or requred in the City Charter. GRG's experience there was shared, but pointed out that the details of any such proposal matter, and the pros and cons of this could not be fully analyzed by the CRC as part of this project. CV also has a "standing" Charter Review Commission, but that isn't mentioned in their Charter either.
—Also concern about this being a form of "restructuring" of govt. (by adding a signficant new board), and was an area that could be viewed as controversial, thereby distracting from other more doable proposals.

Page 41: [16] Commented [GG145] Glen Googins 5/17/2026 8:46:00 PM

Level One
(existing language moved and updated to be more explicit without substantive change)

Qualified Elector Status. The need for "qualified elector" status as a qualification was discussed extensively in light of BOLT request that the qualified elector status requirement be removed. The Group/CRC ultimately decided that for the Charter created boards and commissions, qualified elector status and consistency were important. They also note that non-Qualified elector residents still have a lot of opportunities to serve on City Council created boards.

Page 41: [17] Commented [GG146] Glen Googins 4/16/2026 2:08:00 PM

From City Code Section 2.120.010

"All members of boards, commissions, and committees, except for members of the Youth Commission and Bicycle and Pedestrian Advisory Committee, shall be eighteen (18) years of age or older and residents of the City. All members of boards and commissions established by City Charter (i.e., Planning Commission, Parks and Recreation Commission, Civil Service Commission and Board of Library Trustees) shall also be qualified electors of the City."

Page 41: [18] Commented [GG151] Glen Googins 2/12/2026 9:13:00 AM

Level Two
(addition of requirement for a policy consistent with desired/best practices)

Group Four discussed extensively options for making more transparent any decision not to reappoint or remove a board or commission member "for cause" other than the referenced "vacancy" provisions below. Ultimate decision was to require the CC to make rules that allow for appointment and removal "in an orderly and transparent" manner but not to attempt to make such rules. Charter is not place for that level of detail and CAO advised of need to balance transparency with privacy interests and interest in protecting City from liability. I.e., no board or commission member should have employee like protections for holding their position.

Section requires City Council creation of an appointment, renewal and removal policy for Boards and Commission members

Page 42: [19] Commented [GG158] Glen Googins 2/12/2026 1:15:00 PM

Level Two
(delete provisions inconsistent with current/best practices)

Regarding Boards and Commissions making their own rules, this is not current practice, and is not recommended. There is a need and real value in consistency, especially with need for compliance with Brown Act. The current City Council Policy 055 for "Meeting Management Protocols" will apply to Boards and Commissions when it converts from a "pilot program" to a permanent policy and it allows for some variation on rules at the Boards and Commissions level so long as rules are consistent with the protocols or approved by the Council.

Page 46: [20] Commented [GG174] Glen Googins 1/23/2026 9:56:00 AM

BOLT comments/proposals on powers and duties included:
--Desire to primarily advisory (guide and recommend), but don't want to abdicate "accountability".
--This can be achieved by requiring them to be part of certain Library administrative processes. E.g., Library budget needs to come to BLT for review and recommendation before it goes to City Council. (e.g.'s Anaheim and Chula Vista); annual report to City Council on Library activities (Anaheim).

For reference, current City Code provisions provide as follows:

§ 2.120.080**Board of Library Trustees. [1]**
The Board of Library Trustees shall be primarily responsible for the following:
(a)
Establishing, accepting and supervising a significant public library program.
(b)
Providing for balanced library collections and services which represent the diverse perspectives of the community.
(c)
Making recommendations to the City Council on library policies which ensure maximum public access to library collections and services.
(d)
Serving as a central focus for citizen comment on library operations and materials and the provision of appropriate recommendations or response.
(e)
Supporting educational, recreational and cultural activities for citizens of all age groups consistent with the mission of the library program.
(f)
Representing the library program to the City, the community, other government agencies and organizations.
(g)
Performing such other duties and exercising such powers as the City Council may impose or require.

Page 47: [21] Commented [GG180] Glen Googins 5/14/2026 10:48:00 AM

Level One/Level Two
(reorganization, updated language and clarifying changes to eliminate ambiguity consistent with current interpretations/practices)

This is a new Section that takes the role and function content from old Section 702 (now 204.1) and moves it here.

Notes/considerations from discussion
--Salary question: Proposed language eliminates ambiguity regarding extent to which Charter language dictates terms for salary only or other forms of compensation
—Current benefits that have been discussed by the Commission include pensions (currently offered as an option, five years to vest) and medical benefits (currently not offered but discussed at last Salary Setting Commission meeting.
--Benchmarking included information from 5 area cities, with most providing a medical benefit, and Sunnyvale, notably, recommending a salary increase from $38K to $72K for City Councilmembers)

Consensus not to change compensation mechanism or amount (was just changed 7 years ago to a benchmark amount with increases not to exceed 10% every two years as determined by SSC, now $30K for Mayor and $24K for City Council members), but to clarify that benefits can also be provided, including medical if SSC determines, provided that no health benefits can be converted to cash.

Page 47: [22] Commented [GG183] Glen Googins 5/14/2026 11:42:00 AM

Level Two
(added language fills a gap in a manner consistent with current/best practices)

This Section is intended to contemplate other advisory bodies that are intended to be purely advisory and/or temporary in nature, with some flexibility to Council on how to form.

Page 60: [23] Commented [GG218] Glen Googins 6/22/2026 2:48:00 PM

Level Two
(update language to align with current/best practices)

This new Section 805.6 is proposed by bond counsel to replace the outdated language in current Section 1321, below.

This new Section is consistent with current/best practices. It would allow the City to issue revenue bonds to finance utility infrastructure by City Council resolution without the requirement for voter approval. The rationale for this is that revenue bond debt is not like general fund debt that relies on taxes for repayment (the type of debt where voter approval is required) as the only pledge for repayment of the bonds are utility revenues. Many other Charter cities (including Sunnyvale, San Diego, Los Angeles, Hayward, Oakland, Pasadena, Redwood City, Sacramento and San Francisco (with a 3/4ths vote of their supervisors)) have similar provisions. This type of debt is also allowed for general law cities, but requires majority voter approval (not the 2/3rds voter approval required by the current Charter).

The deleted provisions regarding Revenue Bonds are considered to be outdated, and limiting in ways that go beyond current state law limitations/best practices which have evolved over time. The City has been able to finance utility infrastructure using debt (for example, using certificates of participation), but this is more cumbersome and costly. Accordingly, bond counsel has proposed replacement of these provisions with the new Section 805.6.

Level Three?
However much aligned this proposal is with current/best practices, because it proposes removing a voter approval right, it could be viewed as a Level Three proposal.

MASTER WORKING DRAFT

7/1/26

THE CHARTER OF THE CITY OF SANTA CLARA CALIFORNIA

Group One Powers and Structure of City Government: Rules/Process for Action	Steve Kelly Bernard Tansey Patrick Nikolai Eric Jensen Joe Sosinski
Group Two City Council: Elections, Powers and Conduct of Meetings	Steve Kelly Mark Boeckman Eric Crutchlow Holly Roberts Susan Peters
Group Three Senior Officials: Duties and Qualifications	Bernard Tansey Patrick Nikolai Lauren Diamond Mohammad Naveed
Group Four Boards and Commissions: Composition, Powers and Duties	Lauren Diamond John Brooks Burt Field Joe Sosinski
Group Five Civil Service: General Rules for Classified and Unclassified Employees; Commission Composition and Duties	Susan Peters Mark Boeckman Holly Roberts Mohammad Naveed
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PREAMBLE

We, the people of the City of Santa Clara, pursuant to our authority under the laws of the State of California, hereby adopt this Charter to be the rules for the governance and operations of our City in an open, fair and effective manner.

Article One
Foundational Terms

Section 100 Name, Incorporation and Charter City Status.

The City of Santa Clara ("City") is a chartered municipal corporation of the State of California ("State"). The City's official name is "Santa Clara" but it may be referred to from time to time as the "City of Santa Clara." The City was incorporated in July of 1852 under the name "Santa Clara." City records indicate that previous Charters were adopted for the "Town of Santa Clara" in 1927 and for the "City of Santa Clara" in 1951.

Section 101 City Boundaries.

The territory of the City over which it shall exercise lawful jurisdiction shall be the territory contained within its boundaries as established under State Law. City boundaries may be modified, but only in accordance with State Law requirements and procedures.

Section 102 Charter City Authority.

102.1 In General. The City, by and through its City Council and other officials, shall have and may exercise all powers lawfully available to a chartered municipal corporation in the State for the general welfare of its inhabitants which are not prohibited or otherwise limited by the Constitution of the State of California, the terms of this Charter or other laws applicable to charter cities. Such general powers shall include, without limitation, the full power and authority to make and enforce all laws and regulations with respect to municipal affairs.

The specification in this Charter of any particular powers of the City shall not be held to be exclusive of, or any limitation upon the general grant of powers to the City under this Section.

102.2 Relationship with Other Laws. To the extent of any conflict between the terms of this Charter, and any laws only applicable to general law cities under State law ("General City Laws"), the terms of this Charter shall govern. To the extent of any conflict between the terms of any City ordinances, regulations or policies adopted under the authority of this Charter ("Local Laws") and any General City Laws, the terms of such Local Laws shall govern. To the extent there is no Charter provision or Local Law prohibiting or regulating the conduct of the City, any City official or employee, or any business or individual acting within the City, then the laws governing such conduct shall be those set forth in General City Laws. City reserves the right to adopt as its laws any General City Laws it may specify, either through the provisions of this Charter or the enactment of Local Laws, provided that such laws are consistent with the terms of this Charter.

102.3 Voter Approved Limitations on City Authority. In addition to the limits on City Authority contained in Applicable Laws and set forth in other Sections of this Charter, the following voter approved limitations shall apply:

a. **Disposal of Public Utilities.** No public utility service owned by the City shall be sold, leased or otherwise transferred for operation by a third party unless authorized by the affirmative vote of two-thirds of the Qualified Electors voting on such proposition at a City Election. This requirement for voter approval shall not apply to the disposition of public utility real or personal property determined by the City Council as no longer necessary for public utility use.

b. **Disposal or Change of Use of Certain City Park Land**.

1. Neither the Ulistac Natural Area, the Santa Clara Youth Soccer Park nor any other real property owned or controlled by the City that is presently listed or hereafter listed by ordinance in the inventory of parks and recreation facilities contained in Appendix Eight of the City of Santa Clara 2010-2035 General Plan, or any subsequent General Plan (collectively, "Dedicated Parklands"), shall be sold, leased or otherwise disposed of for a period of one hundred eighty (180) days or more, nor shall the use of any such Dedicated Parklands be changed, abandoned or discontinued for a period of one hundred eighty (180) days or more without such sale, lease, disposal or changed use having been first authorized or ratified by a two-thirds (2/3) majority vote of the Qualified Electors voting at a General Municipal Election of the City for that purpose.

2. No substantial building, construction, reconstruction or development upon or with respect to any Dedicated Parklands shall be made except as may be approved by the City Council by ordinance subject to referendum.

3. The provisions of this Section shall not apply to real property owned or controlled by the City that is subject to the CityPlace Master Community Plan originally adopted by the City Council by Resolution No. 8339.

