

TRACY HOMELESSNESS ADVISORY COMMITTEE REGULAR MEETING AGENDA

Thursday, October 16, 2025, 7:00 P.M.

Tracy City Hall, 333 Civic Center Plaza, Tracy

Web Site: www.cityoftracy.org

THIS MEETING WILL BE OPEN TO THE PUBLIC FOR IN-PERSON AND REMOTE PARTICIPATION PURSUANT TO GOVERNMENT CODE SECTION 54953(e).

MEMBERS OF THE PUBLIC MAY PARTICIPATE REMOTELY IN THE MEETING VIA THE FOLLOWING METHOD:

As always, the public may view the Tracy Homelessness Advisory Committee meetings live on the City of Tracy's website at CityofTracy.org or on Comcast Channel 26/AT&T U-verse Channel 99. To view from the City's website, open the "Government" menu at the top of the City's homepage and select "Tracy Homelessness Advisory Committee", then select "[View Homelessness Advisory Committee Meetings on YouTube](#)" under the "Boards and Commissions" section.

If you only wish to watch the meeting and do not wish to address the Council, the City requests that you stream the meeting through the City's website or watch on Channel 26.

Remote Public Comment:

During the upcoming Homelessness Advisory Committee meeting public comment will be accepted via the options listed below. If you would like to comment remotely, please follow the protocols below:

- *Comments via:*
 - **Online by visiting** <https://cityoftracyevents.webex.com> and using the following Event Number: 2559 433 4410 and Event Password: THAC
 - **If you would like to participate in the public comment anonymously**, you may submit your comment in WebEx by typing "Anonymous" when prompted to provide a First and Last Name and inserting Anonymous@example.com when prompted to provide an email address.
 - **Join by phone by dialing +1-408-418-9388, enter 25594334410#8422# Press *3 to raise the hand icon to speak on an item.**
- *Protocols for commenting via WebEx:*
 - *If you wish to comment on the "Consent Calendar", "Items from the Audience/Public Comment" or "Regular Agenda" portions of the agenda:*
 - *Listen for the Chairperson to open that portion of the agenda for discussion, then raise your hand to speak by clicking on the Hand icon on the Participants panel to the right of your screen.*
 - *If you no longer wish to comment, you may lower your hand by clicking on the Hand icon again.*
 - *Comments for the "Consent Calendar" "Items from the Agenda/Public Comment" or "Regular Agenda" portions of the agenda will be accepted until the public comment for that item is closed.*

Government Code Section 54954.3 states that every public meeting shall provide an opportunity for the public to address the Tracy Homelessness Advisory Committee on any item, before or during consideration of the item, however no action shall be taken on any item not on the agenda.

Full copies of the agenda are available on the City's website: www.cityoftracy.org

CALL TO ORDER

ROLL CALL

1. CONSENT CALENDAR

1.A. Adoption of May 21, 2025, Special Meeting Minutes

1.A- 05-21-2025 – Special Meeting Minutes.pdf

2. ITEMS FROM THE AUDIENCE - *In accordance with Council Meeting Protocols and Rules of Procedure*, adopted by Resolution 2019-240, a five-minute maximum time limit per speaker will apply to all individuals speaking during “Items from the Audience/Public Comment”. For non-agendized items, Advisory Committee members may briefly respond to statements made or questions posed by individuals during public comment; ask questions for clarification; direct the individual to the appropriate staff member; or request that the matter be placed on a future agenda or that staff provide additional information to the Tracy Homelessness Advisory Committee.

3. REGULAR AGENDA

3.A Staff recommends that the Tracy Homelessness Advisory Committee recommends that the City Council adopt a Resolution:

- (1) determining that compliance with the strict procurement process is not in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.140(b)(6); and
- (2) approve a Professional Services Agreement with The Salvation Army, A California Corporation, to serve as the City's shelter operator for the Temporary Emergency Housing Facility, with a term of six (6) months and a not-to-exceed cost of \$1,484,642.

3.A- Staff Report- Professional Services Agreement with The Salvation Army.pdf
3.A- Resolution- Professional Services Agreement with The Salvation Army.pdf

4. STAFF ITEMS

5. COMMITTEE ITEMS

6. ADJOURNMENT

Posting Date: October 13, 2025

The City of Tracy is in compliance with the Americans with Disabilities Act and will make all reasonable accommodations for the disabled to participate in employment, programs and facilities. Persons requiring assistance or auxiliary aids in order to participate, should contact the City Manager's Office at (209) 831-6000 at least 24 hours prior to the meeting.

TRACY HOMELESSNESS ADVISORY COMMITTEE SPECIAL MEETING MINUTES

Wednesday, May 21, 2025, 5:00 P.M.

Tracy City Hall, 333 Civic Center Plaza, Tracy

Web Site: www.cityoftracy.org

CALL TO ORDER-Chairperson Bedolla called the meeting to order at 5:00 PM

ROLL CALL- City Clerk. Roll call found Chairperson Bedolla and Vice Chair Abercrombie present in City Hall, Council Chambers

1. CONSENT CALENDAR- Motion was made by Vice Chair Abercrombie and seconded by Chairperson Bedolla to adopt the Consent Calendar. Roll call found all in favor; passed and so ordered.
 - 1.A. Adoption of April 17, 2025, Regular Meeting Minutes- Minutes were adopted
2. ITEMS FROM THE AUDIENCE – No public comment.
3. REGULAR AGENDA
 - 3.A The Tracy Homelessness Advisory Committee recommends that the City Council adopt a resolution (1) making a determination that compliance with standard procurement process is not in the best interest of the City and dispense the bidding requirements for the purchase of pre-manufactured custom container units for restrooms and showers from Linked Equipment, LLC. an Arizona Limited Liability Corporation, Tracy Municipal Code Section 2.20.180(4); and (2) approving the Purchase Agreement for Goods, Commodities, and Ancillary Services with Linked Equipment, LLC., for four (4) pre-manufactured customized containers to provide permanent restrooms and showers to be installed as part of the Phase II 2024 Site Improvements at the Temporary Emergency Housing Facility Project, CIP 71112, at 370 W. Arbor Avenue, for a Not-To-Exceed amount of \$448,074.

Brian MacDonald, Director of Parks, Rec and Community Services provided the staff report and responded to questions.

Committee questions.

No public comment.

