

AGENDA
BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE COUNTY OF MERCED

Regular Meeting
Tuesday, April 16, 2024
12:00 p.m.

Closed session immediately following

Housing Authority of the County of Merced
Administrative Building
405 "U" Street
Board Room – Building B (Second Floor)
Merced, CA 95341
(209) 386-4139

Robert Dylina, Chairperson
Rick Osorio, Vice-Chair
Evelyne Dorsey
Diana Odom Gunn
Hub Walsh
Marilyn Scorby

All persons requesting disability related modifications or accommodations may contact the Housing Authority of the County of Merced at (209) 386-4139, 72 hours prior to the public meeting.

All supporting documentation is available for public review in the office of the Clerk of the Board located in the Housing Authority Administration Building, Second Floor, 405 "U" Street, Merced, CA 95341 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday.

The Agenda is available online at www.merced-pha.com

Use of cell phones, pagers, and other communication devices is prohibited while the Board Meeting is in session. Please turn all devices off or place on silent alert and leave the room to use.

I. CALL TO ORDER AND ROLL

II. PUBLIC COMMENT

NOTICE TO THE PUBLIC –

This portion of the meeting is set aside for members of the public to comment on any item within the subject-matter jurisdiction of the Commission, but not appearing on the agenda. Items presented under public comment may not be discussed or acted upon by the Commission at this time.

For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Commission. Any person addressing the Commission under Public Comment will be limited to a 3-minute presentation.

All persons addressing the Commission are requested to state their name and address for the record. Public comments must not interfere with orderly discussion or otherwise disrupt the meeting (CA Gov. Code 54957.9, SB 1100 (2022)). Slanderous, profane, threatening remarks or disorderly conduct that disrupts the meeting are prohibited (CA Gov. Code 36813, White v. City of Norwalk, 900 F.2d 1421 (1990)). Disruptive conduct may be grounds for removal from the meeting.

III. AGENCY OR COMMISSIONER REVISIONS TO AGENDA

(M/S/C): ____/____/____



IV. CONSENT CALENDAR

- 1. Meeting Minutes March 20, 2024 Annual Meeting
- 2. Rent Delinquency Report March 2024
- 3. Financial Reports for March 2024
- 4. Public Housing Occupancy/Vacancy Report for March 2024
- 5. HCV Program Counts March 2024

(M/S/C): ____/____/____

V. REGULAR CALENDAR

1. Resolution Item(s):

a. **Resolution No. 2024-04:** Adopting a resolution setting the schedule of regular meeting dates and times for the Board of Commissioners of the Housing Authority of the Count of Merced for calendar year 2024.

(M/S/C): ____/____/____

b. **Resolution No. 2024-05:** Authorize the Executive Director or their designee to declare the amounts (\$49,904.04) uncollectible and to write off the uncollected amounts as a loss.

(M/S/C): ____/____/____

c. **Resolution No. 2024-06:** Approving updating the Housing Authority of the Count of Merced Procurement Policy.

(M/S/C): ____/____/____

2. Action Item(s):

None

VI. EXECUTIVE DIRECTOR REPORT/DEPARTMENT HEAD REPORTS

- 1. Staff Report – CV-SALTS
- 2. Staff Report – Rules of Order (Discussion Only)
- 3. Staff Report – Atwater Migrant Center Broadband Update
- 4. Staff Report – Gerard Avenue Lot

VII. COMMISSIONERS’ COMMENTS/REQUESTS FOR FUTURE AGENDA ITEMS

VIII. ADJOURN TO CLOSED SESSION: CLOSED SESSION ITEM(S)

- 1. Conference with Legal Counsel – Potential Litigation (§ 54956.9)
- 2. Conference with legal counsel regarding real property acquisition pursuant to California Government Code Section 54956.8:
Property address: 3720 Horizons Avenue Merced, CA

IX. RECONVENE TO OPEN SESSION: CLOSED SESSION REPORT OF ACTIONS

X. ADJOURNMENT



MINUTES

BOARD OF COMMISSIONERS HOUSING AUTHORITY OF THE COUNTY OF MERCED

Annual Meeting
Wednesday, March 20, 2024
12:00 p.m.

- I. The meeting was called to order by Chairperson Osorio at 12:00 p.m. and the Secretary was instructed to call the roll.

Commissioners Present:

Rick Osorio, Chair Person
Hub Walsh, Vice Chairperson
Evelyn Dorsey
Robert Dylina
Diana Odom Gunn
Marilyn Scorby

Commissioners Absent:

Chairperson Osorio declared there was a quorum present.

Staff Present:

Rosa Vazquez, Executive Director/Board Secretary
David Ritchie, Legal Counsel
Bruce Milgrom, Finance Officer
Melina Frederick, Director of Procurement & Asset Management
Blanca Arrate, Director of Housing Programs
Maria Alvarado, Director of Housing & Community Development

Others Present:

Adam Conour, Developer

II. UNSCHEDULED ORAL COMMUNICATION

Adam Conour was present to request that the Board resume discussion on a possible Request For Proposals for the Planada lot. Mr. Conour has a potential Tax Credit project for the site.

III. COMMISSIONER and/or AGENCY ADDITIONS/DELETIONS TO THE AGENDA

Executive Director Vazquez noted a correction to the minutes. There was a double attendance entry for Commissioner Dylina in closed session.

(M/S/C): Commissioner Walsh/Commissioner Odom Gunn/Motion Passed



IV. NOMINATION and ELECTION OF BOARD OF COMMISSIONER OFFICERS (Chairperson and Vice Chairperson):

1. Nomination of Chairperson: Robert Dylina was nominated for the office of Chairperson.

No other nominations were made. Commissioner Walsh moved to close nominations.

2. Election of Chairperson: Motion to elect Robert Dylina as Chairperson was as follows:

There being no other nominations, nominations were closed and passed unanimously.

3. Nomination of Vice Chairperson: Rick Osorio was nominated for the office of Vice-Chairperson.

No other nominations were made. Commissioner Odom Gunn moved to close nominations.

4. Election of Vice Chairperson: Motion to elect Rick Osorio as Vice Chairperson was as follows:

There being no other nominations, nominations were closed and passed unanimously.

V. APPROVAL OF THE FOLLOWING MEETING MINUTES

1. February 20, 2024, Regular Meeting

(M/S/C): Commissioner Walsh/Commissioner Odom Gunn/Motion Passed

VI. CONSENT CALENDAR

1. Rent Delinquency Report for February 2024

(M/S/C): Commissioner Walsh, Commissioner Odom Gunn, Motion Passed

2. Financial Reports for February 2024

(M/S/C): Commissioner Walsh/Commissioner Scorby/Motion Passed

3. Public Housing Occupancy/Vacancy Report for February 2024

(M/S/C): Commissioner Walsh/Commissioner Odom Gunn/Motion Passed

4. HCV Program Counts February 2024

(M/S/C): Commissioner Odom Gunn/Commissioner Scorby/Motion Passed



VII. INFORMATION AND DISCUSSION ITEM(S)

1. Procurement Director Frederick, provided the Board with a draft of the updated Procurement policy and requested the Board review it and submit any comments prior to the next Board meeting. Executive Director Rosa Vazquez informs board that the Authority has to implement new procurement policies this year as a result of B.A.B.A (Build America Buy America). These changes include policies and requirements for threshold dollar amount being increased from \$100,000 to \$250,000 with restrictions as stipulated in the bylaws. B.A.B.A regulations will be added to procurement policy; however, its implementation will be effective August 2024. Executive Director Rosa Vazquez has spoken to other Housing Authority Executive Directors including Stanislaus County, San Mateo, & Santa Barbara, inquiring as to how this policy could be successfully developed. The Authority is working closely with an architect to see how requirements are going to be met.
2. Procurement Director Frederick, shares with Board that the Authority is working with Ecology Action, to successfully launch a program to provide access to Electric Vehicles (EV) charging stations in underserved communities. Ecology Action would like to install EV charging stations at a few Authority sites that would be fully financed through this program for the first two (2) years. Executive Director Rosa Vazquez states disadvantaged communities who meet these requirements are Ecology Action top priority. The Authority has found that this opportunity could assist bringing in revenue for the agency. Director Frederick added that educational incentives will be credited to these families while utilizing the Ecology Action EV chargers.
3. Development Director Alvarado informed the Board the that the Authority met with a potential candidate for Board but unfortunately, they are not able to join the Board at this time. A new candidate has been selected and the individual is from the City of Los Banos. Their application is still pending. Commissioner Walsh and Osorio's terms have expired, however, both Commissioners have been reappointed.

There are currently seven (7) vacant positions including Compliance Analyst, Eligibility Specialist, Maintenance Manager, Maintenance Worker, Director of Housing Programs, and Migrant Center Aide. The Compliance Analyst and Maintenance Manager positions have been advertised for some time. One out of the two Eligibility Specialist positions is tentatively staffed, leaving one more Eligibility Specialist position open. The Migrant Center Aide position is currently posted as an internal recruitment as required by the Memorandum of Understanding. The Authority continues to advertise all positions under Authority website, Merced Sun Star, online job boards, and flyers get sent to all community agencies.

Development Director Alvarado informed the Board that at total of two hundred and fifty-three (253) vouchers have been awarded as a result of the Project-Based Voucher (PBV) RFP. This award adds two new cities to the



PBV portfolio. Those are Los Banos and Livingston. Additionally, ground breaking for Authority's eleven (11) PBV units will be scheduled soon.

The Authority's Migrant Centers have begun preparation for opening. The Atwater Migrant Center will open on April 16th, followed by the Los Banos Center on May 14th, and Merced's Migrant center will open May 21st. The Planada Migrant center is expected to open on May 28th.

VIII. EXECUTIVE DIRECTOR REPORT

1. Executive Director Vazquez provided the Board with an update summary regarding the concerns the agent from Rental Zebra presented at the previous Board meeting. Executive Director Vazquez informed agent at Rental Zebra that she could email Director of Housing Programs Arrate for further assistance.

IX. WRITTEN CORRESPONDENCE

None

X. RESOLUTIONS ITEM(S)

1. **Resolution No. 2024-02:** Approving the new successor Executive Director Employment Agreement.

A brief discussion regarding the one-time payment listed on the Executive Director contract was had and subsequently Chairperson Dylina moved to approve the Executive Director contract which included a three-month severance package.

(M/S/C): Commissioner Dylina/Commissioner Odom Gunn/Motion Passed

2. **Resolution No. 2024-03:** Adopting revisions to the by-laws of the Housing Authority of the County of Merced.

The bylaws are approved as presented, however, an annual resolution will be presented to determine the day and time the meetings will be held that specific year.

(M/S/C): Commissioner Dylina/Commissioner Odom Gunn/Motion Passed

XI. ACTION ITEM(S)

None

XII. COMMISSIONER'S COMMENTS

The Board thanked staff for a great meeting and they appreciate the participation of all of the Directors.

Commissioner Dorsey requested that driving limitations be considered when determining the hour/time of future meetings.



Chairperson Dylina requests that an agenda item be added to further discuss Mr. Conour's request.

XIII. CLOSED SESSION ITEM(S)

None

XIV. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 1:51 p.m.