4. The provisions of this Section shall not apply to dispositions or changed uses of Dedicated Parklands that are strictly limited to uses that are secondary to, and will not adversely impact**,** any underlying parks and recreation uses. Any such proposed dispositions or use(s) must be approved by five affirmative votes of the City Council. Further, any net revenues to the City generated by any such approved use(s) must be used exclusively for parks and recreation purposes within the City.

102.4 Powers of Initiative, Referendum and Recall. There are hereby reserved to the Qualified Electors of the City the powers of initiative and referendum and of the recall of Elected Officials as provided in General City Laws.

Section 103 City Council-Manager Form of Government.

The City shall be governed under what's commonly known as the "Council-Manager" form of government, where the City Council is responsible for City law making and major policy decisions, and a professional manager, appointed by and serving at the pleasure of the City Council, is responsible for implementing Council policy and managing day-to-day operations. This Charter sets forth the basic terms for how this form of government is structured and will operate in the City of Santa Clara.

Section 104 Effective Date; Amendment

This Charter was amended by the approval of City voters of Measure ___ ("Measure __ Amendments.") at the November 3, 2026, City Election. The Measure ___ Amendments went into effect upon their filing with the Secretary of State on _____, 2026 ("Effective Date"). No provisions of the Measure __ Amendments shall have any effect upon the validity of any City action, or any business or individual rights obtained under the terms of the City Charter prior to this Effective Date. The Charter may be further amended, but only with the approval of a majority of voters casting ballots at a General City Election validly conducted under the terms of the Charter.

Section 105 Use and Definitions of Capitalized Terms.

Capitalized terms used in this Charter shall have the meanings ascribed thereto in Article Nine, Section 908, of this Charter, below. To the extent of any conflict between the definitions of capitalized terms provided in Section 908, and any other common understandings or definitions of such capitalized terms, the definitions in Section 908 shall govern.

Article Two.
Elected Officials

Section 200 In General.

The City shall have the following elected officials: the Mayor (who shall also be considered a City Council Member), six City Council Members, one for each of the six City Council Districts (each a "District Council Member," and collectively the "District Council Members") the Chief of Police, and the City Clerk (collectively, "Elected Officials"). Elected Officials shall be chosen by election, except in certain interim circumstances where they may be chosen by City Council appointment. The processes for City elections and appointments are set forth in Article Three of this Charter, below.

Section 201 Qualifications

201.1 Requirements for All Elected Officials.

a. To be an Elected Official a person must be a resident ("Resident") and registered voter ("Qualified Elector") of the City. District Council Members must also be Residents of their respective Council district (each a "District" and collectively "Districts"). .

b. All persons seeking to be Elected Officials must have been a Resident of the City, and, in the case of a District Council Member, of their District, commencing at least thirty (30) days immediately preceding the last day specified under the Elections Code for the filing of nomination papers with the City Clerk for such office or, if appointed, preceding the date of the person's appointment to fill a vacancy.

c. Whether or not a person is a Resident shall be determined in accordance with State Law. Qualified Elector status shall be determined by the Santa Clara County Registrar of Voters ("ROV"). The City Clerk shall administer these requirements as provided in Section 302, below.

201.2 Special Requirements for the Chief of Police.

In addition to the requirements for all Elected Officials set forth in Section 201.1, above, persons running for and holding the office of Chief of Police shall (1) meet the minimum eligibility and qualification requirements imposed by State Law upon candidates for the office of sheriff; and (2) have achieved the rank and have the experience necessary to qualify for a Management Certificate from the State of California Commission on Peace Officer Standards and Training (commonly known as "POST"), as provided in California Code of Regulations 11 CCR Section 1202 as of the Effective Date of this Charter ("POST Management Certificate Standard").

201.3 Challenges to Qualifications.

Any Qualified Elector of the City or the City Council may challenge the qualifications of an Elected Official as provided under State Law.

Section 202 Powers and Duties

202.1 Mayor Powers and Duties

a. **In General.** The Mayor shall have the following powers and duties:

1. The Mayor shall be the political leader within the community by providing guidance and leadership to the City Council, by expressing and explaining to the community the City's policies and programs and by assisting the City Council in the informed, vigorous and effective exercise of its powers. Political leadership shall be concerned with the general development of the community and the general level of City services and programs.

2. The Mayor shall be the presiding officer at City Council meetings. In such capacity the Mayor shall have authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any meeting of the City Council for disorderly conduct, to enforce the rules of the City Council and to determine the order of business under the rules of the City Council.

3. The Mayor shall have a voice and vote in all City Council proceedings as a member of the City Council; the Mayor shall have no veto power.

4. The Mayor shall be the official head of the City for all ceremonial purposes.

5. The Mayor may make recommendations to the City Council on matters of policy and programs which require City Council decision;

6. The Mayor may also, on their own account, inform the community on matters of policy or program which the Mayor believes the welfare of the community make necessary.

7. The Mayor shall exercise such other powers and perform such other duties as may be prescribed by the City Council, provided that the same are not inconsistent with this Charter.

b. **Limitations on Authority.** Nothing in this Section shall be construed in any way as an infringement or limitation on the powers and duties of the City Manager as the head of the executive and administrative branch of the City government as provided in other sections of this Charter. Except as otherwise herein provided, the Mayor shall possess only such authority over the City Manager and the administrative branch as the Mayor possesses as one member of the City Council.

c. **Vice Mayor.** During the Mayor's absence or disability, the Mayor's duties shall be performed by the Vice Mayor. The Vice Mayor shall be a City Council Member appointed by and serving at the pleasure of the City Council.

202.2 City Council Powers and Duties

a. **In General.** All powers of the City shall be vested in the City Council, subject to the provisions of this Charter and Applicable Law. Such powers shall include: (1) the certification of City Elections as provided in Section 302.3; (2) the declaration of Elected Official Vacancies and appointment of Elected Officials to fill any such Vacancies as provided in Section 205; (3) the appointment of the City Manager, City Attorney and City Auditor as provided in Section 501; (4) appointment of members of City Boards and Commissions as provide in Section 602.1; (5) adoption of ordinances, resolutions and policies as necessary for the determination of land uses, the governance of City operations, the delivery of City services, and the regulation of conduct of persons and businesses within the City as provided in Article Four; (6) actions on fiscal matters, including the approval of budgets, the issuance of debt, the levying of taxes, fees and assessments, and the awarding of contracts as provided in Article Eight; (7) the ability to conduct investigations and to subpoena witnesses in personnel matters involving City Council appointees, in City Council quasi-judicial proceedings and where otherwise expressly provided under General City Law; and (8) such other powers as may be reasonably necessary to advance City interests, provide for the efficient and effective delivery of City services and to maintain the overall public health, safety and welfare of the City, its residents, businesses and visitors.

b. **Individual Council Members.** City Council members (including the Mayor) shall have the following powers and duties in their conduct of City business:

1. Prepare for, attend and participate in, meetings of the City Council, Council subcommittees, and such other State or regional boards or commissions to which they are appointed;

2. Solicit and give due consideration to input from residents and businesses within the City, City staff and consultants, and other stakeholders with interests in City matters,

3. Make recommendations on matters of policy and programs which require City Council action;

4. Comply with all Applicable Laws, including the provisions of this Charter, the City Code and all adopted City policies;

5. Place the interests of the City above their own personal interests; and;

6. Report to the City Council on the occurrence of any event listed in Section 205.1 of this Charter which may result in their disqualification from office no later than fifteen (15) days after the date of such occurrence.

In addition, in all interactions with each other, City staff and the public, City Council members (including the Mayor) are expected to conduct themselves in a professional and courteous manner.

c. **Limitations on Authority.** Neither the City Council nor any of its members shall order or request the appointment of any person to an office or employment or any person's removal therefrom, by the City Manager, or by any of the department heads in the administrative service of the City. Except for the purpose of inquiry, or as may be expressly approved by the City Manager, the City Council and its members shall deal with the administrative service under the City Manager solely through the City Manager and neither the City Council nor any member shall give orders to any subordinates of the City Manager, either publicly or privately. Any City Council ordinance or resolution that permits or takes any of the actions prohibited in this Section shall be void.

202.3 Chief of Police Powers and Duties.

The elected Chief of Police shall serve as the head of the Police Department of the City of Santa Clara ("Police Department") responsible for the supervision, management and administration of the affairs of such department in accordance with the terms of this Charter and Applicable Laws. In this role, the Chief of Police shall have the power and be required to:

a. Preserve the public peace;

b. Execute and return all process issued to the Chief of Police by legal authority; and

c. Exercise all the powers that are now or may hereafter be conferred upon sheriffs and other police officers by the laws of the State.

d. Update and advise the City Council and the City Manager, in their professional discretion, on matters relating to public safety and law enforcement.

202.4 City Clerk Powers and Duties.

a. **City Clerk.** The City Clerk, as an Elected Official, shall have the power and be required to:

1. Act as the City's "Elections Official" with administrative authority over all City Elections in accordance with the terms of this Charter and Applicable Law.

2. Be the custodian of the City sealand oversee the use of the City seal to certify official City actions and records; and

3. Administer oaths for Elected Officials, and issue required affirmations, and affidavits pertaining to official City business.

4. The City Clerk shall consult with the Assistant City Clerk in their conduct of these duties and, with the concurrence of the Assistant City Clerk, may authorize the Assistant Clerk to assist with the performance of such duties.

b. **Assistant City Clerk.** The Assistant City Clerk, who shall be appointed by the City Manager, shall have the power and be required to:

1. Attend all meetings of the City Council and be responsible for the recording and maintaining of a full and true record of all the proceedings of the City Council.

2. Maintain certified copies of all ordinances and resolutions with proof of publication where required by this Charter or Applicable Law

3. Maintain copies of all written contracts and official documents;

4. Keep all such records properly indexed and open to public inspection

5. Administer oaths for appointed City officials;

6. Administer filing requirements imposed on Elected Officials and certain appointed officials under State and local conflict of interest and gift laws; and

7. In the event of a Vacancy in the City Clerk's office, the City Clerk's extended absence or an urgent necessity where the City Clerk is unavailable to act, take action with respect to City Clerk duties as necessary for continuity of City operations, the conduct of City Elections, or compliance with Applicable Law.

Section 203 Terms of Office

203.1 In General. Except as otherwise provided in this Charter, an Elected Official's term shall be for a period of four years, The Elected Official's term shall commence on the date the City Council certifies the results of their election and they are officially sworn in by the City Clerk, and shall terminate on the date the City Council certifies the election of their successor and their successor is sworn in.

203.2 Term Limits.

a. **Mayor and Council Members.** No person elected as a member of the City Council or as Mayor, shall be eligible to serve in such position for, for more than two (2) full terms in their lifetime ("Lifetime Term Limit"); provided, however, no amount of Council service occurring prior to the commencement of the Council term resulting from the November 2016 election shall be counted towards this Lifetime Term Limit. If a member of the City Council or Mayor serves a partial term in such position in excess of two (2) years, it shall be considered a full term for the purpose of this Section. For the avoidance of doubt, time served as Mayor shall not treated as time served on the Council, and time served on the Council shall not be treated as time served in the office of Mayor.

b. **Chief of Police and City Clerk.** There are no Lifetime Term Limits applicable to the positions of Chief of Police and City Clerk.