ACTION: Motion was made by Vice Chairperson Abercrombie and seconded by Chairperson Bedolla to recommend that the City Council adopt a resolution (1) making a determination that compliance with standard procurement process is not in the best interest of the City and dispense the bidding requirements for the purchase of pre-manufactured custom container units for restrooms and

showers from Linked Equipment, LLC. an Arizona Limited Liability Corporation, Tracy Municipal Code Section 2.20.180(4); and (2) approving the Purchase Agreement for Goods, Commodities, and Ancillary Services with Linked Equipment, LLC., for four (4) pre-manufactured customized containers to provide permanent restrooms and showers to be installed as part of the Phase II 2024 Site Improvements at the Temporary Emergency Housing Facility Project, CIP 71112, at 370 W. Arbor Avenue, for a Not-To-Exceed amount of \$448,074.

4. STAFF ITEMS- Brian MacDonald, Director of Parks, Rec and Community Services provided updates on the delivery and construction of the sprung structure and updates on the February 2025 workshop with Behavioral Health Services and the medical respite program and will bring an update from that workshop to Council soon.
5. COMMITTEE ITEMS- No committee items
6. ADJOURNMENT- Time 5:08 PM

ACTION: Motion was made by Vice Chairperson Abercrombie and seconded by Chairperson Bedolla to adjourn. Motion found all in favor; passed and so ordered.

The above agenda was posted at the Tracy City Hall on May 20, 2025. The above are action minutes.

ATTEST: _____
Chairperson

Administration Technician _____

October 16, 2025

AGENDA ITEM 3.A

RECOMMENDATION

Staff recommends that the Tracy Homelessness Advisory Committee recommends that the City Council adopt a Resolution:

- (1) determining that compliance with the strict procurement process is not in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.140(b)(6); and**
- (2) approve a Professional Services Agreement with The Salvation Army, A California Corporation, to serve as the City's shelter operator for the Temporary Emergency Housing Facility, with a term of six (6) months and a not-to-exceed cost of \$1,484,642.**

EXECUTIVE SUMMARY

Staff recommends that the Tracy Homelessness Advisory Committee recommends that the City Council adopt a resolution (1) determining that compliance with the standard procurement process is not in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.140(b)(6), services of Consultants and similar professionals are exempt from competitive bidding and the Consultant demonstrated that it fits the City's needs for competence and professional qualifications and (2) approve a Professional Service Agreement (PSA) with the Salvation Army, Stockton Corps (Consultant) to continue operating the current (interim) site, Phase III-Modulars and Phase IV-Custom Containers of the Temporary Emergency Housing Facility (TEHF). The Consultant currently serves as the operator of the TEHF since November 1, 2023. Since then, the Consultant has provided nonfaith-based shelter services, including case management, day programming, meals, transportation, and laundry services, to individuals experiencing or at risk of homelessness in a year-round non-congregate low-barrier setting. The performance and service delivery of the consultant have been met. The existing PSA expires on October 31, 2025. Staff is recommending the City Council approve a PSA with the Consultant effective November 1, 2025, through April 30, 2026, a term of six (6) months, to continue to serve as the City's shelter operator for the Temporary Emergency Housing Facility with a not-to-exceed cost of \$1,484,642. This temporary contract is necessary because the Temporary Emergency Housing Project (CIP 71112) will not be completed until the end of this calendar year and the RFP process to select a new shelter operator is specific to the expansion of the site which cannot be completed until after the project is complete. To ensure stability, it is in the best interest of the City's program to maintain current operations until the project is fully completed.

The Tracy Homelessness Advisory Committee (THAC) will hear this item on October 16, 2025, and pending authorization from THAC on October 16, 2025, recommend that the City Council adopt the proposed Resolution.

BACKGROUND

Consultant was awarded a PSA to operate the City of Tracy's Temporary Emergency Housing Facility located at 370 Arbor Avenue, Tracy, CA 95304, granted under Resolution No. 2023-207, approved by the Tracy City Council on October 3, 2023, for a term of one year. The PSA provides the City with the option to extend for an additional year, upon evidence of satisfactory performance.

On October 15, 2024, the City Council adopted Resolution No. 2024-172, approving Amendment No. 1 to the Agreement to amend the term of the Agreement by extending the expiration date of such term from October 31, 2024, to October 31, 2025.

ANALYSIS

To date, the Consultant operates the current (interim) site plan, which consists of Phase III-Modulars, 48 units in a modular space with an administration building to serve meals and meet with case managers, and Phase IV-Custom Containers, 38 individual units in eight (8) custom containers with temporary restrooms and showers. The interim site serves adults in a low-barrier, housing first model and has been in operation for over two years while waiting for the construction of Phase II-Sprung Structure Consultant. The Consultant have implemented on site 24 hour a day 7 day a week management, facility operations and maintenance; maintained an inclusive and safe space that welcomes pets all while implementing and requiring adherence to shelter rules; conducted community outreach and engagement to the greater community inclusive of public and private service partners; made reasonable accommodations as warranted on a case by case basis; provided 3 meals a day; provided safe and drug free environment to the guests, facilitated the onsite delivery of care and support services as warranted and need by the guests; and has provided on site case management for all shelter guests. The consultant has also taken steps to implement a volunteer clean-up team, which they deploy to City-identified illegal dumping areas as a way for shelter residents to give back to the City.

The Consultant has a current contract in place through the end of October 2025 with a current scope of services that includes services for the 86 non-congregate units comprised of Phase III-Modulars and Phase IV-Custom Containers. Staff is recommending the City Council approve a PSA with the Consultant effective November 1, 2025, through April 30, 2026, a term of six (6) months, to continue to serve as the City's shelter operator for the Temporary Emergency Housing Facility with a not-to-exceed cost of \$1,484,642. This amount is projected from their current budget amount with an increase to incorporate the annual cost-of-living increases. The City wishes to retain Consultant's professional services to continue managing the existing (interim) site and oversee Phase III-Modulars and Phase IV-Custom Containers until the completion of construction.

City staff reached out to the Salvation Army to inquire about the potential for an additional short-term contract to assist the city with the decision not to make any changes in operations to finish construction of the site. City staff is still working through Council direction from the February 18, 2025, workshop for the implementation of the Medical Respite and BHS program components and will be returning to Council with updates.