(M/S/C): Commissioner Walsh/Commissioner Scorby/Motion Passes

Chairperson Signature

Date: April 16, 2024

Secretary Signature

Date: April 16, 2024



Aged Receivables Report as for 03/31/2024 - As of 04-09-2024

Property	0 - 30 days	31-60 days	61 - 90 days	Over 90 days	Total Unpaid Charges	Balance
AMP 1						
ca023001 PH - Merced	1,274.85	544.75	1,934.75	-3,044.64	709.71	709.71
ca023010 PH - Merced	0.00	0.00	-1,542.00	-3,130.30	-4,672.30	-4,672.30
ca023013 PH - Merced Sr	311.00	25.00	25.00	139.35	500.35	500.35
ca023021 PH - Acquisition	0.00	0.00	0.00	0.00	0.00	0.00
ca023023 PH - Acquisition	0.00	0.00	0.00	-25.00	-25.00	-25.00
AMP 1 TOTALS	1,585.85	569.75	417.75	-6,060.59	-3,487.24	-3,487.24
AMP 2						
CA023003 PH - Atwater - Cameo	10.00	10.00	344.50	-351.00	13.50	13.50
ca023006 PH - Livingston	4,686.34	220.87	-173.89	54.32	4,787.64	4,787.64
012a PH - Atwater	1,878.68	505.00	488.69	6,027.59	8,899.96	8,899.96
012b PH - Winton	0.00	0.00	0.00	0.00	0.00	0.00
AMP 2 TOTALS	6,575.02	735.87	659.30	5,730.91	13,701.10	13,701.10
AMP 3						
ca023002 PH - Los Banos	552.00	62.00	25.00	-599.20	39.80	39.80
ca023004 PH - Los Banos - Abby, B, C & D	1,253.57	-86.00	-161.00	-1,580.21	-573.64	-573.64
ca023005 PH - Dos Palos - West Globe	25.00	25.00	19.14	197.80	266.94	266.94
ca023011 PH - Los Banos - J & K St	2.92	13.00	-344.00	-1,187.30	-1,515.38	-1,515.38
012c PH - Dos Palos - Alleyne	143.21	0.00	0.00	-85.02	58.19	58.19
012d PH - Dos Palos - Globe	25.00	382.00	372.00	1,253.00	2,032.00	2,032.00
AMP 3 TOTALS	2,001.70	396.00	-88.86	-2,000.93	307.91	307.91
AMP 4						
ca023024 PH 1st Street	50.00	0.00	0.00	-50.00	0.00	0.00
AMP 4 TOTALS	50.00	0.00	0.00	-50.00	0.00	0.00
VALLEY VIEW						
atw Atwater Elderly	0.00	0.00	0.00	0.00	0.00	0.00
dp Dos Palos Elderly	0.00	0.00	0.00	0.00	0.00	0.00
mid Midway	0.00	0.00	0.00	200.00	200.00	200.00
pbcb - atw	-176.00	0.00	0.00	-180.00	-356.00	-356.00
pbcb - dp	0.00	5.00	18.00	-78.00	-55.00	-55.00
pbcb - mid	1,123.24	202.00	334.00	2,143.79	3,803.03	3,803.03
VALLEY VIEW TOTALS	947.24	207.00	352.00	2,085.79	3,592.03	3,592.03
FELIX TORRES YEAR ROUND						
ft.yr Felix Torres Year Round Center	1,656.98	1,009.00	607.00	3,088.00	6,360.98	6,360.98
FELIX TORRES YEAR ROUND TOTALS	1,656.98	1,009.00	607.00	3,088.00	6,360.98	6,360.98
HOUSING AUTHORITY TOTALS	12,816.79	2,917.62	1,947.19	2,793.18	20,474.78	20,474.78

Housing Authority of the County of Merced

Financial Statement - AMP 1 (.fs-amp1)

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1)	325,827	322,981	2,846	1	775,155
TOTAL GRANT INCOME (2)	286,412	292,016	-5,604	-2	700,838
TOTAL INCOME	612,239	614,997	-2,758	0	1,475,993
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (3,4,5,6)	242,186	194,240	-47,948	-25	466,176
TOTAL TENANT SERVICES EXPENSES	818	708	-110	-15	1,700
TOTAL UTILITY EXPENSES (7)	99,501	111,400	11,899	11	267,360
TOTAL MAINTENACE EXPENSES (8,9,10)	138,576	182,690	44,114	24	438,456
TOTAL GENERAL EXPENSES (11)	65,695	59,192	-6,502	-11	142,060
TOTAL HOUSING ASSISTANCE PAYMENTS	2,158	1,667	-491	-29	4,000
TOTAL FINANCING EXPENSES	16,667	16,667	0	0	40,000
Depreciation -Furn,Equip,Machinery-Admin.	146	0	-146	N/A	0
TOTAL NON-OPERATING ITEMS (12)	2,798	15,715	12,917	82	37,716
TOTAL EXPENSES	568,399	582,278	13,879	2	1,397,468
NET INCOME	43,840	32,719	11,121	34	78,525

- (1) Tenant Rents +\$ 3K (Rents +\$ 1k, Misc. Inc. +\$ 2K)
- (2) Grant Inc. down -\$ 6K
- (3) Salaries +\$ 3K, Benefit Exp +\$ 3K
- (4) Legal is under -\$ 26K (Unlawful Detainers -\$ 34K, General Legal +\$ 8K)
- (5) Other Admin -\$ 5K (Audit & Mgt Fees +\$ 4K, Consultant -\$ 10K)
- (6) Misc Admin. - Temp Admin Labor -\$ 22K
- (7) Sewer & Water - +\$ 13K, Garbage +\$ 1K
- (8) Maint. Benefits +\$ 15K
- (9) Maint. Costs Supplies -\$ 4K (Appliance -\$2K, Elcetrical -\$ 2K, Repairs +\$ 5K, Plumbing -\$ 5K)
- (10) Contract Costs +\$ 33K - (some cost lower in winter, expected to catch up in summer)
- (11) Property Ins Higher -\$ 8K, W/C lower +\$ 1K
- (12) Depreciation Items fully depreciated +\$ 13K

Housing Authority of the County of Merced

Financial Statement - AMP 2 (.fs-amp2)

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1)	280,627	264,983	15,644	6	635,959
TOTAL GRANT INCOME (2)	206,890	188,554	18,336	10	452,530
TOTAL INCOME	487,517	453,537	33,980	7	1,088,489
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (3,4,5)	162,672	134,925	-27,747	-21	323,820
TOTAL TENANT SERVICES EXPENSES	0	667	667	100	1,600
TOTAL UTILITY EXPENSES (6)	83,151	105,803	22,652	21	253,926
TOTAL MAINTENANCE EXPENSES (7,8,9)	112,342	139,447	27,104	19	334,672
TOTAL GENERAL EXPENSES (10,11)	50,166	50,015	-151	0	120,036
TOTAL HOUSING ASSISTANCE PAYMENTS	1,018	967	-51	-5	2,320
TOTAL FINANCING EXPENSES	7,917	7,917	0	0	19,000
TOTAL NON-OPERATING ITEMS	97	0	-97	N/A	0
TOTAL EXPENSES	417,363	439,739	22,377	5	1,055,374
NET INCOME	70,154	13,798	56,357	408	33,115

- (1) Tenant Rents +\$ 16K
- (2) HUD PHA Subsidy +\$ 18K
- (3) Admin - Salary & Benefits +\$ 4K, Legal -\$ 19K (Unlawful -\$21K and General Legal +\$ 2K)
- (4) Other Admin +\$ 4K, (Audit & Bookkeeping +\$ 9K & Consultants -\$ 6K)
- (5) Misc. Admin -Temp Salaries -\$ 18K
- (6) Utilities - Water/Sewer +\$ 15K, Elect. & Gas +\$ 5K, Garbage +\$ 2K
- (7) Maint. Salary & Benefits Exp. +\$ 16K
- (8) Material Exp. -\$ 6K - (Appliance +\$ 4K & Paint +\$ 2K, Repairs -\$ 7K & Repairs -\$ 5K)
- (9) Contract Costs +\$ 17K, Timing on using Contract Labor
- (10) W/C +\$ 3K
- (11) Payments in Lieu -\$ 3K

Housing Authority of the County of Merced

Financial Statement - AMP 3 (.fs-amp3)

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1)	253,426	264,859	-11,433	-4	635,662
TOTAL GRANT INCOME (2)	208,988	187,282	21,706	12	449,477
TOTAL INCOME	462,414	452,141	10,273	2	1,085,139
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (3,4,5)	141,531	146,482	4,951	3	351,557
TOTAL TENANT SERVICES EXPENSES	325	542	217	40	1,300
TOTAL UTILITY EXPENSES (6)	73,365	81,374	8,009	10	195,298
TOTAL MAINTENANCE EXPENSES (7,8,9)	68,810	144,513	75,703	52	346,832
TOTAL GENERAL EXPENSES (10)	47,838	53,351	5,514	10	128,043
TOTAL HOUSING ASSISTANCE PAYMENTS	1,621	1,750	129	7	4,200
TOTAL FINANCING EXPENSES	7,083	7,083	0	0	17,000
TOTAL NON-OPERATING ITEMS	101	0	-101	N/A	0
TOTAL EXPENSES	340,674	435,096	94,422	22	1,044,231
NET INCOME	121,740	17,045	104,695	614	40,908

- (1) Tenant Rent -\$ 11K
- (2) Grant Subsidy +\$ 22K
- (3) Salaries +\$ 20K & Benefits +\$ 9K
- (4) Legal -\$ 2K (unlawfull detainers, Other Admin. -\$ 17K (Audit &Mgt Fee +\$ 8K, Consulting -\$ 6K)
- (5) Misc. Admin - Temp Labor -\$ 22K
- (6) Water & Sewer -\$ 8K, Elect/Gas -\$ 2K, Garbage +\$ 2K
- (7) Maintenance Salary *& Benefits +\$ 22K & Vehicle Gas -\$ 1K
- (8) Supplies Maintenance +\$ 24K - (Maint/Repairs +\$ 23K, Appliances/Decorating +\$ 7K, Plumbing -\$ 7K)
- (9) Contract Costs Lower +\$ 32K, (Repairs/Painting +\$ 6K, Landscaping +\$11K, HVAC +\$ 7K, Equip Rental +\$ 5K, Inspections +\$ 2K)
- (10) Property Ins. +\$ 2K, W/C lower +\$ 2, Pymts in Lieu Taxes +\$ 1k

Housing Authority of the County of Merced

Financial Statement - AMP4 - 1st Street, Merced (.fs-amp4)

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME	8,070	8,336	-266	-3	20,006
TOTAL GRANT INCOME (1)	9,597	11,352	-1,755	-15	27,244
TOTAL INCOME	17,667	19,687	-2,020	-10	47,250
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES	5,377	5,535	156	3	13,284
TOTAL UTILITY EXPENSES	2,878	3,510	632	18	8,424
TOTAL MAINTENACE EXPENSES	3,466	3,061	-405	-13	7,347
TOTAL GENERAL EXPENSES	1,671	1,688	18	1	4,051
TOTAL HOUSING ASSISTANCE PAYMENTS	0	42	42	100	100
TOTAL FINANCING EXPENSES	545	417	-128	-31	1,000
TOTAL NON-OPERATING ITEMS	19,651	19,899	248	1	47,757
TOTAL EXPENSES	33,588	34,152	563	2	81,964
NET INCOME	-15,921	-14,464	-1,457	10	-34,714

(1) Grant Subsidy -\$ 2K

Housing Authority of the County of Merced
 Financial Statement - All HCV Properties with Sub (.fs-hcvs)

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
TOTAL GRANT INCOME (1,2)	10,672,761	10,666,204	6,557	0	25,598,890
TOTAL OTHER INCOME	261	625	-364	-58	1,500
TOTAL INCOME	10,673,022	10,666,829	6,193	0	25,600,390
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (3,4,5,6,7,8)	711,781	830,851	119,071	14	1,994,042
TOTAL TENANT SERVICES EXPENSES	1,793	1,104	-689	-62	2,650
TOTAL UTILITY EXPENSES	69	110	42	38	265
TOTAL MAINTENACE EXPENSES (9)	481	10,021	9,539	95	24,050
TOTAL GENERAL EXPENSES (10,11)	18,860	34,165	15,305	45	81,997
TOTAL HOUSING ASSISTANCE PAYMENTS (12,13,14,15)	9,537,021	9,701,877	164,856	2	23,284,505
TOTAL FINANCING EXPENSES	30,229	30,229	0	0	72,550
TOTAL NON-OPERATING ITEMS	678	0	-678	N/A	0
TOTAL EXPENSES	10,300,912	10,608,358	307,446	3	25,460,059
NET INCOME	372,110	58,471	313,639	536	140,331

- (1) Lower HAP from HUD +\$39K
- (2) Lower Admin Fees -\$ 33K
- (3) Lower Salaries +\$ 105K & Benefits Costs +\$ 33K
- (4) Lower Mgt and Bookkeeping Fees +\$ 50K
- (5) Higher inspections -\$ 12K, Higher Consultant Costs -\$ 5K, Auditing & Bookkeeping +\$ 3K
- (6) Misc. Admin. Exp. - Office Supp +3K, Comp Parts +\$ 3K, Copiers & Postage +\$ 4K, Copiers -\$ 6K, Other Misc exp +\$ 5K
- (7) Higher Temp. Labor Exp. -\$ 48K
- (8) Misc. Admin. Exp. Section 8, -\$ 19K - not budgeted
- (9) Lower Contract Costs +\$ 9K, (expenses projected, not incurred as of yet - some are higher in summer months)
- (10) Lower Workman's Comp. Exp. +\$ 7K
- (11) Lower Port-out admin fees +\$ 7K
- (12) Lower HAP issued +\$ 113K
- (13) Port Out Payments +\$ 60K (lower than budgeted)
- (14) Tenant Utility -\$ 4K (higher than budgeted)
- (15) Escrow Contributions Higher -\$ 4K

Housing Authority of the County of Merced

Financial Statement - Central Office Cost Center (cocc)