203.3 Additional Rules for Elected Official Candidacies and Holding Office.

a. No person shall be a candidate for more than one Elected Official position in the same election.

b. During their term, an incumbent Elected Official may run for a different Elected Official position if they are otherwise qualified to do so.

c. At no time shall any Elected Official hold more than one City elective office. If an Elected Official prevails in an election for a different Elected Official position, upon being sworn in for that position, they immediately forfeit their previous Elected Official seat.

d. No incumbent District City Council Member while serving in such office with an unexpired term of more than six months shall be a candidate for any other District Council office other than the one which such District City Council Member holds.

Section 204 Compensation.

204.1 In General. Since July 1, 2019, the salary and benefits (collectively, "Total Compensation") of all Elected Officials has been determined by Salary Setting Commission. The composition and operations of the Salary Setting Commission, and the manner in which they determine the Total Compensation for all such Elected Officials are set forth in Section 604.5 of this Charter, below.

204.2 Reductions for Unexcused Absences. If a member of the City Council, including the Mayor, does not attend all meetings of the City Council or study sessions called on order of the City Council and held during the month, the compensation to such City Council Member for such month shall be reduced by the sum of twenty-five dollars ($25.00) for each meeting or study session not attended unless their absence is excused by action of the City Council.

Section 205 Vacancies.

205.1 What Constitutes a Vacancy. An Elected Official shall be deemed to have vacated their office and no longer be qualified to hold such office as of the date such Elected Official:

1. no longer meets the qualifications necessary to hold their position under the terms of this Charter;

2. is convicted of (1) any felony, or (2) any misdemeanor involving moral turpitude or misconduct in office under Applicable Law;

3. is recalled from office by vote of the people;

4. resigns from office;

5. is sworn into to an office or position requiring the surrender of the City office (for example, an office that is determined to be an "incompatible office' under State Law);

6. is removed from office by judicial procedure or other State Law proceeding;

7. for the Mayor or City Council, is absent, without the approval of the City Council per an approved Council policy, for five consecutive convened regular meetings;

8. is judicially determined to be physically or mentally incompetent;

9. becomes permanently disabled so as to be unable to perform their assigned duties as determined by an affirmative vote of at least five Council members, based on competent medical evidence, and after compliance with Applicable Law with respect to the provision of reasonable accommodations;

10. dies.

205.2 Process for Filling Vacancies.

a. **By Appointment.** As soon as practical, but not later than thirty (30) calendar days after receiving notice of the occurrence of a vacancy in an elected office, the City Council shall adopt a Resolution declaring the existence of such vacancy ("Declaration of Vacancy"). Thereafter, in accordance with procedures adopted by the City Council, the Council shall solicit interest from qualified individuals in the vacant position, and from those qualified individuals expressing interest, appoint one individual to fill the vacancy. Such appointment shall be made by a four-fifths (4/5) vote of the remaining Council Members.

b. **By Election.** In the event the City Council shall fail to fill a vacancy by appointment within forty-five (45) days after the City Council's Declaration of Vacancy, the City Council shall take such steps as are necessary to cause an election to be held to fill such vacancy at the next scheduled state-wide election.

205.3 Term for Appointed/Elected Council Members Filling Vacancies. A person appointed or elected to fill a vacancy holds office for the unexpired term of the former incumbent, provided that if the vacancy occurs in the first half of a term of office and at least one hundred thirty (130) days prior to the next General Election, the person appointed to fill the vacancy shall hold office until the next General Election that is scheduled one hundred thirty (130) or more days after the date the City Council is notified of the Vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified by City Council certification of the election and their swearing in. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.

Article Three
City Elections

Section 300 In General.

City Elections for (a) Elected Officials (b) proposed amendments to this Charter, or (c) for other matters requiring a vote of the electorate, shall be conducted in accordance with the terms of this Charter and the State Elections Code. The provisions of the State Elections Code, as amended from time to time that are consistent with the terms of this Charter are hereby adopted. To the extent of any conflict between the terms of this Charter and the State Elections Code, the terms of this Charter shall govern; provided, however, in the event that it is necessary for the ROV to comply with a provision of the State Elections Code in order to administer a City Election, and such State Elections provision is inconsistent with a provision of this Charter, the necessary State Elections Code Section shall govern. Any policies or procedures adopted by the City Council or the City Clerk to implement City elections shall be consistent with the terms of this Charter.

Section 301 Regular and Special Elections.

A regular election shall be held in the City the first Tuesday following the first Monday in November of even numbered years to align with the regular elections of the State. The regular election shall be held for the election of each Elected Official whose term of office regularly expires at that time, and for such other lawful purposes as the City Council may prescribe or as may be required by law. Each such regular election shall be known as a "General Municipal Election of the City.". Any other City Elections that may be called under the authority of this Charter, or the State Elections Code, shall be known as a "Special City Election". Any Special City Election may be consolidated with a General City Election and either type of City Election may be consolidated with any State, County, or School District election held in the City, or part thereof, in

which case only one ballot shall be printed for such consolidated election. No primary election shall be held for any City Election.

Section 302 Administration and Determination of Election Outcomes.

302.1 In General. City Elections shall be administered in accordance with the terms of this Charter by the County Registrar of Voters ("Registrar") and the City Clerk, in consultation with the Assistant City Clerk as provided in Section 202.4, above. If an incumbent City Clerk is running for re-election, all matters relating to that City Clerk Election shall be administered by the Assistant City Clerk. No error, omission or defect in the notice of elections shall be cause to invalidate any election held under the provisions of this Charter.

302.2 Election Outcomes. For election contests for all Elected Officials the winner shall be the person receiving the most votes cast as determined by the ROV. In the event of a tie, the City Clerk shall administer a process to determine the winner by lot. Elections for other matters shall be determined in accordance with the requirements of State Law.

302.3 Role of City Council. The City Council shall be responsible for certifying the outcome of all City Elections in accordance with the State Elections Code.

Section 303 City Council Members Nominated and Elected by Districts.

303.1 In General. The six District City Council Members shall be nominated and elected, respectively, by voters within the City's six designated geographic districts (each a "City Council District" and collectively, the "City Council Districts." Starting with the November 2022 City Election, the geographic boundaries of the six City Council Districts shall be those adopted by the City of Santa Clara Independent Redistricting Commission on February 28, 2022 and implemented by Ordinance No. 2044adopted by the City Council on April 5, 2022. These City Council District boundaries shall be used in each City Council election until such time that they may be amended through the redistricting process set forth in Section 304 of this Charter, below.

303.2 Staggering of City Council District Elections. City Council District elections shall be conducted as follows:

a. In the election to be held in November 2022 and in each Council District election held every four years thereafter the Council District elections shall be conducted as follows:

   1. the voters of District 2 shall elect one (1) Council Member for a four-year term; and

   2. the voters of District 3 shall elect one (1) Council Member for a four-year term.

b. In the election to be held in November 2024 and in each Council District election held every four years thereafter the Council District elections shall be conducted as follows:

   1. the voters of District 1 shall elect one (1) Council Member for a four-year term;

   2. the voters of District 4 shall elect one (1) Council Member for a four-year term; and

3. the voters of District 5 shall elect one (1) Council Member for a four-year term.

4. the voters of District 6 shall elect one (1) Council Member for a four-year term.

Section 304 Redistricting

304.1 Redistricting Process. City Council Districts shall be subject to modification through a mandatory redistricting process using data obtained from each decennial federal census ("Mandatory Redistricting"). The City Council shall adopt by ordinance the terms and conditions for implementing Mandatory Redistricting. Such ordinance shall include provision for (a) the creation of an Redistricting Commission to oversee the process and to determine on its own, or make a recommendation to the City Council regarding any proposed City Council District boundary adjustments, (b) a timetable for completing the process that allows for implementation of any approved boundary adjustments for use at the first General Municipal Election of the City following the issuance of federal census data, in compliance with all Applicable Laws, and (c) such other provisions consistent with this Section that the Council deems necessary and appropriate to implement the Mandatory Redistricting process ("Redistricting Ordinance"). The Redistricting Ordinance may also include provisions for redistricting in the event that the boundaries of the City are adjusted to add or subtract territory.

304.2 Redistricting Impact on Incumbents. Upon any redistricting pursuant to the provisions of this Charter or any Redistricting Ordinances enacted hereunder, each incumbent member of the City Council will continue, during the remainder of the member's term, to hold office and represent the District by which the member was elected prior to such redistricting, notwithstanding any provision of Section 201.1.a requiring a member to be a Resident of the District represented by such member.

Article Four
City Council Meetings/Actions

Section 400 In General.

The City Council shall exercise its authority under the terms of this Charter through actions taken at properly noticed and agendized public meetings held in accordance with the requirements of the Ralph M. Brown Act, California Government Code Sections 54590 through 54955 ("Brown Act"), and the terms of this Charter. To the extent of any conflict between the Brown Act and the terms of this Charter, including any implementing City ordinances, regulations or policies, the terms of the Brown Act shall govern.

Section 401 Meeting Scheduling, Location and Noticing.

401.1 Regular Meetings. Except as otherwise provided, below, the City Council shall hold regular meetings at least twice each month, at such dates and times as it shall fix by ordinance or resolution For one month each calendar year the requirement to hold two regular meetings may be modified to require just one regular meeting [and one special meeting] in order to accommodate holidays or other scheduling requirements.

401.2 Special Meetings. In addition to regularly scheduled meetings, special meetings of the City Council may be called at any time by the Mayor, or by four members of the City Council, as provided under the Brown Act and any consistent Local Laws., Subject to Applicable Law, except as provided in this Charter, any Council action that may be taken at a regular meeting may also be taken at a special meeting.

401.3 Place of Meetings. All meetings of the City Council shall be held within the boundaries of the City except as may be authorized under the terms of the Brown Act.

401.4 Noticing. Advance notice of all regular and special City Council meetings shall be provided as required under the Brown Act. As of the Effective Date of this Charter, this advance notice requirement is 72 hours for Regular Meetings and 24 hours for Special Meetings. In addition to providing Brown Act required noticing, the City shall also provide notices of City Council meetings as may be required under Section 904 of this Charter, below.

Section 402 Procedures and Requirements for Action.

402.1 Quorum. A majority of the members of the City Council shall constitute a quorum for the transaction of City business, but less than a quorum may act to adjourn from time to time. For so long as the City Council is comprised of seven Council Members (the Mayor plus the six City Council Members representing Districts), four City Council Members shall constitute a quorum. The vacancy of one or more City Council seats shall not alter this quorum requirement. An abstaining Council Member who is present shall be counted towards the quorum requirement, but their abstention on any matter shall not be counted as a vote either in favor or against such matter or alter the number of affirmative votes required. (See Section 402.3, below for City Council voting requirements.)

402.2 Rules and Records of Proceedings. The City Council shall establish rules for the conduct of its proceedings consistent with the terms of this Charter.

As provided in Charter Section 202.4, above, the Assistant City Clerk shall assist with the administration of City Council meetings, including the taking of votes and maintaining an accurate record of all actions taken.

402.3 Action by Ordinance or Resolution. Unless otherwise required by Applicable Law, or another provision of this Charter, City Council actions shall require the affirmative votes of four City Council Members and shall be taken through Council adoption of an Ordinance or a Resolution. An oral motion or order duly passed by the City Council and entered in the minutes of the Council, commonly referred to as a "Minutes Resolution" shall have the same force and effect as a written Resolution duly introduced and passed by said City Council and shall be deemed to be a Resolution for all purposes.