FISCAL IMPACT

Funding for the contract to operate the City's Temporary Emergency Housing Facility is included in the General Fund's adopted operating budget for Fiscal Year 2025-2026. This contract is for 6 months with a NTE of \$1,484,642. This amount is projected from their current budget amount with an increase to incorporate the annual cost-of-living increases.

CEQA/NEPA DETERMINATION

Government Code section 8698.4 exempts the application of the California Environmental Quality Act (CEQA) to various actions taken by public agencies to implement the construction of a homeless shelter in response to a declared shelter crisis. In addition, the interim solutions taken thus far are in furtherance of and related to the permanent solution that will be implemented, referred to as the Temporary Emergency Housing Facility on Arbor Avenue (CIP 71112). A Notice of Exemption was issued on October 16, 2020, for the Temporary Emergency Housing site at 500 Arbor Avenue in accordance with Government Code sections 65660-65662 for Low Barrier Navigation Centers and Section 15269(c) of the CEQA Guidelines (14 Cal. Code Regs. 15269(c) for (Emergency Projects). No environmental impacts beyond those already analyzed for the CIP exist; accordingly, no further CEQA analysis is needed.

San Joaquin County, as the responsible entity under the National Environmental Protection Act (NEPA) for the federal grants related to this Project, conducted an Environmental Assessment in 2023 and released a Finding of No Significant Impact on January 18, 2024, in compliance with NEPA and applicable federal regulations.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted 2023-2025 Strategic Priorities: Quality of Life Strategy Plan, Goal No. 5: Continue to implement the Council-Adopted Homelessness Strategic Plan.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the Tracy Homelessness Advisory Committee recommends that the City Council adopt a Resolution:

- (3) determining that compliance with the strict procurement process is not in the best interest of the City pursuant to Tracy Municipal Code Section 2.20.140(b)(6); and
- (4) approve a Professional Services Agreement with The Salvation Army, A California Corporation, to serve as the City's shelter operator for the Temporary Emergency Housing Facility, with a term of six (6) months and a not-to-exceed cost of \$1,484,642.

Prepared by: Virginia Carney, Homeless Services Manager

Reviewed by: Sara Castro, Director of Finance
Brian MacDonald, Director of Parks, Recreation and Community Services
Arturo M. Sanchez, Assistant City Manager
Kamal Gill, Deputy City Attorney

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A- Professional Services Agreement-The Salvation Army, Del Oro Division

CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT WITH
The Salvation Army, A California Corporation

This Professional Services Agreement ("Agreement") is entered into between the City of Tracy, a municipal corporation ("City"), and The Salvation Army, a California Corporation ("Consultant"). City and Consultant are referred to individually as "Party" and collectively as "Parties."

Recitals

- A. City desires to retain the professional services of the Consultant to continue operating the current (interim) site, Phase III-Modulars and Phase IV-Custom Containers and as further described herein and in Exhibit A.
- B. The Salvation Army Stockton Corps operates the current (interim) site plan which consists of Phase III-Modulars, 48 units in a modular space with an administration building to serve meals and meet with case managers and Phase IV-Custom Containers, 38 individual units in eight (8) custom containers with temporary restrooms and showers. The interim site serves adults in a low barrier, housing first model and has been in operation for over two years while waiting for the construction of Phase II-Sprung Structure.
- C. The original Agreement was executed pursuant to the authority granted in Resolution No. 2023-207, approved by the Tracy City Council on October 3, 2023. The Agreement had an initial term of one year (s) and included an option to extend for an additional one year following the written determination by the City that the Consultant has met all the requirements of the Agreement.
- D. On October 15, 2024 pursuant to Resolution No. 2024-172, parties executed Amendment No. 1 to the Agreement to amend the term of the Agreement by extending the expiration date of such term from October 31, 2024 to October 31, 2025.
- E. The Consultant has a current contract in place through the end of October 2025 with a current scope of services that only includes services for the 86 non-congregate units comprised of Phase III-Modulars and Phase IV-Custom Containers.
- F. The City wishes to retain Consultant's professional services to continue managing the existing (interim) site and oversee Phase III-Modulars and Phase IV-Custom Containers until the completion of construction.
- G. Pursuant to Tracy Municipal Code Sections 2.20.270(c), services of Consultants and similar professionals are exempt from competitive bidding and the Consultant demonstrated that it fits the City's needs for competence and professional qualifications necessary for the satisfactory performance of the Scope of Work described in Exhibit A.
- H. After negotiations between the City and Consultant, the Parties have reached an agreement for Consultant's professional services as set forth in this Agreement.
- I. This Agreement was approved on _____ pursuant to Tracy Municipal Code 2.20.140(3), and City Council Resolution No. _____.

NOW THEREFORE, for good and valuable consideration the sufficiency of which the Parties hereby acknowledge, the Parties mutually agree as follows:

1. Scope of Work. Consultant shall perform the professional services, tasks, and scope of work described in Exhibit A attached hereto and incorporated herein by this reference ("Scope of Work"). The Scope of Work shall be performed by, or under the direct supervision of, Consultant's "Authorized Representative": Major Osei Stewart, Del Oro Divisional Commander. Consultant shall not replace its Authorized Representative, nor shall Consultant replace any of the personnel listed in Exhibit A, nor shall Consultant use or replace any subcontractor or subconsultant, without the City's prior written consent. The City may terminate this Agreement if Consultant makes any such change or uses or replaces any such subcontractor or subconsultant. Unless otherwise stated on Exhibit A, Consultant shall furnish, at its own expense, the materials, equipment, supplies, and other resources necessary to perform the Scope of Work. The City reserves the right to contract with other firms and/or consultants during the term of this Agreement to provide the City with the same or similar Scope of Work as described in Exhibit A.

2. Time of Performance. Time is of the essence in the performance of the Scope of Work under this Agreement and the timing requirements set forth herein shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. If dates for performance are set out in Exhibit A, Consultant shall begin performance, and shall complete all required Scope of Work no later than the dates set forth in Exhibit A. Any services for which times for performance are not specified in this Agreement shall be started and completed by Consultant in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Consultant. If Exhibit A indicates that Scope of Work shall only be performed upon request, or if the City otherwise communicates the same to Consultant, Consultant shall not perform said Scope of Work until the City requests such performance. Consultant shall submit all requests for time extensions to the City in writing no later than ten (10) days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. The City may grant or deny such requests in its sole and absolute discretion.