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
TOTAL OTHER INCOME (1,2)	526,065	578,365	-52,300	-32	1,388,076
TOTAL INCOME	<u>526,065</u>	<u>578,365</u>	<u>-52,300</u>	<u>-32</u>	<u>1,388,076</u>
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (3,4,5,6,7,8)	542,596	443,257	-100,198	-23	1,063,816
TOTAL TENANT SERVICES EXPENSES	1,050	625	-425	-68	1,500
TOTAL UTILITY EXPENSES (9)	19,746	22,266	2,520	11	53,439
TOTAL MAINTENACE EXPENSES (10)	19,835	36,090	16,255	45	86,615
TOTAL GENERAL EXPENSES	14,662	14,708	96	1	35,300
TOTAL FINANCING EXPENSES	31,250	31,250	0	0	75,000
TOTAL NON-OPERATING ITEMS	3,808	3,280	-528	-16	7,873
TOTAL EXPENSES	<u>632,947</u>	<u>551,476</u>	<u>-82,280</u>	<u>-15</u>	<u>1,323,543</u>
NET INCOME	<u>-106,882</u>	<u>26,889</u>	<u>133,771</u>	<u>497</u>	<u>64,533</u>

- (1) Lower Mgmt. Fees from HCV -\$ 32K
- (2) Lower Bookkeeping Fees -\$ 20K
- (3) Asset Mgt Fee booked as budgeted (As Budgeted \$ 20K)
- (4) Admin Fee to be booked as Cap Projects funding allows (Budgetted 112K)
- (5) Admin Salary -\$ 21K & Benefits Higher -\$ 14K (Posting Resolution Mgt in Nov for 9 mo.)
- (6) Legal Fees higher -\$ 72K, Unlawful Detainers -\$ 2K
- (7) Admin Misc. Exp Lower + \$ 7K (Postage +\$ 5K, Mbrship +\$ 3K, Internet/Ad/Parts +\$ 3K, Other Admin Exp -\$ 2K)
- (8) Admin Other Exp -\$ 3K - (Training/travel/Audit +\$ 16K, Consultants -\$ 15K)
- (9) Utilities Gas & Elect. +\$ 2K
- (10) Mainttenance Exp - Materials and Contract costs lower +\$ 19K - time of year, additional exp during summer

Housing Authority of the County of Merced

Financial Statement - Langdon Villas (langdon)

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1)	32,378	31,012	1,367	4	74,428
TOTAL OTHER INCOME (2)	217,171	117,728	99,443	84	282,546
TOTAL INCOME	249,549	148,739	100,810	68	356,974
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (3)	36,046	34,442	-1,604	-5	82,661
TOTAL UTILITY EXPENSES	72	667	595	89	1,600
TOTAL MAINTENANCE EXPENSES (4)	0	4,867	4,867	100	11,680
TOTAL GENERAL EXPENSES	9,504	9,472	-32	0	22,732
TOTAL FINANCING EXPENSES	63,750	63,750	0	0	153,000
TOTAL NON-OPERATING ITEMS	1,413	1,432	19	1	3,438
TOTAL EXPENSES	110,785	114,629	3,845	3	275,111
NET INCOME	138,764	34,110	104,655	307	81,863

(1) Other Income +\$ 98K - Interest income from F & M Bnak on deposit accounts - not budgeted

(2) Management Fee Lower -\$ 1K

(3) Salary -\$ 3K, Legal +\$ 1K

(4) Contract Cost Lower +\$ 5K, Timing - Landscaping +\$ 2K, HVAC +\$ 1K

Housing Authority of the County of Merced
 Financial Statement - Obanion Learning Center (obanion)

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1)	81,028	90,816	-9,788	-11	217,958
TOTAL INCOME	<u>81,028</u>	<u>90,816</u>	<u>-9,788</u>	<u>-11</u>	<u>217,958</u>
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES	8,657	9,180	524	6	22,033
TOTAL UTILITY EXPENSES (2)	36,481	39,597	3,115	8	95,032
TOTAL MAINTENANCE EXPENSES	14,448	16,432	1,984	12	39,438
TOTAL GENERAL EXPENSES	2,510	2,612	102	4	6,270
TOTAL NON-OPERATING ITEMS	23,034	22,417	-618	-3	53,800
TOTAL EXPENSES	<u>85,130</u>	<u>90,239</u>	<u>5,108</u>	<u>6</u>	<u>216,573</u>
NET INCOME	<u>-4,103</u>	<u>577</u>	<u>-4,680</u>	<u>-811</u>	<u>1,385</u>

(1) Tenant Rents - lower -\$ 8K, (Golden Valley Health moved out), Tenant Utilities +\$ 2K

(2) Garbage +\$ 3K

Housing Authority of the County of Merced

Financial Statement - Property = .fs-vv sub-dp sub-mid sub-atw

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1)	365,930	261,522	104,408	40	627,653
TOTAL GRANT INCOME (2)	271,050	263,499	7,551	3	632,397
TOTAL INCOME	636,980	525,021	111,959	21	1,260,050
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (3,4)	47,290	75,030	27,740	37	180,072
TOTAL UTILITY EXPENSES (5)	39,359	49,594	10,234	21	119,025
TOTAL MAINTENACE EXPENSES (6,7)	33,032	63,832	30,800	48	153,197
TOTAL GENERAL EXPENSES (8)	16,213	17,578	1,365	8	42,187
TOTAL HOUSING ASSISTANCE PAYMENTS (9)	271,873	263,499	-8,374	-3	632,397
TOTAL FINANCING EXPENSES	28,542	28,542	0	0	68,500
TOTAL NON-OPERATING ITEMS	6,408	6,495	87	1	15,588
TOTAL EXPENSES	442,717	504,569	61,852	12	1,210,966
NET INCOME	194,263	20,452	173,811	850	49,084

- (1) Tenant Assistance Pmts +\$ 109K, Tenat Rents -\$ 4K
- (2) Grant Inc +\$ 8k
- (3) Vacant staff positions +\$ 12K, Lower Benefit costs +\$ 6K
- (4) Legal Exp Lower +\$ 6K (no legal billing to date)
- (5) Utility Invoices timing. +\$ 10K (Water/Sewer +\$ 3K, Gas/Electric +\$ 2K)
- (6) Maint. Salary & Benefits Lower +\$ 7K, Supplies Costs lower +\$ 7K
- (7) Contract Landscaping Lower -\$ 15K (Building Repairs +\$ 4K, Landscaping +\$ 7K)
- (8) W/C lower +\$ 1K
- (9) Housing Assistance Pmt Higher -\$ 8K

Housing Authority of the County of Merced

Financial Statement - Felix Torres Year Round (.fs-fty)

Budget Comparison

Period = Oct 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1)	224,580	236,679	-12,099	-5	568,030
TOTAL OTHER INCOME	20	0	20	N/A	0
TOTAL INCOME	224,600	236,679	-12,079	-5	568,030
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (2)	22,098	32,380	10,279	32	77,712
TOTAL UTILITY EXPENSES (3)	37,453	42,279	4,826	11	101,470
TOTAL MAINTENACE EXPENSES (4,5)	65,529	45,091	-20,438	-45	108,218
TOTAL GENERAL EXPENSES	16,781	16,830	46	0	40,391
TOTAL NON-ROUTINE MAINTENANCE (6)	9,648	0	-9,648	N/A	0
TOTAL FINANCING EXPENSES	8,333	8,333	0	0	20,000
TOTAL NON-OPERATING ITEMS	80,360	81,446	1,086	1	195,471
TOTAL EXPENSES	240,202	226,359	-13,849	-6	543,262
NET INCOME	-15,602	10,320	-25,928	-251	24,768

(1) Vacancies -\$ 29K, Rental Assistance +\$ 17K

(2) Sal & Benefits costs +\$ 7K

(3) Water\Sewer +\$ 1K, Elect/Gas -\$ 1K, Garbage +\$ 4K

(4) Supplies -\$ 7K (Water Heaters Res Exp 6K/ Ranges-Refrig Res Exp 5K)

(5) Contract -\$ 12K (Flooring - should come out of reserves)

(6) Non-Routine Exp. - Res Exp -\$ 10K (Reserve Exp - Sewer Pump replacement)

Housing Authority of the County of Merced

Financial Stmt - Migrant (.fs-mig)

Budget Comparison

Period = Jul 2023-Feb 2024

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME (1)	1,070,979	1,407,030	336,051	24	2,110,544
TOTAL INCOME	1,070,979	1,407,030	336,051	24	2,110,544
EXPENSES					
Total - Center Personnel (2)	429,116	485,910	56,794	12	728,865
Total - Operating Expenses (3,4)	411,829	679,488	267,659	39	1,019,231
Total - Contractor Administration (5)	103,762	97,931	-5,831	-6	146,896
Total - Debt Service and Replacement	100,268	100,268	0	0	150,402
TOTAL	1,070,979	1,407,030	336,051	24	2,110,544

(1) Zero budget, offset to variance in expenses -\$ 336K

(2) Salaries +\$ 8K, Benefits +\$ 57K

(3) Higher utilities - Net diff. -\$ 36K, (Utilities -\$36k, Communications +39K, Major Equip. +\$ 276 Other Costs -\$ 14K -not budgeted)
(OMS/ High Speed Interned project not started, impacting Operations budget figures)

(4) General lower supplies and contract expenses +\$17K, (Painting and Material. Supplies +\$ 13K, Lumber and Materials +\$ 4K)

(5) Expense compared to budget -Audit Fees Higher than Bgdt YTD-\$ 5K

Total Number of Public Housing Units: 421
 Number of Occupied Units: 416
 Number of Vacant Units: 5

Unit ID	Prospective Resident	Move - In Date	Security Deposit Amount
169	YES	04/29/24	\$500.00
464	NO	200 Selected from Waiting List	\$300.00
11	NO	200 Selected from Waiting List	\$500.00
442	NO	200 Selected from Waiting List / Pending Unit Turnover	\$500.00
229	NO	200 Selected from Waiting List / Pending Unit Turnover	\$500.00

Indicators

Sub-Indicator #1	Performance Scoring	Oct	Nov	Dec	Jan	Feb	Mar
Lease Up Days		138	154	399	825	914	1156
Average Lease Up Days		5	51	44	52	44	43
Make Ready Time		350	47	130	247	417	544
Average Make Ready Days		15	16	14	15	20	20
Down Days		61	162	774	1640	1904	2235
Average Down Days		1	54	86	103	91	83
Total # Vacant Units Turned		38	3	9	16	21	27
Total # Turn Around Days		549	363	1303	2712	3235	3935
Average Turn Around Days (To Date)	A = 0-20 B = 21-25 C = 26-30 D = 31-40 F = more than 50	23	121	144	169	154	145

These indicators measure the annual average amount of time it takes a PHA to turn around its vacant units.

Lease Up Days means for each "turned" unit in the immediate fiscal year, the days from the date maintenance gives the keys back to management for rental to the effective date of the lease

Make Ready Time means for each unit "turned" in the immediate fiscal year, the days from the date maintenance receives the keys to the date maintenance turns the unit back to management for rental

Down Days means for each unit "turned" in the immediate fiscal year, the days from the date the unit was discovered to be vacant or the date the lease expired, until the date the keys are handed to maintenance to start cleaning and fixing the unit

Total # Vacant Units Turned means the number of units that completed the turnaround cycle which consists of down, make ready and lease up time during the immediate fiscal year

Total # Turn Around Days means total number of days from the day the lease expired (or when the unit was discovered vacant) to the effective date of the new lease

HCV Program Counts

Voucher Program Name	Funding Source	Allocation	Voucher Under HAP	Vouchers Searching	Referrals Pending Review/ Documentation	Packets needed to fully HAP
Veterans Affairs Supportive Housing (VASH)	HUD Grant	123	100	8	4	10
Emergency Housing Voucher (EHV)	HUD Grant	68	59	7	0	2
Mainstream (MS5)	HUD Grant	26	6	0	0	20
Shelter Plus Care (SPC)	HA Set-Aside	8	5	1	0	2
Independent Living Program (ILP)	HA Set-Aside	10	9	0	0	1
Family Unification Program (FUP)	HA Set-Aside	27	23	2	0	2
Coordinated Entry System (CES)	HA Set-Aside	150	138	10	0	2
Adult Protective Services (APS)	HA Set-Aside	10	10	0	0	0
Human Services Agency (HSA/HSP)	HA Set-Aside	50	39	10	1	0
Tenant Based & Project Based Vouchers	HAP	2494	2209			

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: David G. Ritchie, General Counsel

DATE: April 16, 2024

**SUBJECT: CONSIDERATION TO ADOPT A RESOLUTION SETTING THE
SCHEDULE OF REGULAR MEETING DATES AND TIMES FOR THE
BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF
THE COUNTY OF MERCED FOR CALENDAR YEAR 2024**

Pursuant to the By-Laws of the Housing Authority of the County of Merced (Authority), adopted on March 20, 2024, the Board shall, annually, set the dates and times of their regular Board meetings each year.