Section 403 Special Rules for Ordinances.

403.1 Adoption Ordinances are local laws enacted by the City Council. They are legally binding on residents, businesses, and visitors and typically cover issues such as zoning, building codes, public safety, and local conduct, or other actions where State Law requires an ordinance for action. In general, except for emergency ordinances as provided in Section 403.4, below, City ordinances must be adopted in a two-step process. First, the City Council must approve the introduction of an ordinance. Second, no sooner than five days thereafter, the City Council shall again consider the proposed ordinance and take final action to adopt or reject it. In the event that an ordinance is modified after its initial introduction, it must again be introduced before it can be adopted. The correction of typographical or clerical errors shall not constitute the making of a modification for purposes requiring re-introduction under the terms of this Section. City ordinances shall only be adopted at regular meetings unless such adoption at a special meeting is determined by the City Council to be of urgent necessity and is approved by five affirmative votes.

403.2 Repeal or Amendment The process for repealing or amending an ordinance shall be the same process set forth above for approving an ordinance. . Any ordinance amendment must clearly present

any proposed changes.

403.3 Effective Date Ordinances shall become effective thirty (30) days after their final adoption, except the following, which shall take effect immediately upon adoption:

a. An ordinance calling or otherwise relating to an election;

b. An improvement proceeding ordinance adopted under the terms of a State Law or Local Law;

c. An ordinance declaring the amount of money necessary to be raised by taxation, or fixing the rate of taxation, or levying the annual tax upon property; or

d. An emergency ordinance adopted in the manner provided in Section 403.4, below.

403.4 Emergency Ordinances. Any ordinance declared by the City Council to be necessary as an emergency measure for preserving the public peace, health, safety, property or welfare and containing a statement of the reasons for its urgency may be introduced and adopted by the City Council at the same meeting with five affirmative votes.

403.5 Posting and Publication After completing the ordinance approval process required in Section 403.1 above, for each adopted ordinance, the Assistant City Clerk shall prepare a notice of adoption ("Notice of Ordinance Adoption"). Each Notice of Ordinance Adoption shall contain the title of such ordinance, the date of its adoption, a brief summary of the ordinance and a statement that a copy of the adopted ordinance is available at the City Clerk's office and on the City's website for public review. Not more than fifteen (15) days after its adoption the Assistant City Clerk shall cause the Notice of Ordinance Adoption to be (1) posted in three public places in the City, and (2) published in an Official Newspaper. In addition, the City Clerk shall post the Notice of Ordinance Adoption on the City's website, along with a digital copy of the adopted ordinance, and have a physical copy of the adopted ordinance available for review at the Clerk's office.

403.6 Codification of Ordinances. Any or all properly enacted and unrepealed ordinances of the City may be compiled, consolidated, revised and indexed, including such restatements and substantive changes as are necessary for clarity in a comprehensive City Code.

The City Clerk's Office shall maintain a copy of the City Code in the City Clerk's Office and on the City's website for examination by the public. Any amendments to the City Code shall only be done by ordinance in a form that clearly indicates the changes being made and, as appropriate, the full readoption of any revised City Code section or sections.

403.7 Adoption of Printed or State Adopted Uniform Building Codes, etc. Ordinances establishing rules and regulations for the construction of buildings, the installation of plumbing, the installation of electric wiring, or other similar work, where such rules and regulations have been printed as a code in book form or adopted by the State, may be adopted, in whole or in part, by reference by the passage of an ordinance in the same manner as other ordinances of the City. At least one physical copy of any code so adopted shall be made available in the City Clerk's office for public review and posted and accessible on the City's website.

Article Five
Structure of City Government

Section 500 In General

500.1 Organization by Departments. The City government shall be organized into departments as provided in this Article Five. In addition to those departments specifically enumerated in this Charter, the City Council may provide by ordinance for the creation, consolidation or abolishment of other City departments or offices. Unless otherwise provided by the terms of this Charter, each department shall be headed by a department head or officer appointed and supervised by the City Manager.

500.2 Administrative Code. The details of the City's organization and operations shall be adopted by ordinance and set forth in one or more Articles within the City Code. ("Administrative Code"). The Administrative Code will cover all matters concerning the specific powers, duties, term of office, procedure of all the officers, boards and commissions, and employees of the City; provided, however, that the provisions of said code shall not be in conflict with any of the provisions of this Charter or other Applicable Law. This Administrative Code will also cover all rules and regulations relating to fiscal operations, personnel management, election procedure, and other matters concerning the operation of the functions of the City government. The Administrative Code shall be reviewed and updated from time to time to align with then current City operations and best practices.

Section 501 Officers to be Appointed by the City Council

On the terms set forth in this Section, the City Council shall appoint a City Manager, a City Attorney and a City Auditor (each an "Appointed Officer," and collectively the "Appointed Officers"). Each Appointed Officer shall be selected based on their professional qualifications and compensated commensurate with their respective duties on terms approved by the City Council at a public meeting. All Appointed Officers shall serve at the pleasure of the City Council and may be removed by motion of the City Council adopted by at least four affirmative votes and subject to any process required by Applicable Law. The primary duties of each Appointed Officer are set forth below. The City Council may also assign additional duties consistent with the terms of this Charter by ordinance, resolution or contract of employment.

501.1 City Manager. The City Manager shall be chief executive officer and the head of the administrative branch of the City government, accountable to the City Council for the proper administration of all affairs of the City. In this role, in accordance with all Applicable Laws, the City Manager shall have the power and be required to:

a. Appoint and remove, subject to the Civil Service provisions of this Charter, all officers and employees of the City, except as otherwise provided by this Charter, and except as the City Manager may delegate authority to the head of a department or office to appoint and remove subordinates in such department or office. No person related to the then currently serving City Manager by blood or by marriage shall be eligible for office or employment with the City government.

b. Prepare , submit for Council adoption and administer the City budget in accordance with the provisions of Sections of this Charter.

c. Manage the City-owned utilities, including the water and power departments, in a business-like manner, charging equitable rates for the services furnished and building up the properties so as to conserve their value and increase their capacity as needed by the City.

d. Manage, or contract for the management of, all City enterprises, including the City's Convention Center, and any Joint Powers Authority formed by the City for the management of a City function or enterprise.

e. Cause the Director of Finance to prepare and submit to the City Council as soon as practicable following the close of each fiscal year a complete financial report for the preceding fiscal year.

f. Keep the City Council advised of the financial condition and future needs of the City and make such recommendations for laws, policies or other actions as the City Manager determines, in their professional judgement to be in the best interests of the City.

g. Take such actions the City Manager determines necessary or appropriate, to (i) assure the high quality performance of services by every City department or division, (ii) compliance with the terms of any contract or other or obligation owed to the City, and (iii) compliance with the City Code

h. Perform such other duties as may be prescribed by this Charter, required by the City Council, or deemed necessary in the City Manager's professional judgement, that are not inconsistent with this Charter.

i. Prescribe such general rules and regulations as the City Manager may deem necessary or appropriate for the general conduct of the administrative offices and departments of the City under their jurisdiction.

j. Appoint one of the other officers of the City to serve as the acting City Manager during any temporary absence or disability of the City Manager; provided, however, that any such appointment expected to be longer than thirty (30) days shall be subject to City Council approval.

k. Attend and advise, with appropriate staff support, all City Council meetings.

501.2 City Attorney. The City Attorney shall serve as the lawyer for the City, including all of its enterprise and authorities, and be the Director of the City Attorney's Office. In this role, the City Attorney shall have the power and be required to:

a. Represent and advise the City Council and all City officers in all matters of law pertaining to their offices;

b. Represent and appear for the City and any City officer or employee or former City officer or employee, in any or all actions and proceedings in which the City or any such officer or employee in or by reason of their official capacity acting in good faith on behalf of the City, is concerned or is a party;

c. Subject to City Council approval, initiate administrative proceedings or litigation on behalf of the City in order to defend or advance City's lawful interests or objectives;

d. Subject to City Council approval of positions and funding, and in consultation with the City Manager, act as the appointing authority for unclassified employees (lawyers and other legal staff) in the City Attorney's Office and employ contract attorneys as the City Attorney may deem necessary and appropriate to take charge of any litigation or other legal matter to assist the City Attorney in the performance of their duties;

e. Attend and advise at all meetings of the City Council

f. Provide advice or legal opinions in writing whenever requested to do so by the City Council, or as may be necessary and appropriate to advise any of the boards or officers of the City;

g. Approve in writing the form of all contracts and other binding legal documents approved or entered into by the City;

h. Prepare any and all proposed ordinances or resolutions for the City, and amendments thereto;

i. Prosecute on behalf of the people all civil and criminal cases for violation of City ordinances;

j. Where a conflict exists, facilitate a referral to qualified outside counsel or an enforcement agency with jurisdiction; and

k. On vacating the office, surrender to the City Attorney's successor, all books, papers, files, and documents pertaining to the City's affairs.

To be eligible for appointment as City Attorney, the appointee shall have been admitted to practice as an attorney at law in State of California, and shall have been engaged in the active practice of law for at least seven (7) years immediately prior to the City Attorney's appointment with such additional qualifications as may be approved by the City Council commensurate with the demands of the position.

501.3 City Auditor The City Auditor shall serve as the independent auditor of City finances, and City's performance of certain internal functions, with the goal of evaluating and ultimately improving such performance. In this role, the City Auditor shall have the power and be required to:

a. Audit and approve all bills, invoices, payrolls, demands or charges against the City government before payment and, with the advice of the City Attorney, advise the City's Audit Committee and the City Council as to the regularity, legality and correctness of such claims, demands or charges;

b. Develop, using risk-based methodology, and present to the City's Audit Committee for approval, an annual work plan for the audit of internal City operations, to be submitted to the City Council ("Approved Annual Work Plan");

c. Implement, or oversee the implementation of, the Approved Annual Work Plan, and such other performance audits as may be necessary or appropriate in the City Auditor's professional discretion.

d. Conduct themselves in strict conformance with all applicable professional and ethical standards consistent with best practices.

In the absence of a City Council appointed City Auditor, the City Council may, in its discretion, approve the assignment to any other officer or employee of the City the duties of the City Auditor and approve additional compensation for the performance of such duties.

Section 502 Officers and Employees to be Appointed by the City Manager.

On the terms set forth in this Section, all department heads or division leaders of the City that are not elected or appointed by the City Council ("Senior Officials") shall be appointed by the City Manager. Subject to the terms of Article Seven, Civil Service, below, all such Senior Officials shall be in the "Unclassified Service." Each such Senior Official shall perform the duties imposed upon that officer by this Charter, and

under the terms of any ordinance, resolution, or City Manager policy or directive, lawfully issued consistent with the terms of this Charter.