2.1 Term. The term of this Agreement shall commence on November 1, 2025 and expire and terminate automatically on April 30, 2026 or earlier by termination pursuant to Section 6 of this Agreement ("Term"). Subject to the Not-To-Exceed Amount defined in Section 3.1, the Term of this Agreement may be extended with express written amendment incorporating this Agreement signed by both Parties and one of the following City approvals: (a) City Council approval or (b) City Manager approval. An administrative extension of this Agreement by City Manager shall be limited to an additional term of one (1) year(s) and require written determination by the City Manager that Consultant has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Consultant on a time and expense basis for Scope of Work performed under this Agreement at the billing rates set forth in Exhibit B, which is attached hereto and incorporated herein by this reference.

3.1 Not to Exceed Amount. Consultant's total compensation under this Agreement shall not exceed \$1,484.640 (One Million, Four Hundred Eighty Four Thousand, Six Hundred and Forty-Two) Dollars. Notwithstanding the foregoing, the payment of any funds under this Agreement shall be subject to the City of Tracy appropriation of funds for the Scope of Work. This Agreement shall automatically terminate in the event that such funds are not appropriated. Unless specifically stated otherwise or agreed to in writing and approved by City Council, the fees proposed by Consultant, as set forth in Exhibit B hereto, shall remain unchanged for the entire term of this Agreement and any extensions of this Agreement. It is understood and agreed that Consultant may not receive compensation up to the

Not-to-Exceed Amount (or any other amount), and Consultant's total compensation under this Agreement will depend on the Scope of Work requested and approved by the City. Consultant's billing rates shall cover all costs and expenses for Consultant's performance of this Agreement. No work shall be performed by Consultant in excess of the "Not-to-Exceed Amount" provided in this section without the City's prior written approval.

3.1.1 City Budget Limitations. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year for this Agreement. If funds are appropriated for a portion of the fiscal year, this Agreement will automatically terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the City Council. Consultant's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

3.2 Invoices. Consultant shall submit monthly invoice(s) to the City that describe in detail satisfactory to the City: the services performed, the times and dates of performance, and the names of the person(s) performing the Scope of Work.

3.2.1 If Consultant is providing the Scope of Work in response to a development application, separate invoice(s) must be issued for each application and each invoice shall contain the City's designated development application number.

3.2.2 Consultant's failure to submit invoice(s) in accordance with this Section may result in the City rejecting said invoice(s) and thereby delaying payment to Consultant.

3.2.3 Consultant shall submit invoices no later than 90 days after completion of a portion of the Scope of Work. City has no obligation to pay invoices delivered greater than 90 days after the date of performance of the Scope of Work.

3.3 Payment. Within 30 days after the City's receipt of invoice(s), City shall make payment to the Consultant based upon the services and portions of Scope of Work described on the invoice(s) and approved by the City.

3.4 Final Payment. The acceptance by Consultant of the final payment made under this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant for anything completed, finished or relating to Consultant's services or performance of the Scope of Work. Consultant agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Consultant or its employees, subcontractors, agents and subconsultants for the accuracy and competency of the information provided and/or services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Consultant, its employees, subcontractors, agents and subconsultants.

3.5 Books and Accounts. Consultant agrees to maintain books, accounts, payroll records and other information relating to the performance of Consultant's obligations under the Agreement, which shall adequately and correctly reflect the expenses incurred by the Consultant in the performance of Consultant's work under the Agreement. Such books and records shall be open to inspection and audit by the City during regular business hours for three years after expiration or termination of this Agreement.

4. Indemnification. Consultant shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against, and reimburse the City for, any and all liabilities, obligations, losses, damages, injunctions, suits, actions, fines, penalties, claims, demands, administrative and judicial proceedings and order, judgments, remedial action requirements, costs and expenses of every kind or nature, and all costs and expenses incurred in connection therewith, including, without limitation, reasonable attorneys' fees and court costs ("Claims") arising directly or indirectly from or out of (including any and all related costs and expenses), relating or pertaining to or resulting from, in whole or in part, this Agreement; any act, omission, or event relating in any way to Consultant's obligations under this Agreement; and/or Consultant's breach of this Agreement, except to the extent such Claim is caused solely by the active negligence or willful misconduct of the City. In this Section 4, "City" means the City, its officials, officers, agents, employees and volunteers; "Consultant" means the Consultant, its employees, agents and subcontractors.

In the event there is a finding and/or determination that Consultant is not an independent contractor and/or is an employee of City, including but not limited to any such finding and/or determination made by the California Public Employees' Retirement System (CalPERS), the Department of Industrial Relations (DIR), or the Internal Revenue Service (IRS), Consultant shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless the City from and against any and all Claims relating to or in connection with such a finding and/or determination.

The provisions of this section survive the expiration or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Consultant shall, throughout the duration of this Agreement, maintain insurance to cover Consultant, its agents, representatives, and employees in connection with the performance of the Scope of Work under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Consultant in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Consultant shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Consultant's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be in excess of the Consultant's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Consultant shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Consultant shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Consultant shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement and, in any event, within five (5) days of such request.

5.9 Substitute Certificates. Consultant shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Consultant's Obligation. Maintenance of insurance by the Consultant as specified in this Agreement shall in no way be interpreted as relieving the Consultant of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Consultant may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement in its sole and absolute discretion, without cause, by giving ten (10) days' written notice to Consultant. Within five (5) days of such a termination, Consultant shall return and deliver to City all original documents relating to the Scope of Work in Consultant's possession or control, including, without limitation, preliminary drafts and supporting documents, and any other documents prepared by Consultant pursuant to this Agreement. The City shall pay Consultant for all services satisfactorily performed in accordance with this Agreement, up to the date the termination.

7. Ownership of Work. All original documents prepared by Consultant for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Consultant's Scope of Work, upon termination of this Agreement, or within five (5) days of any demand from the City. No such documents shall be revealed or made available by Consultant to any third party without the City's prior written consent.

8. Independent Contractor Status. Consultant is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Consultant is not City's employee and Consultant shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Consultant is free to work for other entities while under contract with the City. Consultant, and its agents or employees, are not entitled to City benefits. Consultant shall be solely responsible for, and shall save the City harmless from, all matters relating to the payment of Consultant's employees, agents, subcontractors and subconsultants, including compliance with social security requirements, federal and state income tax withholding and all other regulations governing employer-employee relations.