Per the Board's direction to staff, there is a desire to set out pre-planned dates and times to be in compliance with the Authority by-laws and to ensure that there is public awareness of when the regular meetings of the Board are scheduled to take place.

The Board has also expressed a desire to discuss the balance between the predictability of when meetings will take place, encouraging public participation, and ensuring that Board members are able to attend.

RECOMMENDATION

Discuss the dates and times for each Regular meeting of the Board of Directors for the remaining months in calendar year 2024 (May – December) and adopt a resolution setting forth those dates and times.

ALTERNATIVES

The Board could decline to adopt dates and times for regular board meetings however this is not recommended as it is required by the Authority by-laws to adopt a resolution identifying these.

ATTACHMENTS:

Resolution No. 2024-04

RESOLUTION NO. 2024-04

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF MERCED, CALIFORNIA, SETTING THE DATES AND TIMES OF THE REGULAR MEETINGS OF THE BOARD FOR CALENDAR YEAR 2024.

WHEREAS, the by-laws of the Housing Authority of the County of Merced (“Authority”) adopted on March 20, 2024, require the Board, annually, to set the dates and times of regular meetings of the Board by resolution; and

WHEREAS, the Housing Authority board has considered the interests in encouraging public awareness and public participation in the meetings of the Board as well as the importance of ensuring Board members are able to attend scheduled meetings to the extent feasible;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the County of Merced hereby finds and determines the following:

1. The above recitals are true and correct.
2. The Board hereby schedules the Regular Meetings of the Board as follows:

May	_____	2024	At	_____	:	_____	P.M.
June	_____	2024	At	_____	:	_____	P.M.
July	_____	2024	At	_____	:	_____	P.M.
August	_____	2024	At	_____	:	_____	P.M.
September	_____	2024	At	_____	:	_____	P.M.
October	_____	2024	At	_____	:	_____	P.M.
November	_____	2024	At	_____	:	_____	P.M.
December	_____	2024	At	_____	:	_____	P.M.

3. This Resolution shall take effect immediately upon adoption of the Board of Commissioners.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Merced this 16th day of April 2024 by the following vote to wit:

Motion:

Second:

Ayes:

Nays:

Absent:

Abstain:

Chairperson, Board of Commissioners
Housing Authority of the County of Merced

Dated: April 16, 2024

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: Bruce Milgrom, Finance Officer

DATE: April 16, 2024

SUBJECT: Recommendation to adopt **Resolution No. 2024-05**, approving to write off the uncollected amounts as a loss from Tenant Accounts Receivable.

The Housing Authority of the County of Merced (Authority) incurs tenant receivables for current families and families that have moved. The Authority actively seeks to collect monies owed during tenancies. Upon families moving out and leaving a balance owed, the Authority enters the monies owed into the Department of Housing & Urban Development (HUD) database so that if that former resident is ever eligible to receive rental assistance with another Public Housing Authority (PHA) the debt must be paid the Authority where the monies are owed.

Under Federal regulation, allowable write-offs impact the Authority's Tenant Accounts Receivable (TAR) Public Housing Assessment System ("PHAS") score and are an accepted accounting practice. PHAS is the annual assessment process by which HUD fulfills its statutory requirement to assess a PHAs administration of the Public Housing program. The Authority acts to collect all tenant charges and will continue to pursue collection of the accounts included in this write-off.

In February 2022, HUD published notice PIH 2022-021, which provided guidance to PHAs on the end of the COVID-19 waiver authority for PHAS assessments granted to HUD as a part of the Coronavirus Aid, Relief & Economic and Security (CARES) Act. The notice also communicated an adjustment to the Tenant Accounts Receivable sub-indicator under the Management Operations Indicator (MASS) due to the impact of various local, State, and Federal eviction moratoria. Nationally, PHAs that the eviction moratoria impacted rent collections, which impacted their financial status and reduced their scores under the TAR sub-indicator of MASS.

While PHAs have largely returned to normal operations and PHAS regulatory requirements after the COVID-19 pandemic emergency, PHAs continue to experience challenges with collecting rent and managing rent collection activities, which have impacted the PHAs' performance under the TAR sub-indicator. Due to the continued challenges, PHAs are facing with TAR, this notice advises that for PHAs with fiscal years ending March 31, 2023, June 30, 2023, September 30,

2023, and December 31, 2023, only, HUD is continuing a temporary revision to the scoring methodology for TAR. HUD determined that this extended temporary adjustment to the scoring notice will appropriately score PHAs as they continue to return to normal operations and requirements

HUD intends to return to the regular scoring methodology for TAR for PHAs with fiscal years ending in 2024. The long-term sustainability of the Public Housing program depends on families paying and PHAs collecting rent, so it is important that PHAs continue to work to improve tenant rent collection.

The Authority has worked with families to enter into repayment agreements, and legal stipulations via legal and or evictions. However, the Authority will need to write off monies incurred during the COVID pandemic that are not collectible at this time. The Authority will be reviewing all monies owed and bringing write-off amounts to the Board to ensure the Authority aligns with HUD requirements.

NOTE: For existing Tenant Receivable the money showing in the pending monies owed column cannot be written off until a family moves out of rental assistance.

Amounts to be written off are summarized by program below.

PH AMP 3:	\$69,765.56
TOTAL:	\$69,765.56 =====

RECOMMENDATION

It is hereby recommended that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2024-05**, authorizing the Executive Director or her designee to declare the amounts uncollectible and to authorize the write-off as a loss.

RESOLUTION NO. 2024-05

**APPROVING THE WRITE-OFF FOR BAD DEBTS
FROM TENANTS' ACCOUNTS RECEIVABLE**

WHEREAS, every year the Housing Authority of the County of Merced (Authority) operates a number of rental housing projects throughout the county for low-income tenants; and

WHEREAS, certain former tenants have been unable or unwilling to pay their rent and/or work orders; and it is no longer prudent to carry over these receivables on the books of account; and

WHEREAS, allowable write-off's impact Authority Tenant Accounts Receivable Public Housing Assessment System ("PHAS") score and is an accepted accounting practice; and

THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the County of Merced do hereby approve the write-off of the tenant delinquent accounts in the amount of \$69,765.56, that are attached for the Housing Programs administered by the Housing Authority of the County of Merced.

The foregoing resolution was introduced at the April 16, 2024 Board of Commissioners meeting of the Housing Authority of the County of Merced and adopted by the following vote:

Motion:

Second:

Ayes:

Nays:

Absent:

Abstain:

Date: April 16, 2024

Chairperson, Board of Commissioners
Housing Authority of the County of Merced

MEMORANDUM

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: Melina Frederick, Director of Development & Asset Management

DATE: April 16, 2024

SUBJECT: Recommendation to adopt **Resolution No. 2024-06** approving updating the Housing Authority of the County of Merced Procurement Policy

The Authority Procurement Policy was adopted through Board Resolution on June 24, 1993, and subsequently updated on June 21, 2016, as necessary and required by regulations.

As reported at the March 2024 meeting, the Department of Housing & Urban Development (HUD) issued regulations related to the Build America, Buy America (BABA) Act. A draft of the policy updates was provided for review and comment to the Board. There being no comments the Authority has integrated the required BABA amendments and hereby presents the final version of the Procurement Policy for Board approval.

RECOMMENDATION

It is hereby recommended that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2024-06**, approving updating the Housing Authority of the County of Merced Procurement Policy.

RESOLUTION NO. 2024-06

RESOLUTION APPROVING UPDATING THE HOUSING AUTHORITY OF THE COUNTY OF MERCED PROCUREMENT POLICY

WHEREAS, the Procurement Policy was originally adopted through Board Resolution on June 24, 1993: and

WHEREAS, the Procurement Policy was subsequently revised through Board Resolution on June 21, 2016: and

WHEREAS, the Department of Housing & Urban Development (HUD) issued regulations related to the Build America, Buy America (BABA) Act; and

WHEREAS, the Authority has integrated the required BABA amendments amending the existing policy; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Merced that the revised Procurement Policy, attached to this Resolution as *Exhibit A*, is hereby adopted.

The foregoing resolution was introduced at the April 16, 2024, Board meeting of the Board of Commissioners of the HACM and adopted by the following vote:

Motion:

Second:

Ayes:

Nays:

Absent:

Abstain:

Chairperson, Board of Commissioners
Housing Authority of the County of Merced

Dated April 16, 2024

HOUSING AUTHORITY OF THE COUNTY OF MERCED

PROCUREMENT POLICY

Updated April 16, 2024 / Resolution No. 2024-06

APRIL 2024

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Housing Authority of the County of Merced Procurement Policy

This Procurement Policy complies with the Annual Contributions Contract (ACC) between the Housing Authority of the County of Merced (Authority) and the HUD, Federal Regulations at 24 CFR 85.36, the procurement standards of the Procurement Handbook for Authority's, HUD Handbook 7460.8, Rev 2, and applicable State and Local laws.

GENERAL PROVISIONS

A. Responsibilities:

The Authority shall:

- Provide for a procurement system of quality and integrity;
- Provide for the fair and equitable treatment of all persons or firms involved in purchasing by the Authority;
- Ensure that supplies and services (including construction) are procured efficiently, effectively, and at the most favorable prices available to the AUTHORITY;
- Promote competition in contracting;
- Assure that Authority purchasing actions are in full compliance with applicable Federal standards, HUD regulations, State, and local laws; and
- Provide safeguards for maintaining a procurement system of quality and integrity.

B. Application:

This Procurement Policy applies to all procurement actions of the Authority, regardless of the source of funds, except as noted under exclusions, below. However, nothing in this Policy shall prevent the Authority from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with the law. When both HUD and non-Federal grant funds are used for a project, the work to be accomplished with the funds should be separately identified prior to procurement so that appropriate requirements can be applied, if necessary. If it is not possible to separate the funds, HUD procurement regulations shall be applied to the total project. If funds and work can be separated and work can be completed by a new contract, then regulations applicable to the source of funding may be followed.

C. Definition:

The term procurement, as used in this Policy, includes the procuring, purchasing, leasing, or renting of:

- Goods, supplies, equipment, and materials;
- Construction and maintenance;
- consultant services;
- Architectural and Engineering (A/E) services;
- Social Services, and
- Other services

D. Exclusions:

This policy does not govern administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 program, the execution of landlord Housing Assistance Payments contracts under that program, or non-program income, e.g., fee-for-service revenue under 24 CFR Part 990. These excluded areas are subject to applicable State and local requirements.

E. Changes in Laws and Regulations:

In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these policies, automatically supersede these policies.

F. Public Access to Procurement Information:

Certain procurement information is normally considered public and shall be a matter of public record to the extent provided by the California Freedom of Information Act and shall be available to the public as provided in that statute. Other information related to procurement is that is considered proprietary and protected from disclosure to the public.

ETHICS IN PUBLIC CONTRACTING

A. Responsibilities:

The Authority hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations (Authority Personnel Policy).

B. Conflicts of Interest 24 CFR 85.36 (b)(3) and Section 19 of the ACC:

No employee, officer, Board of Commissioner (BOC) member, or agent of the Authority shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:

- An employee, officer, BOC member, or agent involved in making the award;
- His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister); and His/her partner; or an organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

C. Gratuities, Kickbacks, and Use of Confidential Information:

No officer, employee, BOC member, or agent shall ask for or accept gratuities, favors, or items of more than \$25 in value from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.

D. Prohibition Against Contingent Fees:

Contractors wanting to do business with the Authority must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies.

E. Procurement Authority and Administration:

All procurement transactions shall be administered by the Contracting Officer, who shall be the Executive Director or other individual he or she has authorized in writing. The Executive Director shall issue operational procedures to implement this statement, which shall be based on HUD Handbook 7460.8. The Executive Director shall also establish a system of sanctions for violations of the ethical standards described in the section below consistent with State law.

The Executive Director or his/her designee shall ensure that:

- Procurement requirements are subject to an annual planning process to assure efficient and economical purchasing;
- Contracts and modifications are in writing, clearly specifying the desired supplies, services or construction, and are supported by sufficient documentation regarding the history of the procurement chosen, the selection of the contract type, the rationale for selection or rejecting offers, and the basis for the contract price;
- For procurements other than small purchases, a minimum of 15 days is provided for preparation and submission of bids or proposals; and notice of contract awards is made available to the public;
- Solicitation procedures are conducted in full compliance with Federal standards stated in 24 CFR 85.36, or State and local laws that are more stringent, provided they are consistent with 24 CFR 85.36;
- An independent cost estimate is prepared before solicitation issuance and is appropriately safeguarded for each procurement above the small purchase limitation, and a cost or price analysis is conducted of the responses received for all procurements;
- Contract award is made to the responsive and responsible bidder offering the lowest price (for sealed bid contracts) or contract award is made to the offeror whose proposal offers the greatest value to the Authority, considering price, technical, and other factors as specified in the solicitation (for contracts awarded based on competitive proposals); unsuccessful firms are notified ten days after contract award;
- There are sufficient unencumbered funds available to cover the anticipated cost of each procurement before contract award or modification (including change orders), work is inspected before payment is made promptly for contract work performed and accepted; and The Authority complies with applicable HUD review requirements, as provided in the operational procedures supplementing this Statement.