502.1 Department and Director of Finance. There shall be a Department of Finance, the head of which shall be the Director of Finance, who shall be appointed by the City Manager. Under the supervision of the City Manager the Director of Finance shall have charge of the administration of all City finances, including the finances of any City-owned public utilities and other City enterprises. In this role, for the City and for all City offices, departments and agencies under City's control, the Director of Finance shall have power and be required to:

a. Assist with the preparation, submittal for approval, and implementation of the City Budget as provided in Section 801 below ;

b. Supervise and be responsible for the disbursement of all monies in conformance with the approved City Budget;

c. Maintain a general accounting system, keep financial records, prescribe financial forms ,and exercise financial budgetary control;

d. Submit to the City Council, through the City Manager, a monthly financial report with sufficient detail to show the current fiscal condition of the City;

e. Submit to the City Council, through the City Manager, a complete financial statement and report for the previous fiscal year;

f. Collect all taxes, special assessments, utility charges, license fees, contract payments, and other revenues of the City for whose collection the City is responsible and receive all money to which the City is entitled or has been granted from any other government agencies, private party or from any court or awarding authority;

g. Have custody as a fiduciary of all monies received by the City from any source and either deposit or invest such funds;

h. Serve as the City's Treasurer in all respects, where required in City's financial dealings, including in any public financing.

i. Oversee the City's centralized purchasing system as provided in Charter Section 803.1, below.

All such duties shall be conducted in accordance with Applicable Law and best practices applicable to local government agency operations and finances, as determined in the professional discretion of the Director of Finance, or as may be set forth in adopted City policies.

502.2 Department and Director of Public Works. There shall be a Department of Public Works, the head of which shall be the Director of Public Works, who shall be appointed by the City Manager. . Under the supervision of the City Manager, the Director of Public Works shall have charge of the design, construction, improvement, maintenance and repair of City facilities and infrastructure, including related engineering functions and approvals. In this role, in addition to the aforementioned duties, the Director of Public Works shall have the power and be required to:

a. Where outside contractors are necessary or desirable for the implementation of Public Works, oversee the City's Public Works procurement process in accordance with Charter Section 803.2, below; and

b. Serve as or consult with the City Manager in the appointment of the City Engineer, to oversee all necessary and appropriate City engineering services, including the approval of engineering maps, surveys, designs and permits; any City Engineer must be a registered professional engineer in the State of California.

502.3 Chief of the Fire Department. There shall be a Fire Department, the head of which shall be the Chief of the Fire Department ("Fire Chief"), who shall be appointed by the City Manager. Under the supervision of the City Manager, the Fire Chief shall have the power and be required to:

a. Supervise all matters relating to the prevention and extinguishing of fires and the protection of property from fire risks and damage;

b. Supervise all matters relating to emergency medical response and transportation services, including coordination with regional and local public and private agencies to assure high quality and efficient delivery of such services;

c. Develop and administer programs for inspection of property within the City to enforce fire prevention and related safety regulations; and

d. Develop and administer such other services or programs as may be approved and funded by the City Council consistent with a modern "all risk" fire service, including, without limitation, mutual aid services, hazardous materials regulation and response, and rescue operations.

Section 503 Employee Performance Bonds.

503.1 In General. The City Council may approve by ordinance or resolution a policy requiring the posting of faithful performance bonds with respect to certain officers and employees within the City ("Employee Performance Bonds"). Any such policy shall, at a minimum, include provision for (1) the City positions covered, (2) the amount and required terms for bonds, and (3) the standards for any issuer of such bonds. Any premiums for Employee Performance Bonds shall be paid by the City.

503.2 Form and Filing. All Employee Performance Bonds s shall be approved as to form by the City Attorney, and shall be filed with the City Clerk, except that any bond required of the City Clerk or any employee of the City Clerk's office shall be filed with the City Manager.

503.3 Limited Liability of Supervisor. In all cases wherein an officer or employee of the City is required to furnish an Employee Performance Bond, there shall be no personal liability upon, or right to recover against, that person's supervisor ,or the bond of the bonded officer or employee, for any wrongful act or omission of the supervisor, unless the supervisor was a party to, or conspired in, such wrongful act or omission.

503.4 Relationship to State Law. In the absence of a City Council approved policy with respect to Employee Performance Bonds, the provisions of General City Laws shall apply.

Article Six
Boards and Commissions

Section 600 In general.

600.1 Chartered Boards and Commissions. The City shall have the following boards and commissions: Planning Commission, Parks and Recreation Commission, Board of Library Trustees, Civil

Service Commission, and the Salary Setting Commission] (collectively, the "Chartered Boards and Commissions"). Chartered Boards and Commissions shall have the powers and duties (1) set forth in this Article, and (2) such additional powers and duties, consistent with the terms of this Article, as the City Council may assign by ordinance. . .

600.2 City Council Created Boards and Commissions. The City Council may also create, by ordinance additional boards or commissions as in its judgment are required or useful, with such powers and duties Council may assign, are consistent with the provisions of this Charter and Applicable Law ("Council Created Boards and Commissions"). Unless the City Council otherwise provides by ordinance all terms and conditions of this Charter applicable to Chartered Boards and Commissions shall also apply to Council Created Boards and Commissions.

600.3 Qualifications.

a. To be qualified all members of Chartered Boards and Commissions shall be Qualified Electors and Residents of the City. No member of any Chartered Board or Commission shall simultaneously be a paid employee of the City.

b. Unless otherwise specified by the City Council by ordinance, members of Council Created Boards and Commissions need only be residents of the City and 18 years of age or older.

600.4 Compensation. The members of boards and commissions shall serve without compensation for their services, but may receive reimbursement for necessary traveling and other expenses when on official duty in accordance with an approved budget and policies and procedures approved by the City Council.

600.5 Rules of General Application. Where terms of this Charter are intended to apply to both Chartered Boards and Commissions and City Council Created Boards and Commissions, such boards and commissions shall be collectively referred to as "City Boards and Commissions" and the members thereof as "Board and Commission Members."

600.6 Conflict of Interest Rules. City Boards and Commissions members shall be subject to all Applicable Laws regarding conflicts of interest and gifts, including any Local Laws.

Section 601 Funding and Staff Support

The City Council shall provide in the City's budget sufficient funds and staffing resources necessary for the efficient and proper functioning of all City Boards and Commissions

Section 602 Appointments; Terms and Vacancies.

Section 602.1 Appointment; Removal. Except as otherwise provided in this Article, the members of City Boards or Commissions shall be appointed, and shall be subject to removal, by motion of the City Council adopted by at least four affirmative votes. The decision to appoint, reappoint, or remove any board or commission member shall be in the sole discretion of the City Council. Consistent with the requirements of State Law and the terms of this Charter, the City Council shall approve policies for the appointment, reappointment and removal of Boards and Commission Members in an orderly and transparent manner.

Section 602.2 Terms of Service; Term Limits. Except as otherwise provided in this Article, City Boards and Commission Members terms shall be four years, commencing upon their appointment

and swearing in, and continuing until their respective successors are appointed and sworn in. For any newly created City Board or Commission, the members first appointed shall classify themselves by lot in order to stagger their terms such that each succeeding July 1st the term of at least one of their members shall expire. Unless otherwise provided by City Council ordinance the Lifetime Term Limit rules applicable to Elected Officials shall also apply to City Boards and Commission Members; provided, however, time served on one City Board or Commission shall not count towards any time served on any other City Board or Commission.

Section 602.3 Vacancies. A City Boards and Commission Member's seat shall be considered "Vacant" upon the occurrence of any "Event of Vacancy" provided in Charter Section 205, above. In addition, if a board or commission member is absent from three regular meetings of such board or commission, consecutively, unless excused by such board or commission expressed in its official minutes in accordance with policies that shall be approved by the City Council, that member's position shall be considered Vacant upon declaration of the City Council.

Section 602.4 Filling of Vacancies. Any vacancies in any board or commission position from whatever cause arising, shall be filled in the same manner as provided for the original appointment of such position. Upon a vacancy occurring leaving an unexpired portion of a term, any appointment to fill such vacancy shall be for the unexpired portion of such term.

Section 603 Conduct of Meetings.

603.1 Meetings. Each City Board and Commission shall hold regular meetings as required by ordinance or resolution of the City Council, and such special meetings as it may require to perform its assigned duties. All proceedings shall be conducted in accordance with (1) the Brown Act and shall be open to the public unless otherwise permitted under the Brown Act, and (2) any other meeting requirements adopted by the Council from time to time consistent with the terms of this Charter and Applicable Law.

603.2 Chair. As soon as practicable, following the first day of July of every year, each boards and commissions shall elect one of its members as "Chair" to serve as its presiding officer for that year at the pleasure of such board or commission. .

603.3 Actions. The affirmative or negative vote of a majority of the authorized number of members of City Board or Commission shall be necessary for it to take action. Each board or commission shall keep a record of its proceedings and actions.

603.4 Additional Rules and Procedures. Consistent with the terms hereof, the City Council may adopt additional rules and procedures for the conduct of meetings and the taking of actions by City Boards and Commissions.

Section 604 Composition, Powers and Duties of the Chartered Boards and Commissions.

The Chartered Boards and Commissions shall be composed and have the powers and duties set forth below. The City Council may assign additional powers or duties not inconsistent with this Charter as may be prescribed by ordinance.

604.1 Planning Commission

a. **Composition.** The Planning Commission shall consist of seven members to be appointed by the City Council from the Qualified Electors of the City.

b. **Powers and Duties.** The Planning Commission shall have power and be required to:

1. **Long Range Planning.** Review and make recommendations to the City Council regarding any proposed adoption, amendment, or repeal of all or any portion of the City's General Plan or any other master plan for the physical development of the City;

2. **Zoning.** Review and make recommendations to the City Council regarding the City land use and zoning regulations;

3. **Permits and Approvals**. Exercise such functions as the City Council may prescribe by ordinance with respect to land subdivisions, precise plans, specific plans, zoning modifications, conditional use permits, variances, or such other land use or development permits required or available under the City Code ("Project Permit or Approval") ;

4. **Environmental Policies and Impacts.** Exercise such functions for recommendations or determinations regarding City environmental policies or programs, and the environmental impacts of proposed projects under the California Environmental Quality Act ("CEQA") as the City Council may prescribe by ordinance or as required by Applicable Law;

5. **Solicitation and Consideration of Public Input.** In accordance with City policies and Applicable Law, solicit and give due consideration to public input regarding any proposed land use policy change, project or permit before the Planning Commission; and make recommendations to the City Council regarding City policies for the solicitation of public input;

6. **Other.** Perform such other related duties or functions as may be required by Applicable Law or assigned by the City Council by ordinance consistent with the provisions of this Charter.

c. **City Council Deference.** The City Council, in its consideration of any appeal of a lawful determination by the Planning Commission with respect to a Project Permit or Approval shall give due consideration to the Planning Commission determination.

604.2 Parks and Recreation Commission.

a. **Composition.** The Parks and Recreation Commission shall consist of seven members to be appointed by the City Council from the Qualified Electors of the City.

b. **Powers and Duties.** The Parks and Recreation Commission shall have power and be required to:

1. Act in advisory capacity to the City Council and staff regarding major improvements to public parks, , playgrounds, and sports/recreation facilities;

2. Review any proposed operations and capital budgets for the Parks and Recreation Department during the process of their preparation and make recommendations on such budget(s)to City staff and the City Council; and

3. Review any proposed Parks and Recreation Master Plan, or any amendments thereto, and make recommendations on such plan or amendments to City staff and the City Council ;

4. Review and provide input to City staff on plans for City-wide recreation programs and ways to promote and stimulate public interest in such programs;

5. When requested by City Council or staff, provide input on proposals for City-wide events using City parks and recreation facilities or resources;

6. Assist with and encourage the development of cooperation with school authorities and other public and private entities interested in parks and recreation facilities and programs .