9. Conflicts of Interest. Consultant (including its employees, agents, and subconsultants) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Consultant maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Consultant's conflicting interest. The Consultant represents that it is familiar with the local and state conflict of interest laws, and agrees to comply with those laws in performing this Agreement. The Consultant represents and warrants that the representations made by the Consultant concerning unfair competitive advantage and conflicts of interest in connection with its submissions in response to the City's procurement for this Agreement were true and accurate both when made and as of the date of this Agreement. Consultant represents and warrants that it has not and shall not offer or deliver any City officer, public official, or employee any gifts or donations in violation of Federal, State and/or local law.

10. Rebates, Kickbacks, or Other Unlawful Consideration. Consultant warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For any breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price the value of the rebate, kickback, or other unlawful consideration; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

11. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To the City:

City of Tracy
Attn: Brian Mac Donald,
Parks, Rec and Community Services Director
333 Civic Center Plaza
Tracy, CA 95376

To Consultant:

The Salvation Army, Del Oro Division
Del Oro Divisional Commander
3755 N. Freeway Blvd
Sacramento, CA 95834

With a copy to:

City Attorney
333 Civic Center Plaza
Tracy, CA 95376

With a copy to:

Captain Juan Oregel
1305 E. Weber Avenue
Stockton, CA 95205

12. General Provisions.

12.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Consultant's performance of the Scope of Work will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

12.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

12.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement. No waiver shall be effective unless it is in writing and signed by the waiving party.

12.4 Assignment and Delegation. Consultant may not assign, transfer or delegate this Agreement or any portion of it without the City's advance written consent. Any attempt to do so will be void. City's consent to one assignment, transfer or delegation shall not be deemed to be a consent to any subsequent assignment, transfer or delegation.

12.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

12.6 Compliance with the Law. Consultant shall comply with all applicable local, state, and federal laws, including, without limitation, those identified below, whether or not such laws are expressly stated in this Agreement.

12.6.1 Prevailing Wage Laws. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates; employment of apprentices (§ 1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. If the services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. These prevailing rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents, harmless from any and all claims, costs, penalties, or interests arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

12.6.2 Non-discrimination. Consultant represents and warrants that it is an equal opportunity employer, and it shall not unlawfully discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Consultant shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

12.7 Business Entity Status. Consultant is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Consultant. By entering into this Agreement, Consultant represents that it is authorized to do business in California, in good standing with the Secretary of State, and in good standing with all agencies having jurisdiction over Consultant (including any licensing agencies). If Consultant is a suspended entity at the time it enters into this Agreement, City may take steps to have this Agreement declared voidable.

12.8 Business License. Before the City signs this Agreement, Consultant shall obtain a City of Tracy Business License. Consultant shall maintain an active City of Tracy Business License during the term of this Agreement.

12.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

12.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

12.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

12.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto and Consultant's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's proposal (if any), the Exhibits shall control.

12.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed and the matters contemplated herein. This Agreement supersedes all prior negotiations, representations or agreements (in each case, whether oral or in writing). All exhibits attached hereto are incorporated by reference herein.

12.14 Counterparts. City and Consultant agree that this Agreement may be executed in two or more counterparts, each of which shall be deemed an original.

12.15 Expenses for Enforcement. Consultant and City agree that the prevailing party's reasonable costs, attorneys' fees and expenses, including investigation fees and expert witness fees, shall be paid by the non-prevailing party in any dispute involving the terms and conditions of this Agreement.

13. Signatures. The individuals executing this Agreement on behalf of Consultant represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Consultant.

[Signature Page to Follow]

**THE SALVATION ARMY
A CALIFORNIA CORPORATION
RANCHO PALOS VERDES, CA**

RESOLUTION FOR CORPORATE AUTHORITY

At a meeting of the Board of Directors of The Salvation Army, a corporation organized and existing under the laws of the State of California, the following resolution was adopted:

RESOLVED: Any of the following corporate directors or officers are hereby authorized to execute any and all agreements, contracts, real estate transactions, gift annuities, including the sale and transfer of securities, and other such legal documents that require the signature of corporate officers and which are deemed proper and advisable by the Board of Directors, effective June 30, 2025.

Douglas Riley, President, or Eddie Vincent, Vice President, or Kelly Pontsler, Treasurer, any of whose signatures shall be attested to by one of the following: Terry O. Hughes, Secretary, Bev Elwell, Assistant Treasurer, David Bentley, Assistant Secretary, or Howard S. Yamaguchi, Assistant Secretary. Any primary signatory may attest to the signature of any other primary signatory.

CERTIFICATION

I, Terry Hughes, Secretary of The Salvation Army, do hereby certify that the above and foregoing is a true and correct copy of a resolution passed by the Board of Directors of The Salvation Army at a meeting of said Board of Directors at which a quorum was present, duly called and held on the 5th day of June 2025.

IN WITNESS WHEREOF: I have hereunto set my hand and affixed the seal of said Corporation on this **5th day of June 2025.**


Terry Hughes, Secretary

As of the date of last signature below, the undersigned Parties agree to the full performance of the terms set forth in this Agreement and have caused this Agreement to be duly executed.

City of Tracy, a Municipal Corporation

By: _____

Dan Arriola

Title: Mayor

Date: _____

Attest:

April Quintanilla, City Clerk

Approved as to form:

L. David Nefouse, City Attorney

The Salvation Army, a California Corporation

By: Kelly Pontsler

Title: KELLY PONTSLER TREASURER

Date: OCT - 2 2025

Federal Employer Tax ID No.

94-1156347

By: _____

Title: _____

Date: _____

Exhibits:

A Scope of Work

B Compensation

EXHIBIT A - Scope of Work

SCOPE OF SERVICES

Consultant (also referred to herein as "Service Provider") shall provide nonfaith-based, housing focused shelter services, including case management, meals, transportation, and laundry services to individuals experiencing or at risk of homelessness for 86 adults throughout the term of the agreement, at the shelter site located at 370 Arbor Avenue, Tracy, CA, 95304. Consultant will be responsible to oversee daily shelter operations of the shelter facility. In addition, Consultant will coordinate a range of on-site programs and services for residents in partnership with local and regional service providers. Consultant will be responsible for operation of the shelter throughout the duration of the Agreement. All work shall be performed in accordance with applicable codes, standards, and regulations.