This statement and any later changes shall be submitted to the Board of Commissioners (BOC) for approval. The BOC appoints and delegates procurement authority to the Executive Director and is responsible for ensuring that any procurement policies adopted are appropriate for the Authority.

PROCUREMENT PLANNING

Planning is essential to managing the procurement function properly. Hence, the Authority will periodically review current records of prior purchases, as well as evaluate future needs, to:

- Find patterns of procurement actions that could be performed more efficiently or economically;
- Maximize competition and competitive pricing among contracts and decrease the Authority's procurement costs;
- Reduce Authority administrative costs;
- Ensure that supplies and services are obtained without any need for re-procurement, e.g., resolving bid protests; and
- Minimize errors that occur when there is inadequate lead time. Consideration should be given to storage, security, and handling requirements when planning the most appropriate purchasing actions.

PROCUREMENT METHODS

If it has been decided that the Authority will directly purchase the required items, one of the following procurement methods shall be chosen, based on the nature and anticipated dollar value of the total requirement.

A. Petty Cash Purchases:

Purchases under \$50.00 which can be satisfied by local sources may be processed through the use of the "Petty Cash" account. ONLY Authorized personnel (Attachment A) are to administer petty cash with a written and signed receipt. The contracting officer shall ensure that:

- The account is established in an amount sufficient to cover small purchases made during a reasonable period (e.g., one month);
- Security is maintained and only authorized individuals have access to the account;
- The account is periodically reconciled and replenished by submission of a voucher to the Authority Finance Officer; and
- The account is periodically audited by the Finance Officer or designee to validate proper use and to verify that the account total equals cash on hand plus the total of accumulated vouchers.

B. Small Purchase Procedures:

Any contract not exceeding \$250,000 may be made in accordance with the small purchase procedures authorized in this section. Contract requirements shall not be artificially divided so as to constitute small purchase under this section.

1. Micro Purchases of \$10,000 or less

For any amounts above the Petty Cash ceiling, but not exceeding \$10,000, only one quotation is required provided the quote received is considered reasonable. To the greatest extent feasible, and to promote competition, small purchases should be distributed among qualified sources. If practicable, a quotation shall be solicited from other than the previous source before placing a repeat order.

2. Small Purchases from \$10,001-\$250,000

For purchases in excess of \$10,001 but not exceeding \$250,000, no less than three (3) offerors shall be solicited to submit price quotations which may be obtained orally by phone, or in writing, as allowed by the State or local laws. Award shall be made to the offeror providing the lowest acceptable quotation, unless justified in writing based on price and other specified factors, such as for architect-engineer contracts. If non-price factors are used, they shall be disclosed to all those solicited. The names, addresses, and/or telephone numbers of the offerors and persons contacted and the date and amount of each quotation or bid shall be recorded and maintained as public record. (Attachment B Response from Contractors for Services; OR Attachment C, Contractor Submittal Comparison Form)

3. Purchase Orders

Purchase orders are normally issued for purchases up to \$25,000. The issuance of a purchase order by the Authority and its acceptance by the vendor constitutes contract. It is crucial; therefore, that the purchase order clearly specify the purchased item(s), service(s), and the terms and conditions of the purchase. The purchase order should be furnished to the vendor to initiate delivery of any item(s) or service(s). The purchase order, when signed by the Authority and sent to the vendor, constitutes an order for performing a service(s) or delivering an item(s) in the quantity specified on the purchase order at the established price.

- a. A blanket purchase order may be utilized for a purchase arrangement in which the Authority contracts with a vendor to provide the Authority's requirement for an item(s) or service(s). Such arrangement shall have a set limit on the period of time the blanket purchase order and the maximum amount of money which may be spent at one time or within a period of time.

4. Commission Approval

All checks, contracts, or other items, which spend or obligate the Authority to disburse an amount in excess of \$150,000 shall be pre-approved by the Commission; except in an emergency situation.

The Executive Director may authorize emergency expenditures not to exceed 60% of the simplified acquisition threshold described in 2 C.F.R 200.88 and 200.320(b) as may be set by HUD from time-to-time.

The Executive Director, with approval from the Chairperson, may authorize emergency expenditures not to exceed 100% of the simplified acquisition threshold described in C.F.R 200.88 and 200.320(b) as may be set by HUD from time-to-time provided that the Commission is advised of the Chairperson's emergency authorization at the next regular meeting of the Commission.

C. Sealed Bids:

For all Authority contracting requirements above the small purchase threshold, competitive procurements are conducted by inviting *sealed bids* or by requesting *competitive proposals*.

Sealed bidding is the preferred method for procuring construction, supply, and non-complex service contracts that are expected to exceed the small purchase threshold.

1. Conditions for Using Sealed Bids (24 CFR 85.36(d)(2)(i):

Contracts shall be awarded based on competitive sealed bidding if the following conditions are present:

- ❖ a complete, adequate, and realistic statement of work, specification, or purchase description is available;
- ❖ two or more responsible bidders are willing and able to compete effectively for the work;
- ❖ the procurement lends itself to a firm fixed price; and
- ❖ the selection of the successful bidder can be made principally on the lowest price.

Sealed bidding shall be used for all construction and equipment contracts exceeding the small purchase limitation. For professional services contracts, sealed bidding should not be used.

2. Form of Solicitation and Receipt of Bids (24 CFR 85.36.(d)(d):

An Invitation for Bids (IFB) shall be issued including specifications and all contractual terms and conditions applicable to the procurement; including a statement that the award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the Invitation for Bids. The IFB must state the time and place for both receiving the receipt of bids and the public bid opening. All bids received shall be date and time-stamped but not opened and shall be stored in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.

3. Bid Opening and Award

Bids shall be opened publicly and in the presence of at least one witness. An abstract of the bids shall be recorded and made available for public inspection. Award shall be made as provided 9 in the invitation for bids by written notice to the successful bidder. If equal low bids are received from responsible bidders, award shall be made by drawing lots or similar random method, unless provided in State or local law and stated in the IFB, if only one responsive bid is received from a responsible bidder, award shall not be made unless a cost or price analysis verifies the reasonableness of the price.

4. Mistakes in Bids

Correction or withdrawal of bids may be permitted, where appropriate, before bid opening by written notice received in the office designated in the IFB prior to the time set for bid opening. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made, the nature of the mistake, and the bid price actually intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made.

All decisions to allow correction or withdrawal of a bid prior to bid opening shall be supported by a written determination signed by the Contracting Officer. After bid opening, changes in bid

prices, or other provisions of bids prejudicial to the interest of the Authority or fair competition shall not be permitted.

D. Competitive Proposals:

Unlike sealed bidding, the competitive proposal method permits: consideration of technical factors other than price; discussion with offerors concerning offers submitted; negotiation of contract price or estimated cost and other contract terms and conditions; revision of proposals before the final contractor selection; and the withdrawal of an offer at any time up until the point of award. Award is normally made on the basis of the proposal that represents the best overall value to the Authority, considering price and other factors, e.g., technical expertise, past experience, quality of proposed staffing, etc., set forth in the solicitation and not solely the lowest price. Justification for the rationale for choosing the competitive proposals rather than sealed bidding procedures shall be documented in the procurement file.

1. *Conditions for Use*

Competitive proposals (including turnkey proposals for development) may be used if there is an adequate method of evaluating technical proposals and the Authority determines that conditions are not appropriate for the use of sealed bids. An adequate number of qualified sources shall be solicited.

Generally, the competitive method should be used whenever any of the following conditions exist:

- ❖ The requirement cannot be described specifically enough to permit the use of sealed bidding. In other words, the work is not definite enough to accurately estimate the total cost of the contract.
- ❖ The nature of the requirement is such that the Authority needs to evaluate more than just price to be sure that the prospective contractor understands the Authority’s needs and can successfully complete the contract, especially when contracting for professional services (e.g., legal, architect, engineer, accounting, etc.), the Authority needs specific expertise and experience.
- ❖ The requested work lends itself to different approaches, e.g., proposals.

2. *Form of Solicitation*

The Request for Proposals (RFP) shall clearly identify the relative importance of price and other evaluation factors and subfactors, including the weight given to each technical factor and subfactor. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals. The proposals shall be evaluated only on the criteria stated in the request for proposals.

3. *Negotiations*

Unless there is no need for negotiations with any of the offerors, negotiations shall be conducted with offerors who submit proposals determined to have a reasonable chance of being selected for award, based on evaluation against the technical and price factors as specified in the RFP. Such offerors shall be accorded fair and equal treatment with respect to any opportunity for negotiation and revision of proposals. The purpose of negotiations shall be to seek clarification with regard to and advise offerors of the

deficiencies in both the technical and price aspects of their proposals so as to assure full understanding of and conformance to the solicitation requirements.

No offeror shall be given any information about any other offeror's proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. Offerors shall not be directed to reduce their proposed prices to a specific amount in order to be considered for award. A common deadline shall be established for receipt of proposal revisions based on negotiations.

4. Award

After evaluation of the proposal's revisions, if any, the contract shall be awarded to the responsible firm whose qualifications, price and other factors considered, are most advantageous to the Authority

5. Architect/Engineer/Services

Architect/Engineer services in excess of the small purchase limitation must be obtained by qualifications-based selection procedures, unless State law mandates the specific method. Sealed bidding, however, shall not be used to obtain architect/engineer services. Under qualifications-based selection procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to the negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. Qualifications-based selection procedures shall not be used to purchase other types of services even though architect-engineer firms are potential sources.

E. Noncompetitive Proposals:

1. Conditions for Use

Procurements shall be conducted competitively to the maximum extent possible. Procurement by noncompetitive proposals may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, cooperative purchasing, or competitive proposals, and if one of the following applies:

- ❖ The item is available only from a single source, based on a good faith review of available sources;
- ❖ An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the Authority, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary simply to meet the emergency;
- ❖ HUD authorizes the use of noncompetitive proposals; or
- ❖ After solicitation of a number of sources, competition is determined inadequate.

2. Justification

Each procurement based on noncompetitive proposals shall be supported by a written justification for using such procedures. The justification, shall be approved by the Contracting Officer.

3. Price Reasonableness

The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing a cost analysis, as described in "Cost and Price Analysis" section.

F. Cooperative Purchasing/Intergovernmental Agreements

The Authority may enter into State and/or local cooperative or intergovernmental agreements to purchase or use common supplies, equipment, or services. The decision to use an interagency agreement or conduct a direct procurement shall be based on economy and efficiency. If used, the intergovernmental agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The Authority is encouraged to use Federal or State excess and surplus property instead of purchasing new equipment and property whenever such use is feasible and reduces project costs.

G. Independent Cost Estimate (ICE)

For all purchases above the Micro Purchase threshold, the Authority shall prepare an ICE prior to solicitation. The level of detail shall be commensurate with the cost and complexity of the item to be purchased.

COST AND PRICE ANALYSIS

A cost or price analysis shall be performed for all procurement actions, including contract modifications to determine that the price is reasonable. The method of analysis shall be determined as follows. The degree of analysis shall depend on the facts surrounding each procurement.

A. Petty Cash and Micro Purchases

No formal cost or price analysis is required. Rather, the execution of a contract by the Contracting Officer (through a purchase order or other means) shall serve as the Contracting Officers determination that the price obtained is reasonable, which may be based on prior experience or other factors.

B. Small Purchases

A comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes are not obtained to establish reasonableness through price competition, the Contracting Officer shall document price reasonableness through other means, such as prior purchases of this nature, catalog prices, the Contracting Officers personal knowledge at the time of purchase, comparison to the ICE, or any other reasonable basis.

C. Sealed Bids

The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, and when the bid received is substantially more than the ICE, and where the Authority cannot reasonably determine price

reasonableness, the Authority must conduct a cost analysis, consistent with federal guidelines, to ensure that the price paid is reasonable.

D. Competitive Proposals

The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, the Authority must compare the price with the ICE. For competitive proposals where prices cannot be easily compared among offerors, where there is not adequate competition, or where the price is substantially greater than the ICE, the Authority must conduct a cost analysis, consistent with Federal guidelines, to ensure that the price paid is reasonable.