604.3 Civil Service Commission.

a. **Composition.** The Civil Service Commission shall consist of five members to be appointed by the City Council from the Qualified Electors of the City.

b. **Powers and Duties.** All appointments and promotions in the classified public service shall be made for the good of that service, and solely upon merit and fitness, as established by appropriate test of qualifications, without regard to partisan politics, and in a non-discriminatory manner in accordance with all Applicable Laws. In furtherance of this purpose, the Civil Service Commission shall:

1. Perform those functions and duties as required und the Civil Service Rules and Regulations, as adopted and amended by the City Council.

2. Act as Board of Review to hear petitions by classified employees, and applicants for classified positions, to grant or deny such petitions pursuant to the Civil Service Rules and Regulations and to adopt and amend procedures for conduction hearings on such positions.

c. **Appointment of Salary Setting Commission:** The Civil Service Commission shall act to appoint and remove members of the Salary Setting Commission.

604.4 Board of Library Trustees.

a. **Composition**. The Board of Library Trustees (BOLT) shall consist of seven members appointed by the City Council from the Qualified Electors of the City. below.

b. **Powers and Duties.** With respect to the Santa Clara Library System, the BOLT shall have power and be required to:

1. Approve or disapprove the appointment of a librarian who shall be the Director of the Santa Clara City Library system (Library Director) in accordance with a selection process developed and administered by the City Manager in consultation with the BOLT;

2. In consultation with the Library Director (1) assist with the development of policies for library operations with approval rights over policies regarding collection development, materials reconsideration, materials

lending, patron conduct, and use of meeting rooms and grounds, subject, however, to compliance with Applicable Law and City-wide facility operations requirements (2) consider and make recommendations to the City Council regarding any library facilities or operational master or strategic plan; (3) consider and make recommendations to the City Council regarding the library budget; and (4) make recommendations regarding the proper allocation of "significant donations" (as may be defined by City Council policy) of money, personal property or real estate to the City earmarked for library purposes.

3. Provide/present an annual report to the City Council as an agendized item at a City Council meeting regarding the state of the Santa Clara Library system.

604.5 Salary Setting Commission

a. **Composition and Appointment.** The Salary Setting Commission shall consist of five members to be appointed by the Civil Service Commission from the Qualified Electors of the City. The City Manager and the City Attorney, or their designees, shall provide support for this Commission as necessary and appropriate.

b. **Power.** The Salary Setting Commission shall have the power and be required to establish the salary and benefits ("Total Compensation") of the Mayor, the City Council, the Chief of Police and the City Clerk (collectively, the "City Elected Officials"). They shall do so in accordance with the following process:

1. On or before March 15 of every odd year, the Salary Setting Commission shall meet as necessary to evaluate the existing Total Compensation of the City Elected Officials and determine what, if any adjustments should be made to such compensation.

2. Salaries established by the Commission as part of the Total Compensation shall not exceed one hundred ten percent (110%) of the previous salary figure.

3. The Salary Setting Commission determination of Total Compensation for the City Officials shall go into effect for the period commencing July 1 of that odd year and ending two years thereafter.

4. All determinations shall be final, with City Council action limited to ratification of such determinations as required by Applicable Law.

c. **Special Rules for Benefits for Part Time Officials.** Any "benefits" established by the Commission for the Mayor, City Council and the City Clerk shall be limited to (1) health benefits, including medical, dental and vision (collectively, "Health Benefits"); and (2) retirement benefits on an opt-in basis in accordance with the City's then in effect retirement system. In no event shall any Health Benefits provided be convertible to cash.

Section 605 Committees.

The City Council may also create by resolution (a) subcommittees of the City Council, or (b) committees of limited duration (not to exceed 24 months) comprised of a combination of Council Members and private individuals, or solely private individuals, in each case that are advisory to the City Council. The composition and role and function of such committees shall be as set forth in the enacting resolution. Any

such committee must be formed and operated in accordance with all Applicable Laws including the Brown Act.

Article Seven.
Civil Service

Sec. 700 Civil service; merit principle.

Appointments and promotions in the classified service of the City shall be made for the good of that service, solely upon merit and fitness, as established by appropriate test of qualifications, without regard to partisan politics, in a non-discriminatory manner, in accordance with all Applicable Laws, and shall be subject to the provisions of the Civil Service Rules and Regulations duly adopted by the City Council.

Sec. 701 Classified service.

The civil service of the City shall be divided into the unclassified and classified service.

a. The unclassified service shall comprise the following offices and positions:

1. All elective officers;

2. City Manager;

3. City Attorney;

4. City Clerk;

5. City Auditor;

6. The head of each department, including but not limited to, the Director of Finance, Director of Public Works and Utilities, City Engineer, Chief of the Police Department, Chief of the Fire Department;

7. The Assistant City Manager, Assistant City Attorney, and Assistant Department Heads, whenever so designated by the City Council;

8. All members of boards and commissions;

9. Persons employed for a temporary or special purpose, for a period not to exceed six months in any one calendar year, if the City Manager certifies that such employment is temporary and that the work shall not be performed by employees in the classified service;

10. Persons employed to render professional, scientific, technical or expert service of an occasional and exceptional character;

11. Volunteer members of the Fire Department and Police Reserve; and,

12. The City Council by ordinance may divide or separate any department of the City into divisions and by ordinance may provide that the employee selected to be the head of any such division shall be in the unclassified service.

b. The classified service shall comprise all positions not specifically included in this section in the unclassified service.

Sec. 702 Appointments from classified to the unclassified service.

In the event an officer or employee of the City holding a position in the classified service is appointed to a position in the unclassified service, and should subsequently be removed therefrom, the officer or employee shall revert to the officer or employee's former position in the classified service without loss of any rights or privileges and upon the same terms and conditions as if the officer or employee had remained in said position continuously. Should such person be eligible for retirement under the retirement system at the time of such subsequent removal, upon recommendation of the City Manager, that person shall be retired in lieu of being restored to the former position.

Sec. 703 Classification.

The City Manager shall prepare and submit to the City Council a plan of classification and grading of all positions in the City Service according to similarity of authority, duties and responsibilities. Such classification plan shall take effect when adopted by the City Council. Additions or changes in the classification plan may be adopted from time to time by the City Council upon the recommendation of the City Manager.

Sec. 704 Pay plan.

The City Manager shall prepare and submit to the City Council a standard schedule of pay for each position in the classified service. Such pay plan when adopted by the City Council shall include a minimum and maxi- mum and such intermediate rates as may be deemed desirable for each class of positions. Amendments to the pay schedule may be adopted from time to time upon the recommendation of the City Manager.

Sec. 705 Civil service rules and regulations.

The City Council shall adopt civil service rules and regulations governing the administration of the City civil service system to implement the provisions of this Article.

Sec. 706 Prohibitions.

No person shall willfully make any false statement, certificate, mark, rating or report in regard to any application, test, certification, or appointment held or made pursuant to Article Seven of this Charter or in any manner commit or attempt any fraud preventing the impartial execution of the provisions of this Article Seven.

Any person who individually or with others willfully violates any of the provisions of this Article shall be guilty of a misdemeanor and the penalty therefor shall be the same as established for misdemeanors under State law. Any person convicted hereunder, or any person found by the Civil Service Commission to have violated the provisions of this Article Seven, shall be ineligible for a period of five years for employment in the City service and shall, if that person is an officer or employee of the City, immediately forfeit that person's office or position.

Sec. 707 Contract for administrative services.

The City Council, upon recommendation of the City Manager, may contract with the governing body of any other city, or county within this state, or with any state department, or with any private or governmental agency for the furnishing of administrative, fiscal, or personnel services.

Section 708 Retirement

708.1 State system. The State "Public Employees' Retirement Law," ("Retirement Law") as it now exists or may hereafter be amended, is hereby adopted for the City and plenary authority and power are hereby vested in the City, the City Council and its several officers, agents and employees at their discretion to do and perform any act, or exercise any authority granted, permitted, or required under the provisions of the Retirement Law, to enable City to become or continue as a contracting City participating in the Public Employees' Retirement System; provided, however, that the City Council may terminate any contract entered into with the Board of Administration of the Public Employees' Retirement System only under authority granted by ordinance adopted by a majority vote of the Qualified Electors voting on such proposition at an election at which such proposal is presented.

Article Eight. Fiscal Administration and Procurement

Section 800 Fiscal year.

Unless otherwise provided by ordinance, the fiscal year of the City government shall begin on the first day of July of each year and end on the 30th day of June of the following year.

Section 801 Budget Preparation, Approval and Implementation

801.1 In General. The City shall have in effect, at all times, an approved budget, setting forth the City's program for expenditures for the then applicable fiscal year ("City Budget").

801.2 City Manager to Prepare. The City Budget shall be prepared by the City Manager and approved by the City Council every year (annually) or every two years (biennially) as determined by City Council policy. The City Manager shall cause the preparation of the City Budget in consultation with the Director of Finance and all other City departments in consideration of their requests for expenditures and projected revenues in the upcoming fiscal year(s). The City Budget may be comprised of an operating budget and a capital budget approved in alternating biennial budget cycles.

801.3 Budget Contents. The City Budget shall contain provisions to fund (1) City operations, programs and services; (2) City facility and infrastructure improvements, maintenance and repair; (3) reserve accounts to cover future anticipated or unexpected operational or capital needs ("Reserve Accounts"); and (4) such other lawful projects or programs approved by the City Council. Reserve Accounts shall be funded at levels determined by the City Council, in accordance with adopted City Council policies, and in consideration of recommendations by the City Manager and Director of Finance regarding best practices and available funds. To the extent required by Applicable Law, Applicable Government Accounting Standards, or as otherwise determined necessary or appropriate by City Council policy, the City Budget shall also include separate accounts tracking revenues and expenditures for certain City functions or enterprises, including City utilities. Additional provisions for the accounting and use of utilities revenues are set forth in Section 804, below.

801.4 Budget Approval Process.

a. **Proposed Budget Submittal by the City Manager.** At least forty-five (45) days prior to the beginning of each fiscal year, ear the City Manager shall submit to the City Council the proposed budget for their consideration and input..

b. **City Council Proposed Revisions and Notice of Public Hearing.** After reviewing the proposed budget and proposing such revisions or recommendations as it may deem advisable, the City Council shall set the time and date for the holding of a public hearing on the proposed budget. Not less than 10 days prior to the date of such hearing, the City

Manager shall (1) cause notice of the hearing to be published in an Official Newspaper ,and distributed as provided in Section 904,2, below; and (2) make copies of the proposed budget available for inspection by the public in the office of the City Clerk and accessible on the City's website..

c. **Public Hearing and Adoption.** At the public hearing, the City Council shall hear and give due consideration to all testimony presented by City staff and the public.

After the conclusion of the public hearing, the City Council shall further consider the proposed budget and make any final revisions that it may deem advisable**.** On or before June 30 of each year in which the previous approved City Budget is expiring, the City Council shall adopt the new City Budget by majority vote . Upon final adoption, the budget shall be in effect for the ensuing fiscal year (or years for a biennial budget. A copy of the approved City Budget, certified by the City Clerk, shall be posted on the City's website, and maintained on file in the office of the City Clerk where it shall be available for inspection.