Scope of Services Requirements

1. 24/7 site management, including staffing for operations, security, and property management. Oversees daily 24/7 facility operations and maintenance.
2. Ability to accommodate pets and establish a pet policy for shelter site.
3. Development and implementation of site rules and procedures. Rules shall be based on preventing conduct that harms others' health and safety and consider COVID-safe protocols.
4. Provide Site User Violations/Grievance Process and Procedures that includes:
Notice with specific information explaining misconduct and how it violated site rules.
Grievance process & meeting with site user; Reasonable Accommodation Process.
Just-cause required; and Referral to appropriate service/shelter alternatives if resident must leave.
5. Outreach to and coordination with other service providers from the County, local non-profit providers, hospitals/clinics, and other organizations to facilitate connections to services provided by those entities. County services may include but are not limited to housing navigation, mental health services, crisis intervention and benefit navigation.
6. Coordination with the community to address issues that arise in nearby areas.
7. Coordination with City outreach team to provide cohesive transition from unsheltered locations to the shelter.
8. Security to include the prohibition of narcotics, alcohol, weapons of any kind, and other potentially dangerous materials (such as propane cannisters, propane lighters, kerosene lanterns, etc.). Prescription medications must be inventoried. Narcotics and alcohol use is not permitted at the site. A Narcan policy must be established and implemented.
9. Intake of persons entering site in coordination with outreach team, including demographic information for HUD and HMIS reporting purposes.
10. Provide three meals daily to all shelter guests. Ensure appropriate licenses and certifications are obtained from County agencies or subcontracted service providers to operate kitchen facilities and/or to handle food preparation and/or meal delivery.
11. Provide onsite volunteer coordinator to manage and organize client services and communications with outside service providers to schedule events and/or day services for clients at the shelter.
12. Day support services to include but are not limited to; substance use disorder education/support groups, mental health education/support groups, trauma education/support groups, resume building, domestic violence classes/support groups, AA/NA groups, celebrate recovery, workforce development, adult school/general education classes and life skills. All classes need be conducted by licensed professionals in their area of expertise. A weekly calendar will be provided to shelter guests and City staff.

13. Adoption of a City designated case management plan to ensure ongoing case management support at the shelter site. Contractor will provide ongoing case management services on an individual basis to ensure residents receive the appropriate services and support. This includes life skills, workforce resources and educational support.
14. Housing navigation support to be imbedded into the shelter program
15. Provide reports of performance measurements and metrics of the shelter's daily activity and progress to the City as requested.
16. Transportation to other service provider appointments as needed.
17. Participate in all San Joaquin Continuum of Care board meetings and applicable sub-committee meetings.
18. Keep up to date all client records on site and ensure that they are in accordance with all requests made by the City. City staff will conduct an initial file review within the first 90 days of operations and a mid-year file review to follow up on any issues found in the initial review.
19. The City will pursue funding opportunities and/or partnerships to support shelter operations with ongoing assistance from the shelter operator.

The Service Provider shall operate a year-round, nonfaith-based, temporary emergency shelter for up to 86 adults (as part of Phase III and IV of the project), providing shelter 365 days a year, 24 hours a day, 7 days a week. In addition, the service provider will coordinate a range of on-site programs and services for clients in partnership with local and regional service providers.

The Service Provider will be responsible for operation of the shelter throughout the duration of the Agreement. All work shall be performed in accordance with applicable codes, standards, and regulations. **The City will cover the cost of occupancy and monthly utilities to include water, wastewater, solid waste disposal, electric and recycling.**

Operator will be responsible for the City trash services

The Service Provider shall work and coordinate with City staff on all aspects of the design and specifications of the emergency shelter.

Repairs, Maintenance, Additions and Reconstruction

Throughout the term of the Agreement, the Service Provider will be required, at the Service Provider's sole cost and expense, to keep and maintain the shelter and any and all improvements now or hereafter constructed and installed in the facility in good order, condition and repair and in a safe and sanitary condition and in compliance with all applicable laws in all material respects including, but not limited to, the landscaping, hardscaping, plumbing systems, fluorescent ceiling-mounted electric light fixtures; bulbs for fluorescent lights and related switches; windows; doors and locks, interior/non-structural/above-slab elements of the facility and all furnishings and equipment thereon, if applicable, and improvements constructed thereon in good order and repair (reasonable wear and tear excepted), and to keep said facility in a neat, clean, orderly, safe, and sanitary condition. Said maintenance includes, but is not limited to, janitorial services, flooring care and the prevention of accumulation of any refuse or waste materials that might constitute a fire hazard or a public or private nuisance. If Service Provider does not carry out its repair, maintenance, addition, and reconstruction obligations as set forth herein, the City may (without any obligation to do so) carry out said obligations on the Service Provider's behalf. In such event, within five (5) days of the City's demand, Service Provider shall pay the City the amount equal to the monies paid by the City in carrying out the Service Provider's obligations, with interest accruing at the maximum amount allowed pursuant to California law beginning on the sixth (6th) day after such demand until payment is made to the City.

Security

The Service Provider will ensure that adequate security measures and policies are incorporated into the emergency shelter's operation, including but not limited to security plans, secured entrances, on-site security personnel, video recording equipment, adequate lighting, law enforcement patrols, and neighborhood safety controls. Detailed security procedures and protocols will be included in the Operating Plan developed by the City of Tracy and the Service Provider, as described further below.

At all times during the term of the agreement, at Service Provider's sole cost and expense, will be required to:

- (a) Observe and comply in all material respects with all Laws now or hereafter made or issued respecting the facility and/or the improvements that are applicable to the Service Provider.
- (b) The Service Provider shall provide the City with the copies of all approvals, permits, and licenses within 14 days of a written request by the City.

In the event that Service Provider does not carry out its security obligations, the City may hire a third party to carry out such obligations at the Service Provider's sole cost and expense.

Building & Fire Safety Requirements

In addition to the requirements contained in the California Building and Fire Codes, the Service Provider shall:

1. Obtain the proper permits and fire certifications prior to occupancy.
2. Post emergency telephone numbers near each telephone including, but not limited to, '9-1-1' and poison control.
3. Provide 2A:10BC fire extinguishers at a maximum spacing of 75 feet.
4. Not allow cooking inside the building.
5. Not allow smoking at any time within the buildings and auxiliary buildings, and not within 20 feet of main entrances, exits, and operable windows. Signage must be posted.
6. Post fire exit diagrams.