E. Contract Modifications

A cost analysis, consistent with federal guidelines, shall be conducted for all contract modifications for projects that were procured through Sealed Bids, Competitive Proposals, or Non-Competitive Proposals, or for projects originally procured through Small Purchase procedures and the amount of the contract modification will result in a total contract price in excess of \$25,000.

SOLICITATION AND ADVERTISING

A. Method of Solicitation

1. *Petty Cash and Micro Purchases:*

The Authority may contact only one source if the price is considered reasonable.

2. *Small Purchases*

Quotes may be solicited orally, by telephone, through fax, or by any other reasonable method.

3. *Sealed Bids and Competitive Proposals*

Solicitation must be done publicly. The Authority must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.

- ❖ Advertising in newspapers or other print mediums of local or general circulations.
- ❖ Advertising in various trade journals or publications (for construction).
- ❖ E-Procurement. The Authority may conduct its public procurements through the Internet using e- procurement systems. However, all e-procurements must otherwise be in compliance with 24CFR 85.36, State and local requirements, and the Authority’s procurement policy.

B. Time Frame

For purchases of more than \$250,000 the public notice should run not less than once each week for two consecutive weeks.

C. Form

Notices/advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, a contact who can provide a copy of, and information about, the solicitation, and a brief description of the needed items(s).

D. Time Period for Submission of Bids

A minimum of 15 days shall generally be provided for preparation and submission of sealed bids and competitive proposals. However, the Executive Director may allow for a shorter period depending upon circumstances.

E. Cancellation of Solicitations

1. Invitation for Bid (IFB), Request for Proposal (RFP)

An IFB, RFP, or other solicitation may be cancelled before bids/offers are due if:

- ❖ The Authority no longer requires the supplies, services, or construction;
- ❖ The Authority can no longer reasonably expect to fund the procurement;
- ❖ The proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or
- ❖ If problems are found with the specifications, Authority should cancel the solicitation, revise the specifications, and resolicit.
- ❖ Other similar reasons.

2. Solicitation

A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:

- ❖ The supplies or services (including construction) are no longer required;
- ❖ Ambiguous or otherwise inadequate specifications were part of the solicitation;
- ❖ The solicitation did not provide for consideration of all factors of significance to the Authority;
- ❖ Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
- ❖ There is reason to believe that bids or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith;
- ❖ For good cause of similar nature when it is in the best interest of the Authority.

3. Reasons

The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request to any offeror solicited.

4. Notice

A notice of cancellation shall be sent to all bidders/offerors solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any re-solicitation or future procurement of similar items.

5. Unreasonableness

If all otherwise acceptable bids received in response to an IFB are at unreasonable prices, or only one bid is received and the price is unreasonable, the Authority shall cancel the solicitation and either:

- ❖ Re-solicit using a request for proposals; or
- ❖ Complete the procurement by using the competitive proposal method following the related information above (when more than one otherwise acceptable bid has been received), or by using the noncompetitive proposals method and following the above related information (when only one bid is received at an unreasonable price); provided, that the Contracting Officer determines in writing that such action is appropriate, all bidders are informed of the Authority's intent to negotiate, and each responsible bidder is given a reasonable opportunity to negotiate. The Contracting Officer must determine, in writing, that such action is appropriate, must inform all bidders of the Authority's intent to negotiate, and must give each bidder a reasonable opportunity to negotiate.

F. Credit (or Purchasing) Cards

Credit card usage should follow the rules for all other small purchases. For example, the Contracting Officer may use a credit card for Micro Purchases without obtaining additional quotes provided the price is considered reasonable. However, for amounts above the Micro Purchase level, the Contracting Officer would generally need to have obtained a reasonable number of quotes before purchasing via a credit card. When using credit cards, the Executive Director or his/her appointed designee shall monitor all expenditures to insure compliance with policy. The Authority should have reasonable safeguards to assure that they are used only for intended purposes (for instance, limiting the types of purchases or the amount of purchases that are permitted with credit cards).

BONDING REQUIREMENTS

The standards under this section apply to construction contracts that exceed \$250,000. There are no bonding requirements for small purchases or for competitive proposals. The Authority may require bonds in these latter circumstances when deemed appropriate; however, non-construction contracts should generally not require bid bonds.

A. Bid Bonds/Guarantee

For construction contracts exceeding \$250,000, offerors shall be required to submit a bid bond or guarantee from each bidder equivalent to 5% of the bid price.

B. Payment and Performance Bonds

For construction contracts exceeding \$250,000, the successful bidder shall furnish an assurance of completion. This assurance may be any one of the following four:

- A performance and payment bond for 100% of the contract price; or
- Separate performance and payment bonds, each for 50 % or more of the contract price; or
- A 20 % cash escrow; or
- A 25 % irrevocable letter of credit.

These bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State where the work is to be performed. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting

limits on each contract bonded, and the States in which the company is licensed to do business. Use of companies on this circular is mandatory.

CONTRACTOR QUALIFICATIONS AND DUTIES

A. Contractor Responsibility

Procurements shall be conducted only with responsible contractors, i.e., those who have the technical and financial competence to perform and who have satisfactory record of integrity. Before awarding a contract, the Authority shall review the proposed contractor's ability to perform the contract successfully, considering factors such as the contractor's integrity (including a review of the List of Parties Excluded from Federal Procurement and Non-procurement Programs published by the U.S. General Services Administration), compliance with public policy, record of past performance (including contacting previous clients of the contractor, such as other Authority's), and financial and technical resources. If a prospective contractor is found to be prepared and included in the contract file, and the prospective contractor shall be advised of the reasons for the determination.

- Have adequate financial resources to perform the contract, or the ability to obtain them;
- Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all the bidders/offerors existing commercial and governmental business commitments;
- Have a satisfactory performance record;
- Have a satisfactory record of integrity and business ethics;
- Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;
- Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and,
- Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not be suspended, debarred or under a HUD-imposed Limited Denial of Participation (LDP). If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

B. Suspension and Debarment

Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined to be ineligible by HUD in accordance with HUD regulations (24 CFR Part 24) or by other Federal agencies, e.g., Department of Labor for violation of labor regulations, when necessary to protect the Authority their business dealings.

C. Vendor List

All interested businesses shall be given the opportunity to be included on qualified bidder's lists. Any pre-qualified lists of persons, firms, or products which are used in the procurement of supplies and services shall be kept current and shall include enough qualified sources to ensure competition. Firms shall not be precluded from qualifying during the solicitation period. Solicitation mailing lists of potential contractors shall include, but not be limited to, such pre-qualified suppliers.

CONTRACT PRICING ARRANGEMENTS

A. Contract Types

Any type of contract which is appropriate to the procurement and which will promote the best interests of the Authority may be used, provided the cost-plus-a-percentage-of-cost and percentage-of construction cost methods are prohibited. All procurements shall include the clauses and provisions necessary to define the rights and responsibilities of the parties. A cost reimbursement contract shall not be used unless it is likely to be less costly or it is impracticable to satisfy the Authority's needs otherwise, and the proposed contractor's accounting system is adequate to allocate costs in accordance with applicable cost principles.

A time and materials contract may be used if a written determination is made that no other contract type is suitable, and the contract includes a ceiling price that the contractor exceeds at its own risk.

B. Options

Options for additional quantities or performance periods may be included in contracts, provided that:

- The option is contained in the solicitation;
- The option is a unilateral right of the Authority;
- The contract states a limit on the additional quantities and the overall term of the contract;
- The options are evaluated as part of the initial competition;
- The contract states the period within which the options may be exercised;
- The options may be exercised only at the price specified in or reasonably determinable from the contract; and
- The options may be exercised only if determined to be more advantageous to the Authority than conducting a new procurement.

C. Build America Buy America Act

The Build America, Buy America (BABA) Act was enacted on November 15, 2021, as part of the Infrastructure Investment and Jobs Act (IIJA) (Pub. L. No. 117-58), also known as the Bipartisan Infrastructure Law. BABA requires any infrastructure project funded by any Federal Financial Assistance (FFA) to apply a domestic content procurement preference. This means that all iron, steel, manufactured products, and construction materials used in the infrastructure project must be produced in the United States. This is called the "Buy American Preference" (BAP).

There are currently 4 active general waivers for the BAP that HUD has approved. These are for Small Grants, De Minimis, Exigent Circumstances, and Tribal Consultation. The Small Grants waiver is for projects that cost up to \$250,000 total. The De Minimis waiver is for a cumulative total of no more than 5 percent of the total cost of the iron, steel, manufactured products, and construction materials, up to a maximum of \$1 million. The Exigent Circumstances waiver is for when there is an urgent need by a grantee to immediately complete an infrastructure project because of a "exigent circumstances," or a threat to life,

safety, or property of residents and the community. The Tribal Consultation waiver only applies to Tribal recipients to allow time for HUD to consult with Tribally Designated Housing Entities, and other Tribal Entities on how to apply the BAP.

CONTRACT CLAUSES

All contracts should identify the contract pricing arrangement as well as other pertinent terms and conditions, as determined by the Authority. Additionally, the HUD forms:

- 5369, Instructions to Bidders for Contracts Public and Indian Housing Programs
- 5369-A, Representations, Certifications and Other Statements of Bidders Public and Indian Housing Programs
- 5369-B, Instructions to Offerors, Non-Construction
- 5370, General Conditions for Construction Contracts-Public Housing Programs
- 5370-C, General Conditions for Non-Construction Contracts, Section I- (with or without Maintenance Work)
- 5370-C, General Conditions for Non-Construction Contracts, Section II- (with Maintenance Work)
- 5370-EZ, General Contract Conditions for Small Construction/Development Contracts &
- 51915- A, Contract Provisions Required by Federal Law or Owner Contract with the U.S. Department of Housing and Urban Development

which contain all HUD-required clauses and certifications for contracts of more than \$250,000, as well as any forms/clauses as required by HUD for small purchases, shall be used in all corresponding solicitations and contracts issued by the Authority.

CONTRACT ADMINISTRATION

The Authority shall maintain a system of contract administration designed to ensure that contractors perform in accordance with their contracts. These systems shall provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. For cost-reimbursement contracts, costs are allowable only to the extent that they are consistent with the cost principles in HUD Handbook 2210.18.

SPECIFICATIONS

A. General

All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying Authority's needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Functional or performance specifications are preferred. Detailed product specifications shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

B. Limitation

The following specification limitations shall be avoided:

1. Geographic Restrictions

Geographic restrictions not mandated or encouraged by applicable Federal law (except for A/E contracts, which may include geographic location as a selection factor if adequate competition is available);

2. Brand Name Specifications

- ❖ Brand name specifications: unless a written determination is made that only the identified item will satisfy the Authority's needs.
- ❖ Brand name or equal specifications: unless they list minimum essential characteristics and standards to which the item must conform to satisfy its intended use.

3. Unnecessary Bonding or Experience Requirements

- ❖ Nothing in this procurement policy shall preempt any State licensing laws. Specifications shall be scrutinized to ensure that organizational conflicts of interest do not occur (example: having a consultant perform a study of the Authority's computer needs and then allowing that consultant to compete for the subsequent contract for the computers).

APPEALS AND REMEDIES

A. General

It is the Authority's policy to resolve all contractual issues informally at the Authority level and without litigation. Disputes will not be referred to HUD unless all administrative remedies have been exhausted at the Authority level. When appropriate, the Authority may consider the use of informal discussion between the parties by individuals who did not participate substantially in the matter in dispute, to help resolve the differences. HUD will only review protests in cases of violations of Federal law or regulations and failure of the Authority to review a complaint or protest.

B. Informal Appeals Procedure

Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this Policy. Any protest against a solicitation must be received before the due date for receipt of bids or proposals, and any protest against the award of a contract must be received within ten calendar days after contract award or the protest will not be considered. All bid protests shall be in writing, submitted to the Contracting Officer or designee, who shall issue a written decision on the matter. The Contracting Officer may, at his or her discretion, suspend the procurement pending resolution of the protest, if warranted by the facts presented.

C. Formal Appeals Procedure

All claims by a contractor relating to performance of a contract shall be submitted in writing to the Contracting Officer or designee, for a written decision. The contractor may request a conference on the claim. The Contracting Officer's decision shall inform the contractor of its appeal rights to the BOC within five (5) calendar days of decision letter.

ASSISTANCE TO SMALL AND OTHER BUSINESSES

A. Required Efforts

Consistent with Presidential Executive Orders 11625, 12138, and 12432, and Section 3 of the HUD Act of 1968, all feasible efforts shall be made to ensure that small and minority-owned businesses, women's business enterprises, and other labor surplus area businesses and individuals or firms located in or owned in substantial part by persons residing in the area of the Authority project are used when possible. Such efforts shall include, but shall not be limited to:

- Including such firms, when qualified, on solicitation mailing lists;
- Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;
- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
- Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce;
- Including in contracts, to the greatest extent feasible, a clause requiring contractors, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which provide opportunities to low-income residents, as described in 24 CFR Part 135.36 (2)(i) (Preference for Section 3 business concerns...); and
- Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above.