801.5 Budget Implementation. Upon the July 1 effective date of the adopted City Budget, the proposed expenditures set forth therein shall be Appropriated to the several funds, departments, offices and agencies for the purposes specified. The City Manager shall have the authority and responsibility to administer the approved City Budget in accordance with its terms. The City Manager's administrative authority shall include the authority to reallocate money within the several funds, departments, offices and agencies; provided, however, any proposed reallocation of Appropriated funds from one department to another, or from one fund to another (including out of existing reserves or fund balances), shall require City Council approval of a budget amendment. At the end of each fiscal year, all Appropriations that have not been expended or encumbered (through a commitment to a future expenditure as part of an approved Capital Improvement Project or under contract with a third party), shall lapse. Funds with lapsed appropriations may not be expended until the City Council takes action to reappropriate such funds.

801.6 Budget Amendments. After the adoption of the City Budget, the City Council may amend the City Budget. Any budget amendment to authorize the reallocation of funds from one department to another or from one fund to another (including out of existing reserves or fund balances) shall require five affirmative votes. Budget amendments to Appropriate revenue not previously included in the adopted budget, [to reallocate funds no longer needed for their original Appropriated purpose], or to reduce a an appropriated expenditure based on projected reduced revenues, or to realize projected savings, shall only require four affirmative votes.

Section 802 Purchasing and Procurement

802.1 Goods and Services A centralized purchasing system shall be established for all City Departments, offices, and agencies. The City Manager, in consultation with the Director of Finance, shall recommend and the City Council shall consider and adopt by ordinance, rules and regulations governing the contracting for services and the purchasing, storage, distribution, or disposal of all supplies, materials and equipment, required by any department, office or agency of the City government.

OPTION A: PREFERRED BY CITY STAFF AND RECOMMENDED BY GROUP SIX

802.2 Public Works

a. **Rules to be Implemented by Ordinance**. The City Council shall, by ordinance, adopt specific policies and procedures for the award of contracts for the construction, reconstruction, renovation, alteration, improvement or demolition of public buildings, streets, drains, sewers, utilities, parks, playgrounds and similar public facilities (each a "Public Work" and collectively, "Public Works").

b. **Required Provisions.** The City's implementing Public Works ordinance ("Implementing Ordinance") shall, at a minimum, contain provisions for the following:

1. City Council to retain approval rights over what it defines as "major project" contracts (based on factors such as contract cost, project value, or other relevant considerations), with "minor project" contracts approved by the City Manager.

2. Competitive bid processes for all contracts, with formal advertisement for bids and sealed bids required for all "major" contracts.

3. In general, except as provided below, the award of contracts to the lowest responsive and responsible bidder.

4. The ability to reject any and all bids, to re-advertise for bids, or to waive minor defects in any bid if determined by the designated contract-approving authority that such action is necessary or appropriate for the benefit of the public;

5. Emergency authority to waive the applicable competitive bid process requirements if the approving authority determines that the work required is of urgent necessity for the preservation of life, health or property.

6. The ability of the City to implement Public Works using City employees upon a determination by the approving authority (the City Council for major projects, the City Manager for minor projects) that the work can be performed better or more economically by City employees;

7. Defined terms, including definitions for what types of maintenance, repair, restoration, minor improvements, and equipment installation and equipment acquisition, which shall not be considered "Public Works" for purposes of this Section, but shall remain subject to City's general competitive procurement standards.

8. Such other provisions consistent this this Section as may be necessary or appropriate to implement the City's Public Works procurement process.

c. **Procurement Alternatives**. The City's Implementing Ordinance may also provide for one or more alternative Public Works procurement processes to those described in Subsection b, above. Such alternatives may include, without limitation: (1) sole source or limited bid contracts where it is determined by the approving authority that the work required can only be performed by one contractor, or a limited group of contractors; (2) "best value" or other alternative procurement mechanisms, including but not limited to: progressive design-build, construction manager at risk, fixed-price design-build, and design-build-operate contracts; and/or (3) such other alternative procurement mechanisms currently provided under State Law, or that may be provided under State Law in the future. The City's Implementing Ordinance for any such procurement alternatives shall include standards for solicitation, evaluation and selection of qualified proponents. No such exception or alternative process shall be applied to a Public Work unless it is part of a City-wide policy or program approved by the City Council by ordinance and the approving authority has determined that its application to that Public Works is in the best overall interests of the City.

d. **Relationship with Other Laws.** To the maximum extent allowed by law, the provisions of this Charter Section, and any Implementing Ordinance or policy consistent with the terms of this Section, shall supersede all inconsistent State Laws or regulations that may otherwise be applicable to the City's Public Works procurement processes.

OPTION B – Modify existing language to increase the dollar threshold and add alternative procurement options

a. Every contract involving an expenditure of more than two hundred fifty thousand dollars ($250,000) for the construction or improvement, of public buildings, works, streets, drains, sewers, utilities, parks and playgrounds (each a "Public Work" and collectively "Public Works") shall be let to the lowest responsive and responsible bidder after notice by publication in an official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids, and as provided in Section __, below.

"Major Public Works," defined as projects costing greater than $250,000, shall be subject to approval by the City Council. "Minor Public Works," defined as projects costing $250,000 or less, shall be subject to approval by the City Manager.

The City Council or the City Manager, whichever is the approving authority, may reject any and all bids presented and may re-advertise in its discretion.

Such approving authority, without advertising for bids, or after rejecting bids, or if no bids are received, may declare and determine that, in its opinion, the work in question may be performed better or more economically by the City with its own employees, and upon such declaration may proceed to have said work done in the manner stated, without further observance of the provisions of this Section. Such contracts likewise may be let without advertising for bids, if such work shall be declared by adopted resolution of the City Council to be of urgent necessity for the preservation of life, health, public safety or property, including a statement of the facts constituting such urgency.

The City Council shall adopt an ordinance to implement the terms of this Section. Such ordinance may include limited exceptions to the bid solicitation and award provisions set forth above, including, without limitation: (1) sole source or limited bid contracts where it is determined by the approving authority that the work required can only be performed by one contractor, or a limited group of contractors; (2) "best value" procurement mechanisms, including but not limited to: progressive design-build, construction manager at risk, fixed-price design-build, and design-build-operate contracts. The City's Implementing Ordinance for any such procurement alternatives shall include standards for solicitation, evaluation and selection of qualified proponents. No such exception or alternative process shall be applied to a Public Work unless it is part of a City-wide policy or program approved by the City Council by ordinance and the approving authority has determined that its application to that Public Works is in the best overall interests of the City.

For purposes of this Section "Public Works" shall not include maintenance, repair, or restoration of City facilities or infrastructure, any minor improvements required for workspace modifications or installation of equipment, or the purchase of equipment when segregated from the Public Works contracting process.

802.3 Franchises. The City Council may by ordinance provide a procedure for the granting of franchises for the provision of City services or grant franchises pursuant to the procedure provided by the State Law. Franchises may be granted for the use by any public utility or other City service provider of the streets, public places or property of the City upon such terms, conditions, restrictions and limitations as may be prescribed by ordinance, or in the terms of a negotiated franchise agreement, but no franchise shall be granted without reserving to the City adequate compensation for the privilege conferred. In accordance

with applicable City ordinances or State Law, such franchises may be granted exclusively, or non-exclusively, either for a fixed or an indeterminate term.

Section 803 Audit Requirements

803.1 In General. The City shall employ an independent Certified Public Accountant ("Independent Accountant") who shall conduct an audit, at least annually, of the financial accounting records for all City operations, capital expenditures and enterprises. . Such audit shall be conducted in accordance with generally accepted auditing and accounting principles applicable to government agencies.

803.2 Reporting. As soon as practicable after the end of the fiscal year, a final audit and report ("Final Audit") shall be submitted by the Independent Accountant to the City Manager ,the City Attorney and the City Audit Committee for review at a public meeting. The City Audit Committee may be a subcommittee of the City Council or an independent body appointed by the City Council. The Audit Committee shall review the Final Audit, hear public testimony, and cause the Final Audit to be transmitted to the City Council for action at a public meeting. At that time, one physical copy of the Final Audit shall be placed on file in the City Clerk's office where it shall be available for public inspection, and an electronic version shall be posted on the City's website.

Section 804 Special Rules for Utilities Expenditures and Revenues

Revenues from the utilities operated by the City shall be paid into the City Treasury and accounted for in separate funds for each such utility. Expenditures from such funds shall be made only for lawful purposes related to utility operations and capital requirements, including adequate reserves in accordance with the standards set forth in Section 801.3 above. In addition, as previously approved by the voters on November 8, 2022, five per cent (5%) of the gross receipts from such utilities shall be remitted to the general fund of the City to be used for general City purposes approved by the City Council; the use of such funds shall be subject, however, to any limitations contained in any resolution or indenture adopted prior to such voter approval.

Section 805 Finance and Tax Authority

805.1 Taxes, Assessments and Fees. Subject to and as authorized by all Applicable Laws, the City, with the approval of the City Council, shall have power to levy and collect taxes, either for regulation or revenue generating purposes, and impose assessments and fees to recover the costs of providing City services. The City may also charge rents and/or fees for the use of City property at market or negotiated rates, or for other purposes that may be unrelated to costs recovery.

805.2 Issuance of Debt. Subject to and as authorized by all Applicable Laws, the City, with the approval of the City Council, shall have the power and authority to issue debt to finance City operations, programs, facilities and infrastructure. Types of allowed debt financing include, without limitation: general obligation bonds, lease revenue bonds, utility revenue bonds, certifications of participation, letters of credit, infrastructure and maintenance bonds, and other similar finance mechanisms consistent with best practices. The City Council reserves the right by ordinance or resolution, to implement specific local policies and procedures for the issuance of debt.

805.3 Limits on Indebtedness. The bonded indebtedness of the City may not in the aggregate exceed the sum of fifteen percent (15%) of the total assessed valuation of real and personal property within the City. For purposes of this Section, "bonded indebtedness" means general obligation bond indebtedness of the City payable from the proceeds of Ad Valorem Property Taxes levied upon taxable real and personal property within the City.

805.4 Special Rules for Financing of a Nuclear Plant this Section805 does not authorize the financing of a nuclear plant, or an interest therein, unless approved by the voters.

805.5 Special Rules for Revenue Bonds.

a. **In General.** The City, by resolution of the City Council, shall have power to issue revenue bonds, notes or other indebtedness ("Revenue Bonds") to finance or refinance the acquisition or construction of revenue-producing property, improvements and facilities related to any City utility enterprise.

b. **Applicable Procedures.** The City Council may use procedures authorized by Applicable Law for the issuance and sale of Revenue Bonds or, by ordinance or resolution, approve and apply its own rules for the issuance and sale of Revenue Bonds.

c. **Limited Obligations.** The obligation represented by any issuance of Revenue Bonds shall be a charge upon, and payable solely from, the revenues derived by, and other legally sources of funds available to, the applicable City utility enterprise for which such revenue bonds are issued. No revenue bonds shall be deemed to constitute a debt or liability of the City or a pledge of the faith and credit of the City, or shall be a charge, lien, encumbrance, legal or equitable, upon, nor shall any recourse on account thereof be had against, any other revenues or funds of the City. Neither the credit nor the taxing power of the City shall be deemed to be pledged to, or charged with, the payment of the obligation represented by any revenue bonds, nor shall the holder of any revenue bonds have any right to compel the exercise of any taxing power of the City.

d. **No Voter Approval Required.** Provided that Revenue Bonds are issued in compliance with the terms of this Section 805.5, this Section such be the complete authority necessary for the issuance of Revenue Bonds by the City and such issuance shall not require approval by the voters of the City.