Pets and Service Animals

To protect the health and safety of guests, staff, visitors and pets; livestock, and non-domesticated animals are prohibited from entering the emergency shelter site, with the exception of:

- Guide and hearing assisting dogs.
- Guests who would not seek shelter without their companion animal present. If an animal is granted access to the shelter, the security staff must be notified, and accommodations will be made.

In addition, all pets entering the shelter site must be up to date on their vaccinations and have completed spay/neuter prior to entry.

OPERATING PLAN

The Service Provider shall create an Operations and Management Plan, which must be approved by the City of Tracy in its sole and absolute discretion. The Service Provider's scope will include working with the City of Tracy to tailor the Operations and Managements Plan to the planned operation of the emergency shelter. The Service Provider shall submit its policies and procedures to the City of Tracy for the shelter program including, but not limited to, all aspects of the shelter program services, management plan, staff responsibilities, and staff coordination. The Service Provider will cooperate with the City of Tracy to secure approval of these policies and procedures. This will include the Service Provider making any revisions to the policies and procedure documents as necessary to address requests by the City, County, or applicable government agency. This plan should include but is not limited to: taking appropriate action for medical/mental health emergencies of participants, the use of the Homeless Management Information System (HMIS) to track occupancy and adhere to all implementation guidelines developed under the County's Continuum of Care Program, and engaging with health care and social services agencies, local agencies and social services programs, and volunteers to assist with the shelter program. In addition, the City is requesting the Operator provide a case management plan and provide steps to how the case management plan will be executed with shelter guests during their stay at the shelter site. This includes incorporating the day services and other supportive services into the plan.

Staffing and Training

The Service Provider shall:

1. Ensure there are trained staff members during all hours of operation at the shelter. Staff must be 18 years of age or older.
2. Be required to create the following policies/procedures prior to contract execution:
 - First-aid.
 - Fire and emergency procedures, including the proper use of fire extinguishers.
 - Client complaint and grievance procedures.
 - Narcan policy.
 - Non-discrimination policy.
 - Drug free workplace policy.
 - Sexual harassment policy.
 - Client confidentiality requirements.
 - Organization chart, including the appropriate lines of authority and communication.
 - Safety Plan to provide separate space and adequate supervision for clients during emergencies (ex: hepatitis).
 - Participate in HMIS data collection, data entry, and submission deadlines.
 - Ensure staff is oriented to the special needs of individuals who are homeless, experience mental health issues, substance abuse issues, or intimate partner/domestic violence issues.
 - Ensure staff has received mental health awareness and cultural, diversity/sensitivity training.
 - Create a staffing plan that includes provisions to maintain safety and security in and around the perimeter of the shelter.
 - Provide accessibility and accommodations for individuals with disabilities.
 - Have a written policy of client responsibilities that is readily available to all clients.

- Acquire any required permits and approvals for the provision of the required services.
- Keep up to date all client records on site and ensure that they are in accordance with all requests made by the City.

OPERATING AGREEMENT

In addition to the Service Provider's obligation to indemnify the City as set forth elsewhere in the Agreement, the Service Provider shall, to the maximum extent permitted by law, defend, and hold the City of Tracy harmless from and against any and all claims or damage to person or property relating to or arising in whole or in part, directly or indirectly, from the Service Provider's management and operation of the shelter and/or relating in any way to the shelter.

LOW-BARRIER ACCESS

The shelter shall be considered a "low-barrier" facility for purposes of guest access, and any entry screening, barriers, or conditions to access shall be defined in the Operations and Management Plan, as such may be approved by the City and reasonably necessary to accomplish the purposes of this Agreement, or as may otherwise be ordered by a court of law, or required by a settlement agreement to which the City of Tracy is a party. Except as required to comply with applicable law or court order, the shelter shall not be a "no-barrier facility, and shall have, at a minimum, access or entry conditions for guests that are substantially similar to those utilized by the other emergency shelters or navigation centers, and screening for felony warrants or registration as a sex offender as may be included in the Operations and Management Plan. The Service Provider is responsible to make all reasonable efforts to assist all eligible clients in securing enrollment into Social Security (SSI).

REPORTS

Service Provider shall submit reports monthly to the City of Tracy and, if requested by the City, to the San Joaquin County Continuum of Care. Data and due dates for the monthly reports will be items mutually agreed upon with the City. At least once per year, to be completed contemporaneously with the Annual Audit, the Parties shall cause a third-party to review and audit the day-to-day operational affairs of the shelter and prepare an Annual Report to be presented to the City of Tracy.

The Contractor will be required to enter client level data in the San Joaquin County Homeless Management Information System (HMIS) for each client accessing the shelter. The HMIS is a database used by the San Joaquin County Continuum of Care (SJCoC) for the purpose of recording and storing client-level information on the characteristics and service needs of those experiencing homelessness.

The Contractor is also responsible for communicating with the Coordinated Entry Lead Agency which is San Joaquin County's local 211 for appropriate referrals once entered into the shelter. This includes having the individual complete a Vulnerability Index which assists providers in determining the individuals housing needs and available options.

To participate in the SJCoC, Contributing HMIS Organizations (CHOs) must have an Agency Partner Agreement and a Data Sharing Memorandum of Understanding with the SJCoC. For more information visit: www.sanjoaquincoc.org

EXHIBIT B - Compensation

PAYMENT TERMS

The term of this Agreement shall commence on November 1, 2025, and expire and terminate automatically on April 30, 2026, or earlier by termination pursuant to Section 6 of this Agreement ("Term"). Subject to the Not-To-Exceed Amount \$1,484,642.