Goals may be established by the Authority periodically for participation by small business, minority-owned business, women's business enterprises, labor surplus area businesses, and business concerns which are located in or owned in substantial part by person residing in the area of the project in the Authority's prime contracts and subcontracting opportunities.

B. Definitions

1. *A small business*

A small business is defined as a business that is: independently owned; not dominant in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR Part 121 shall be used, unless the Authority determines that their use is inappropriate.

2. *A minority-owned business*

A minority-owned business is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.

3. *A women's business enterprise*

A women's business enterprise is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.

4. A Section 3 business

A Section 3 business concern is as defined under 24 CFR Part 135.

5. A labor surplus area business

A labor surplus area business is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployment, as defined by the Department of Labor (DOL) in 20 CFR Part 654, Subpart A, and in the list of labor surplus areas published by the Employment and Training Administration.

BOARD APPROVAL OF PROCUREMENT ACTIONS

Other than approval of this Procurement Policy by the Board of Commissioners (BOC), approval is not required for any procurement action. Rather, it is the responsibility of the Executive Director to make sure that all procurement actions are conducted in accordance with the policies contained herein.

DELEGATION OF CONTRACTING Authority

While the Executive Director is responsible for ensuring that the Authority's procurements comply with this Policy, the Executive Director may delegate all procurement authority as is necessary and appropriate to conduct the business of the Agency. Further, and in accordance with this delegation of authority, the Executive Director shall, where necessary, establish operational procedures (such as a procurement manual or standard operating procedures) to implement this Policy. The Executive Director shall also establish a system of sanctions (generally covered in the Authority Personnel Policy) for violations of the ethical standards described above, consistent with Federal, State, or local law.

DOCUMENTATION

The Authority must maintain records sufficient to detail the significant history of each procurement action. These records shall include, but shall not necessarily be limited to, the following:

- Rationale for the method of procurement (if not self-evident);
- Rationale of contract pricing arrangement (also if not self-evident);
- Reason for accepting or rejecting the bids or offers;
- Basis for the contract price (as prescribed in this handbook);
- A copy of the contract documents awarded or issued and signed by the Contracting Officer;
- Basis for contract modifications; and
- Related contract administration actions.

The level of documentation should be commensurate with the value of the procurement. Records are to be retained for a period of three years after final payment and all matters pertaining to the contact are closed.

FUNDING AVAILABILITY

Before initiating any contract, the Authority shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

SELF-CERTIFICATION

The Authority self-certifies that this Procurement Policy, and the Authority's procurement system, complies with all applicable Federal regulations and, as such, the Authority is exempt from prior HUD review and approval of individual procurement action.

DISPOSITION OF SURPLUS PROPERTY

- Reusable and surplus building materials or appliances that are no longer needed in units must be offered as a donation to non-profit donation centers such as Habitat for Humanity.
- Goods that can be written off, sold or traded, must, prior to disposition have BOC approval for disposition.
- Goods, which have become surplus, obsolete or unusable and have current values, shall not be sold or exchanged for less than their fair market value. Personal property in the excess of the estimated fair value of \$1,000 shall be sold at public sale OR by sealed bid. The award shall be made to the highest bidder.
- Goods that have no real or scrap value shall be written off and/or disposed of.
- Goods, which have a value of \$250 or more, shall be advertised and sold or auctioned.
- The Authority shall maintain complete records relating to the disposition of all excess property.

Executive Directors Authorizations for Administration of Monies and
Permissions for Approval of Procurements

The Executive Director Authorizes the following persons to:

Administer Petty Cash:

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____
- 6) _____

**Approve Procurements NOT TO EXCEED \$10,000. In the open market
using Micro-Purchase Procedures:**

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____
- 6) _____

**Approve Procurements NOT TO EXCEED \$25,000 in the open market
using Small Purchase Procedures:**

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____
- 6) _____

Effective Date: _____

Response from Contractors for __Services__

Submittal Information

Method of Procurement: RFP; IFB; Non-Competitive Proposal

Contractor Name	Contact Person	Phone #	Price of Submittal	Requirements Met (Yes/No)	Final Rank	RFP Score (If Applicable)
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						

This procurement has been performed in accordance with the Housing Authority of the County of Merced procurement policy in compliance with HUD guidelines, the results of submittals are confirmed and awarded as follows:

Awarded Contractor: _____

Accepted Price: _____

Date Notified: _____

Date Accepted: _____

Approved by: _____

Director of Procurement

Contractor Submittal Comparison Form

Attachment C

Project Details:	Date Due:
------------------	-----------

<u>Vendor</u>	<u>Services Submitted</u>	<u>Materials</u>	<u>Labor</u>	<u>Total Bid Amount</u>

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: Maria Alvarado, Director of Housing & Community Development
Melina Frederick, Director of Development & Asset Management

DATE: April 16, 2024

SUBJECT: CV-SALTS – Managing Salt and Nitrate in the California Central Valley

In 2006, the Central Valley Water Board initiated the Central Valley Salinity Alternatives for Long-Term Sustainability (CV-SALTS) as a cooperative effort among regulators, permittees, environmental interests, and other parties interested in Central Valley water quality.

The CV-SALTS mission is to work closely, in a collaborative manner, to create a comprehensive Central Valley Salinity Management Plan. The CV-SALTS vision is to successfully develop and implement a viable salinity and nitrate management plan for California's Central Valley

The Authority manages two Migrant Centers with on-site sewer ponds. The Centers are located in Merced and Los Banos. As a result, the Authority received a Notice to Comply with the Nitrate Control Program (NCP). A Notice to Comply is a letter outlining legal requirements that must be followed. The Central Valley Regional Water Quality Control Board issues a Notice to Comply to inform a Permittee of their legal responsibilities regarding the Nitrate Control Program and how they can fulfill them.

The Authority will be partnering with the Valley Water Collaborative (VWC) to comply with said notice. VWC is a non-profit organization based in Modesto, CA, and was formed to assist permit holders in agriculture, cities, and industries in complying with the NCP. The basins in which the centers are located have been deemed Priority 2. Additionally, the Authority has opted to follow Pathway B joining the Merced and Delta-Mendota management zones.

Enclosed with more detailed information is the Nitrate Control Program Brochure.



CENTRAL VALLEY SALINITY ALTERNATIVES FOR LONG-TERM SUSTAINABILITY

NITRATE CONTROL PROGRAM

PRIORITY 2 PERMITTED DISCHARGERS

A Nitrate Control Program is now in place in the Central Valley to address nitrate problems.

This program is being rolled out in stages. The Priority 1 stage launched in 2020 and is active. The Priority 2 stage will launch at the end of 2023.

If you have a discharge permit in the Central Valley (you discharge nitrate or nitrogen and are a permittee) and you are located in a Priority 2 basin (see map below), you are responsible for choosing one of two pathways and following the requirements laid out by the Central Valley Regional Water Quality Control Board.

Pathway A: Individual Permitting Approach

A permittee or group of permittees may opt to comply under the individual permit requirements.

However, Pathway A compliance options are difficult and expensive if there are 1) drinking water wells near your facility that are high in nitrate, 2) your discharge is high in nitrate, or 3) local shallow groundwater exceeds 75% of the nitrate drinking water standard.

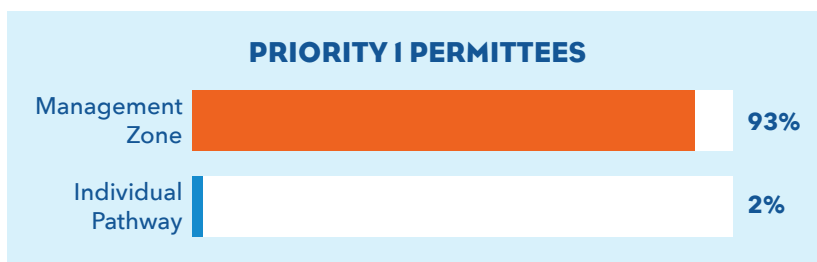
For further information on Pathway A, please email cvsalts@waterboards.ca.gov.

Pathway B: Joining a Management Zone

When permittees join a Management Zone, they work collectively to comply with the Nitrate Control Program, which is more efficient and typically more economical.

For most permittees, Pathway B (joining a Management Zone) is the best choice.

93% of Priority 1 basin permittees chose Pathway B.



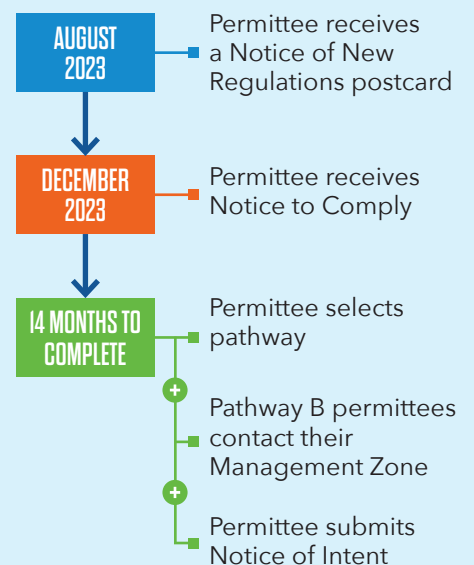
NOTICE TO COMPLY

A Notice to Comply is a letter outlining legal requirements that must be followed. The Central Valley Regional Water Quality Control Board issues a Notice to Comply to inform a Permittee of their legal responsibilities regarding the Nitrate Control Program and how they can fulfill them.

If you receive a Notice to Comply from the Central Valley Regional Water Quality Control Board, you are legally responsible to respond by filing a Notice of Intent within 14 months.

Permittees who do not submit a response to the Notice to Comply and select a permitting pathway by the due date are subject to enforcement action by the Central Valley Water Board.

Timeline for Priority 2



To contact your local Management Zone, please go to www.cvsalinity.org/nitrate-program/find-your-management-zone.

Priority 2 Permitted Dischargers

Why Are Permittees Responsible for Participating in This Program?

Most of the nitrate accumulating in the groundwater comes from sources such as fertilizer, manure, wastewater treatment, septic systems, and others. In the Central Valley, 90% of residents rely on groundwater wells for drinking water, and some of this supply is now unsafe. The Central Valley Regional Water Board implemented new regulations for permittees (growers, dairies, municipalities, food processors, etc.) to participate in projects that provide safe drinking water. In exchange, those providing safe drinking water are provided more options and time to collaborate to achieve nitrate compliance.

To streamline resources while addressing nitrate management issues, groundwater basins in the Central Valley have been grouped into three categories for nitrate management. The highest priority areas with the most affected drinking water supplies were addressed first. These Priority 1 areas are located in these Basins or Subbasins: Chowchilla, Kaweah, Kings, Modesto, Tule, and Turlock.

Now, **Priority 2 areas are being addressed.** This may include you.

Permittees in Priority 2 areas include:

- Food Processors
- Wineries
- Poultry
- Dairy and Bovine
- Oil & Gas
- Irrigated Agriculture
- Non-Chapter 15 POTWs
- Industries
- Recycled Water Permittees

Priority 2 groundwater basins/subbasins are Delta-Mendota, Eastern San Joaquin, Kern County (Poso), Kern County (West-side South), Madera, Merced, Tulare Lake, and Yolo. See map and link for more information.



Please go to www.cvsalinity.org/nitrate-program/find-your-management-zone for an interactive map of Priority 2 Basins/Subbasins and Management Zones.

Management Zones

What is a Management Zone?

A Management Zone is a formally defined area with specific boundaries where permittees agree to work collaboratively to provide safe drinking water and to manage nitrate. Flexibility, local discretion, and cooperation are hallmarks of the Management Zone approach.

Through this choice, the new Nitrate Control Program recognizes diverse demographic, climate, hydrologic, and geologic conditions and allows local interests to determine the best steps for providing safe drinking water, managing nitrate discharges, and safeguarding water resources and the economy.

Choosing Pathway B and joining a management zone provides permittees with the simplest, most manageable compliance option. By choosing this pathway, permittees avoid the rigorous, complex requirements of the traditional Pathway A.