805.6 Voter Approval Required. Whenever Applicable Law requires voter approval for any actions contemplated by this Section, the City shall seek and obtain such voter approval in advance of taking any such action.

Article Nine
Miscellaneous and Legal Provisions

Section 900 Mandatory and Permissive.

Unless the provision or the context otherwise requires, as used in the Charter "shall" and "must" are mandatory, and "may" is permissive.

Section 901 Legal Actions Against the City.

No suit or action for money or damages of any kind may be brought against the City, and City agency or enterprise, or any Elected Officer, Board or Commission Member, officer, agent or employee thereof (collectively, "City Entities and Persons"), until a claim has been filed with the City by service upon the Office of the City Clerk, in the manner established by City ordinance, and either the City acts on the claim or it is deemed denied by operation of law. The procedures prescribed by State Law shall apply to the presentation, consideration and enforcement of claims against City Entities and Persons. Claims for money or damages exempt from or not covered by State Law may be governed by procedures established by City ordinance.

Section 902 Violations; Enforcement.

902.1 Charter Violations. Depending upon the severity of the offense, as determined in the discretion of the prosecuting authority, the violation of any provision of this Charter **may** be prosecuted as a misdemeanor or as an infraction, subject to associated fines and/or imprisonment as provided under State law for such offenses If an Elected Official is convicted of a misdemeanor for violation of this Charter, such official shall also be deemed to have forfeited their elected office as provided in Section 205.1(2), above.

902.2 Prosecuting Authority. The prosecuting authority with respect to violations of this Charter, shall be the District Attorney for Santa Clara County. If the District Attorney is not available or declines to perform this role, the City Attorney shall deputize and appoint from outside the City Attorney's Office a qualified special Deputy City Attorney to perform such function.

901.3 Other Violations of Local Law. Any other act or omission that the City Council desires to be prosecuted as a misdemeanor or infraction must be prescribed by ordinance.

Section 903 Severability.

If any provision of this Charter is held to be illegal, invalid or unenforceable, either on its face or in its application to any person or circumstance the remainder of the Charter shall not be affected by such holding and shall remain in full force and effect. Further, any holding of invalidity or unenforceability made with respect to a particular person or circumstance, shall be limited to that particular person or circumstance.

Section 904 Publication of Legal Notices.

904.1 Newspaper Publication. Whenever legal notice is required to be published under the provisions of Applicable Law, the City shall cause such publication to occur in a newspaper of general circulation in the City of Santa Clara designated by the City Council.. If no such newspaper exists, or the rates charged for publication are not reasonably aligned with market rates, , then legal notices, ordinances or other matter required to be published in an official newspaper may be published as otherwise allowed under Applicable Law.

904.2 Additional Notice Required. Whenever legal notice is required to be published under the provisions of this Charter or Applicable Law, the City shall also provide such notice electronically in accordance with a policy approved by the City Council designed to make use of modern technologies to maximize the reach of any required notice to those that have expressed interest in or are likely to be impacted by the subject matter of such notice.

904.3 Substantial Conformance. No defect or irregularity in proceedings taken under this Section, or failure to designate an official newspaper, shall invalidate any publication where the same is otherwise in substantial conformance with this Charter, or Applicable Law..

Section 905 Laws in Effect Pending Enactment of Ordinances.

Pending the enactment of any ordinance or policy required or contemplated under the terms of this Charter, existing Local Laws shall govern. To the extent there are no applicable Local Laws in these areas, General City Laws shall apply, but only to the extent consistent with the terms of this Charter.

Section 906 City Clerk Authority to Make Minor Corrections.

The City Clerk shall be authorized to make minor modifications to the Charter to correct typographical errors or to make other similar non-substantive corrections subject to ratification by the City Council and approval as to form by the City Attorney.

Section 907 Official Oaths of Office.

Each, Elected Official, every member of a City Board and Commission, each City Council appointed official, and each department head, before entering upon the discharge of the duties of the office shall take, subscribe to and file with the City-Clerk the following oath of office: "I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter."

Section 908 Definitions.

Capitalized terms used in this Charter shall have the meanings ascribed thereto in this Section. To the extent of any conflict between the definitions of capitalized terms provided in this Section and any other common understandings or definitions of such capitalized terms, the definitions in this Section shall govern.

- **Administrative Code** — The City's organizational and operational details, adopted by ordinance and set forth in one or more articles within the City Code.
- **Applicable Laws –** any and all applicable federal, state, and local laws, ordinances, policies, regulations, rules, orders, judgments or decrees.
- **Appointed Officer** — Each of the City Manager, City Attorney, and City Auditor.
- **Appointed Officers** — Collectively, the City Manager, City Attorney, and City Auditor.
- Appropriated - allocated for a specific purpose or project within the applicable fiscal year(s) budget.
- **Boards and Commission Members** — The collective term for the members of City Boards and Commissions.
- **Brown Act** — The Ralph M. Brown Act, California Government Code sections governing City Council meetings and prevailing over conflicting Charter meeting provisions.
- **Chair** — The member elected by a board or commission to serve as its presiding officer for that year.
- **Charter** – The rules for the governance and operations of the City approved by the voters of the City. This defined term first appears on the Preamble.
- **Chartered Boards and Commissions** — The Planning Commission, Parks and Recreation Commission, Board of Library Trustees, Civil Service Commission, and Salary Setting Commission.
- **City** — The City of Santa Clara, California. . This defined term first appears in Section 100.
- **City Boards and Commissions** — The collective term used when Charter provisions are intended to apply to both Chartered Boards and Commissions and Council Created Boards and Commissions.
- **City Council** – the elected policy making board of the City comprised of the Mayor and the six District Council Members. This defined term first appears in Section 102.1.
- **City Council District** — One of the six designated geographic districts from which the six non-mayoral Council Members are elected.
- **City Council Districts** — Collectively, the six designated geographic districts for district-based Council elections.
- **City Elected Officials** — The Mayor, City Council Members, Chief of Police, and City Clerk.
- **Council Created Boards and Commissions** — Additional boards, commissions, or committees the City Council may create by ordinance or resolution, with powers and duties consistent with the Charter.
- **Council-Manager** — The form of government in which the City Council is responsible for lawmaking and major policy decisions, and a professional manager appointed by the Council implements policy and manages day-to-day operations.
- **Declaration of Vacancy** — The resolution adopted by the City Council declaring the existence of a vacancy in an elected office.
- **Dedicated Parklands** — The Ulistac Natural Area, the Santa Clara Youth Soccer Park, and any other City-owned or City-controlled real property currently or later listed by ordinance in the General Plan park inventory identified in the Charter.
- **District** — Each geographic City Council district for district-elected Council Members.
- **Districts** — Collectively, the geographic City Council districts for district-elected Council Members.
- **Effective Date** — The date on which the Measure amendments went into effect upon filing with the Secretary of State.
- **Elected Officials** — The Mayor, six City Council Members, the Chief of Police, and the City Clerk.
- **Elections Official** — The role the City Clerk serves under the Charter and State Elections Law. City Charter MASTER DRAFT with Proposed Revisions and Notes 4.21.26.pdf
- **Event of Vacancy** — A vacancy event provided in Charter Section 205; the draft uses the term by cross-reference rather than giving it a separate stand-alone definitional sentence.

- **General City Laws** —State Laws only applicable to general law cities and not charter cities unless such charter cities choose to have them apply. This defined term first appears in Section 102.2 .
- **General Municipal Election of the City** — The City's regular election held the first Tuesday following the first Monday in November of even-numbered years.
- **Implementing Ordinance** — The City's implementing Public Works ordinance establishing required procurement rules and, if adopted, standards for alternative procurement methods.
- **Lifetime Term Limit** — The rule that a person elected as a City Council Member or as Mayor may not serve more than two full terms in that position in their lifetime, subject to the counting rules and carve-outs stated in Section 203.2.
- **Local Laws** — City ordinances, regulations, or policies adopted under the authority of the Charter. This defined term first appears in Section 102.2.
- **Major Public Works** —Public Works projects costing more than $250,000 and subject to City Council approval.
- **Mandatory Redistricting** — The required redistricting process using data from each decennial federal census.
- **Measure __ Amendments.** — The Charter amendments approved by City voters at the November 3, 2026 City Election.
- **Minor Public Works Projects** — Projects costing less than $250,000 and subject to City Manager approval.
- **Minutes Resolution** — An oral motion or order duly passed by the City Council and entered in the minutes, having the same force and effect as a written resolution and deemed a resolution for all purposes.
- **Notice of Ordinance Adoption**— The notice prepared by the City Clerk's Office for each proposed ordinance, containing the ordinance title, introduction date, brief summary, and statement that the full text is available at the Clerk's Office and on the City website.
- **Official Newspaper** — One or more newspapers of general circulation in the City of Santa Clara designated by resolution of the City Council for publication of legal notices and other matters required to be published in a newspaper of general circulation.
- **Public Work** — A project for the construction, reconstruction, renovation, alteration, improvement, or demolition of public buildings, streets, drains, sewers, utilities, parks, playgrounds, and similar public facilities.
- **Public Works** — Collectively, projects for the construction, reconstruction, renovation, alteration, improvement, or demolition of public buildings, streets, drains, sewers, utilities, parks, playgrounds, and similar public facilities.
- **Qualified Elector** — A registered voter of the City. Status is determined by the Santa Clara County Registrar of Voters.
- **Qualified Electors** — The Charter uses this plural form for the City electorate in provisions such as initiative, referendum, recall, and voter approvals. It is the plural application of "Qualified Elector."
- **Registrar** — The County Registrar of Voters, which administers City Elections with the City Clerk, in consultation with the Assistant City Clerk.
- **Resident** — A resident of the City for elected-official qualification purposes; whether a person is a Resident is determined in accordance with State law.
- **ROV** — The Santa Clara County Registrar of Voters.
- **Senior Officials** — All department heads or division leaders of the City who are not elected or appointed by the City Council and instead are appointed by the City Manager.
- **Shall** — Mandatory.
- **Special Municipal Elections** — Any municipal elections other than the regular election, called under the authority of the Charter or the State Elections Code.
- **State** — The State of California. This defined term first appears in Section 100.
- **State Constitution** –- The Constitution of the State of California, approved by the voters, and part of State Law and Applicable Laws. This defined term first appears in Section 102.1.
- **State Law** – The laws of the State of California, including, without limitation the State

Constitution, State statutes, regulations, and case law. This defined term first appears in Section 101.

- **Total Compensation** — Salary and benefits.
- **Treasurer** — The role the Director of Finance serves in, where required in the City's financial dealings, including public financing.
- **Vacant** — A City board or commission seat is considered vacant upon an Event of Vacancy under Section 205, and also when a member is absent from three consecutive regular meetings without an excuse reflected in official minutes and the City Council declares the position vacant.