Stockton The Salvation Army Tracy Shelter Annual Budget

Annual Expense	Amount
Utilities: (includes pest control, trash, fire alarm, phone, internet)	\$ 22,500.00
Office Supplies	\$ 5,400.00
Equipment: laptops, computers, copier machines, laptops, etc.	\$ 3,000.00
Program Supplies	\$ 12,000.00
Vehicle insurance, maintenance, gas, transportation, included.	\$ 8,500.00
Salaries: includes taxes and benefits (see attached salary breakdown for staffing)	\$ 669,394.34
Overtime Expenses (industry standard of 2% of salary expenses)	\$ 14,477.56
Shelter Security Services (The current budget allocates for 24-hour security coverage)	\$201,600.00
Laundry Service	\$19,200
Food, Snacks, Coffee: \$10.50 per person per day for 86 people @182days	\$ 164,346.00
Building Inspections, A/C, and Heating service parts, occupancy, professional services-	\$ 27,759.00
Associated training costs	\$ 3,500.00
Cleaning and Kitchen Supplies: (includes hygiene, paper products, first aid, janitorial) \$2.00per person per day	\$ 31,304.00
	Sub Total \$ 1,182,980.90
TSA Administration Fee (NICRA- 25.5%)	\$ 301,660.13
	Total \$ 1,484,642.00

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

(1) DETERMINING THAT COMPLIANCE WITH THE STRICT PROCUREMENT PROCESS IS NOT IN THE BEST INTEREST OF THE CITY PURSUANT TO TRACY MUNICIPAL CODE SECTION 2.20.140(b)(6)(C) AND

(2) APPROVING A PROFESSIONAL SERVICES AGREEMENT TO THE SALVATION ARMY TO SERVE AS THE CITY'S SHELTER OPERATOR FOR THE TEMPORARY EMERGENCY HOUSING FACILITY, WITH A TERM OF SIX (6) MONTHS AND A NOT-TO-EXCEED COST OF \$1,484,642 MILLION DOLLARS

WHEREAS, pursuant to the City Council's reaffirmation of the emergency shelter crisis in August of 2022, the City Manager authorized staff to identify permanent and emergency alternative housing options for the unsheltered population within the city limits; and

WHEREAS, this effort not only focuses on the housing and support, but also prepares the residents for self-sufficiency, which resulted in the development of a "Campus Concept" where temporary housing and Supportive Services would be provided to the unsheltered population; and

WHEREAS, the work to develop and provide services at this "campus" has continued and has grown to include identifying and applying for ways to offset the cost of construction, services, and support provided to the unhoused residents of the campus, which has been named the Temporary Emergency Housing Facility (TEHF).

WHEREAS, on July 7, 2023, the City issued a Request for Proposals (RFP) seeking a provider to operate and maintain the TEHF; and

WHEREAS, in response to the RFP, the City received two responses and a five-member panel of internal and external subject matter experts (Review Panel) determined that The Salvation Army (Consultant) best met the City's needs and demonstrated the professional qualifications for the satisfactory operation and management of the TEHF; and

WHEREAS, on October 3, 2023, pursuant to Resolution No. 2023-207, the City Council awarded the Professional Service Agreement (PSA) to the Consultant with an option for an additional one-year extension; and

WHEREAS, on October 15, 2024, the City Council adopted Resolution No. 2024-172, approving Amendment No. 1 to the Agreement to amend the term of the Agreement by extending the expiration date of such term from October 31, 2024, to October 31, 2025; and

WHEREAS, to date, the Consultant operates the current (interim) site plan, which consists of Phase III-Modulars, 48 units in a modular space with an administration building to serve meals and meet with case managers, and Phase IV-Custom Containers, 38 individual units in eight (8) custom containers with temporary restrooms and showers, and

WHEREAS, the interim site serves adults in a low-barrier, housing first model and has been in operation for over two years while waiting for the construction of Phase II-Sprung Structure Consultant; and

WHEREAS, the Consultant has a current contract in place through the end of October 2025 with a current scope of services that only includes services for the 86 non-congregate units comprised of Phase III-Modulars and Phase IV-Custom Containers; and

WHEREAS, staff is recommending the City Council approve a PSA with the Consultant effective November 1, 2025, through April 30, 2026, a term of six (6) months, to continue to serve as the City's shelter operator for the Temporary Emergency Housing Facility with a not-to-exceed cost of \$1,484,642 Million Dollars; and

WHEREAS, many of the SOW elements are ongoing and evolving in nature, driven primarily by the shelter guest's demographics and needs, Consultant has to date satisfactorily performed on the contract and has met the SOW requirements of the City. The City wishes to retain Consultant's professional services to continue managing the existing (interim) site and oversee Phase III-Modulars and Phase IV-Custom Containers until the completion of construction; and

WHEREAS, the Tracy Homelessness Advisory Committee (THAC) will hear this item on October 16, 2025, and pending authorization from THAC on October 16, 2025, recommend that the City Council adopt the proposed Resolution; and now, therefore, be it resolved as follows:

RESOLVED: That the City Council of the City of Tracy finds and determines that the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City; and be it

FURTHER RESOLVED: Government Code section 8698.4 exempts the application of the California Environmental Quality Act (CEQA) to various actions taken by public agencies to implement the construction of a homeless shelter in response to a declared shelter crisis. In addition, the interim solutions taken thus far are in furtherance of and related to the permanent solution that will be implemented, referred to as the Temporary Emergency Housing Facility on Arbor Avenue (CIP 71112). A Notice of Exemption was issued on October 16, 2020, for the Temporary Emergency Housing site at 500 Arbor Avenue in accordance with Government Code sections 65660-65662 for Low Barrier Navigation Centers and Section 15269(c) of the CEQA Guidelines (14 Cal. Code Regs. 15269(c) for (Emergency Projects). No environmental impacts beyond those already analyzed for the CIP exist; accordingly, no further CEQA

analysis is needed. San Joaquin County, as the responsible entity under the National Environmental Protection Act (NEPA) for the federal grants related to this Project, conducted an Environmental Assessment in 2023 and released a Finding of No Significant Impact on January 18, 2024, in compliance with NEPA and applicable federal regulations; and be it

FURTHER RESOLVED: That the City Council of the City of Tracy determines that compliance with the strict procurement process is not in the best interest of the city pursuant to Tracy Municipal Code section 2.20.140(b)(6)(c); and be it

FURTHER RESOLVED: That the City Council hereby finds that the Salvation Army satisfactorily performed all requirements of the Professional Services Agreement; and be it

FURTHER RESOLVED: That the City Council of the City of Tracy hereby approves and authorizes the execution of the Professional Services Agreement, attached as Exhibit 1, effective November 1, 2025 through April 30, 2026, a term of six (6) months, to continue to serve as the City's shelter operator for the Temporary Emergency Housing Facility with a not-to-exceed cost of \$1,484,642 Million Dollars.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the City Council on October 21, 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Attachments:

(1) Professional Services Agreement-The Salvation Army, Del Oro Division