Management Zone Responsibilities

- Conducting outreach to affected residents and communities, elected officials, and community leaders.
- Identifying potentially affected residents and ensuring they have an opportunity to participate in designing and accessing proposed long-term safe drinking water solutions.
- Developing specific actions for providing interim replacement drinking water to affected residents within the Management Zone. Key things to consider:
 - Input from local communities.
 - Types of facilities and operational agreements with water filling stations or vendor-supplied facilities.
 - Alternatives such as home bottled water delivery or point-of-use treatment.
 - Well water sampling and groundwater quality analyses.
- Developing and managing a Management Zone Implementation Plan to control nitrate discharges and identify long-term drinking water solutions.
- Preparing and implementing an Early Action Plan that looks to test wells and provide alternative drinking water at no cost to the resident if the well exceeds drinking water standards.



Advantages of Joining a Management Zone

Joining a Management Zone offers water quality permit holders a chance to work together and achieve mutual benefits such as:

- 1 Less cost.** Meeting regulatory objectives through shared resources and economies of scale reduces costs for individual permittees.
- 2 More time.** Participating in a Management Zone earns permit holders more time to meet Nitrate Control Program objectives.
- 3 Fewer headaches.** Being part of a Management Zone lightens the burden for individual permit holders by transferring much of the required technical work to experts working for the collaborative.
- 4 More flexibility.** Through Management Zones, permittees can tailor solutions for safe drinking water and nitrate management to local conditions.

What is the CV-SALTS Nitrate Program?

Nitrate Control Program

The new Nitrate Control Program was approved by the Central Valley Water Board in 2018 and by the State Water Board in 2019. The existing Basin Plans were amended to include the new and revised regulations, allowing more flexibility to manage nitrate locally while providing safe drinking water supplies.

The program includes twin imperatives for the Central Valley:

- Provide safe drinking water as quickly as possible, especially for residents in affected areas.
- Manage nitrate discharges to reduce or eliminate impacts to groundwater.

Addressing Threats to Water Quality and the Economy

The Central Valley is the epicenter of California's economy—encompassing 40% of the state and providing water for people and businesses from Mount Shasta to San Diego, as well as food for California, the nation, and the world. Over the last 150 years, increased agricultural, industrial, and municipal activities, coupled with population growth, have resulted in dramatic increases in nitrate in groundwater. In some communities, the nitrate concentrations have resulted in unsafe drinking water. If not addressed, the economic impacts of nitrate on the Valley are estimated to be billions per year.

Collaborative Regulation Process

The Central Valley Water Board regulates nitrate discharges by agricultural, municipal, and industrial activities. Decades ago, the Board recognized that updated, flexible regulations were needed to address the Valley's natural diversities (e.g., climatic, hydrologic, and geologic conditions) while protecting water quality and maintaining a strong economy.

In 2006, a coalition of stakeholders, including the Central Valley Water Board and other federal, state, and local agencies, permitted dischargers (growers, ranchers, municipalities, food processors, etc.), and environmental justice groups, started discussing how to balance maintaining a strong economy while ensuring safe drinking water. This initiative is called the Central Valley Salinity Alternatives for Long-Term Sustainability (CV-SALTS). To help fund the technical and scientific studies necessary to support the development of alternative regulatory approaches, the Central Valley Salinity Coalition (CVSC) was established in 2008. The technical studies and policies developed by CV-SALTS led to the approval of the Nitrate Control Program in 2018 and 2019.

LEARN MORE

Visit any of these online resources to learn more about the CV-SALTS effort:

 www.cvsalinity.org

 www.waterboards.ca.gov/centralvalley

 Salt Control Plan
www.cvsalinity.org/salt-program

 Nitrate Control Plan
www.cvsalinity.org/nitrate-program



GET INVOLVED & LEARN MORE!

Do you use water in the Valley?

Join CV-SALTS to help bring safe drinking water to the entire Central Valley.

Visit www.cvsalinity.org to learn how you can help and to receive CV-SALTS updates.

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: David G. Ritchie, General Counsel

DATE: April 16, 2024

SUBJECT: RULES OF ORDER FOR BOARD MEETINGS (DISCUSSION ONLY)

For discussion, staff is presenting the Board with a copy of Rosenberg's Rules of Order and a one-page guide to assist the Board in exploring simplified rules of procedure during Board meetings.

At present, the Board employs informal rules that roughly emulate Rosenberg's Rules as opposed to other rules of order such as Robert's Rules of Order, which are more robust but more complicated to administer.

These Rules of Order are being presented and, if desired after Board discussion, could be brought back for consideration of adoption at the May 2024 meeting.

RECOMMENDATION

Discuss the adoption of formal rules of order and provide staff direction on agendaing a set of rules for adoption at the May or other future meetings.

ALTERNATIVES

The Board could decline to explore adopting formal rules of order and continue to conduct business under the current approach which approximates Rosenberg's Rules (but which are not formally adopted). The Board could also request staff explore other alternatives for formal rules of order and bring options before the Board for additional consideration.

ATTACHMENTS:

Rosenberg's Rules of Order (2011) by Judge Dave Rosenberg (© League of California Cities)

Rosenberg's Rules of Order Cheat Sheet



Rosenberg's Rules of Order

REVISED 2011

Simple Rules of Parliamentary Procedure for the 21st Century

By Judge Dave Rosenberg



MISSION AND CORE BELIEFS

To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

VISION

To be recognized and respected as the leading advocate for the common interests of California's cities.

About the League of California Cities

Established in 1898, the League of California Cities is a member organization that represents California's incorporated cities. The League strives to protect the local authority and autonomy of city government and help California's cities effectively serve their residents. In addition to advocating on cities' behalf at the state capitol, the League provides its members with professional development programs and information resources, conducts education conferences and research, and publishes Western City magazine.

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ABOUT THE AUTHOR

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.

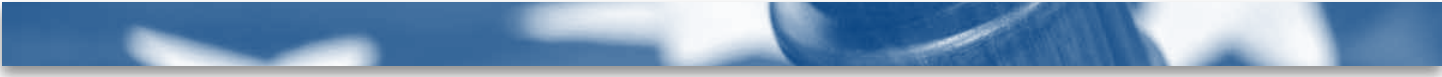


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INTRODUCTION

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed. Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted. The default rule is that a quorum is one more than half the body. For example, in a five-member body a quorum is three. When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. In the absence of such a specific rule, the quorum is one more than half the members of the body.

The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:

First, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

Second, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

Third, the chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

Fourth, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

Fifth, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

Sixth, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

Seventh, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

Eighth, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

Ninth, the chair takes a vote. Simply asking for the “ayes” and then asking for the “nays” normally does this. If members of the body do not vote, then they “abstain.” Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later in these rules), then a simple majority (as defined in law or the rules of the body as delineated later in these rules) determines whether the motion passes or is defeated.

Tenth, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: “The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body.”

Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member’s desired approach with the words “I move . . .”

A typical motion might be: “I move that we give a 10-day notice in the future for all our meetings.”

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion**, for example, “A motion at this time would be in order.”
2. **Suggesting a motion to the members of the body**, “A motion would be in order that we give a 10-day notice in the future for all our meetings.”
3. **Making the motion**. As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

The basic motion. The basic motion is the one that puts forward a decision for the body’s consideration. A basic motion might be: “I move that we create a five-member committee to plan and put on our annual fundraiser.”

The motion to amend. If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: “I move that we amend the motion to have a 10-member committee.” A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

The substitute motion. If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: “I move a substitute motion that we cancel the annual fundraiser this year.”

“Motions to amend” and “substitute motions” are often confused, but they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a “motion to amend” or a “substitute motion” is left to the chair. So if a member makes what that member calls a “motion to amend,” but the chair determines that it is really a “substitute motion,” then the chair’s designation governs.

A “friendly amendment” is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. When that happens, a member who has the floor may simply say, “I want to suggest a friendly amendment to the motion.” The member suggests the friendly amendment, and if the maker and the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.

Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic “motion to have a five-member committee to plan and put on our annual fundraiser.” During the discussion of this motion, a member might make a second motion to “amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser.” And perhaps, during that discussion, a member makes yet a third motion as a “substitute motion that we not have an annual fundraiser this year.” The proper procedure would be as follows:

First, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passed*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.

Second, if the substitute motion *failed*, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would then move to consider the main motion (the first motion) as *amended*. If the motion to amend *failed*, the chair would then move to consider the main motion (the first motion) in its original format, not amended.

Third, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee), or if *amended*, would be in its amended format (10-member committee). The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

Motion to adjourn. This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

Motion to recess. This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

Motion to fix the time to adjourn. This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: “I move we adjourn this meeting at midnight.” It requires a simple majority vote.

Motion to table. This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on “hold.” The motion can contain a specific time in which the item can come back to the body. “I move we table this item until our regular meeting in October.” Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

Motion to limit debate. The most common form of this motion is to say, “I move the previous question” or “I move the question” or “I call the question” or sometimes someone simply shouts out “question.” As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a “request” rather than as a formal motion. The chair can simply inquire of the body, “any further discussion?” If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the “question” as a formal motion, and proceed to it.

When a member of the body makes such a motion (“I move the previous question”), the member is really saying: “I’ve had enough debate. Let’s get on with the vote.” When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

NOTE: A motion to limit debate could include a time limit. For example: “I move we limit debate on this agenda item to 15 minutes.” Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item*. This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

Motion to limit debate. Whether a member says, “I move the previous question,” or “I move the question,” or “I call the question,” or “I move to limit debate,” it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

Motion to close nominations. When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

Motion to object to the consideration of a question. Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

Motion to suspend the rules. This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it’s pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the “no” votes and double that count to determine how many “yes” votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote “no” then the “yes” vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote “abstain” or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of “those present” then you treat abstentions one way. However, if the rules of the body say that you count the votes of those “present and voting,” then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are “present and voting.”

Accordingly, under the “present and voting” system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are “present”), but you treat the abstention votes on the motion as if they did not exist (they are not “voting”). On the other hand, if the rules of the body specifically say that you count votes of those “present” then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like “no” votes.

How does this work in practice?

Here are a few examples.

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are “present and voting.” If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three “yes,” one “no” and one “abstain” also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members “present.” Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a “no” vote. Accordingly, if the votes were three “yes,” one “no” and one “abstain,” then the motion fails. The abstention in this case is treated like a “no” vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an “abstention” vote?

Any time a member votes “abstain” or says, “I abstain,” that is an abstention. However, if a member votes “present” that is also treated as an abstention (the member is essentially saying, “Count me for purposes of a quorum, but my vote on the issue is abstain.”) In fact, any manifestation of intention not to vote either “yes” or “no” on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote “absent” or “count me as absent?” Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually “absent.” That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is “no.” There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be, “point of privilege.” The chair would then ask the interrupter to “state your point.” Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person’s ability to hear.

Order. The proper interruption would be, “point of order.” Again, the chair would ask the interrupter to “state your point.” Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Appeal. If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, “return to the agenda.” If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair’s determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.



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ROSENBERG'S RULES OF ORDER CHEAT SHEET

To:	You say:	Interrupt Speaker	Second Needed	Debatable	Amendable	Vote Needed
Adjourn	"I move that we adjourn" (Only needed prior to the end of the agenda)	No	Yes	No	No	Majority
Recess	"I move that we recess until..."	No	Yes	No	Yes	Majority
Complain about noise, room temp., etc.	"Point of privilege"	Yes	No	No	No	Chair Decides
Suspend further consideration of	"I move that we table it"	No	Yes	No	No	Majority
End debate	"I move the previous question" or "Call the question"	No	Yes	No	No	2/3
Postpone consideration of	"I move we postpone this matter until..."	No	Yes	Yes	Yes	Majority
Introduce a motion	"I move that..." or "I move to..."	No	Yes	Yes	Yes	Majority
Amend a motion	"I move that this motion be amended by..." (You can also ask for a friendly amendment, which is less formal; if mover and second concur, no vote needed)	No	Yes	Yes	Yes	Majority
Refer to a Committee	"I move that the question be referred to a committee for more study"	No	Yes	Yes	Yes	Majority

The above listed motions and points are listed in established order of precedence. When any one of them is pending, you may not introduce another that is listed below, but you may introduce another that is listed above it.

To:	You say:	Interrupt Speaker	Second Needed	Debatable	Amendable	Vote Needed
Object to procedure or personal affront	"Point of order"	Yes	No	No	No	Chair decides
Request information	"Point of information"	Yes	No	No	No	None
Object to considering some undiplomatic or improper matter	"I object to consideration of this question" (This would generally just be used if something is not on the agenda)	Yes	No	No	No	2/3
Reconsider something already disposed of	"I move we now (or later) reconsider our action relative to..." (Only a member of the prevailing side can make a motion to reconsider)	Yes	Yes	Only if original motion	No	Majority
Vote on a ruling by the Chair	"I appeal the Chair's decision"	Yes	Yes	Yes	No	Majority

The motions, points and proposals listed above have no established order of preference; any of them may be introduced at any time except when meeting is considering one of the top three matters listed from the first chart (Motion to Adjourn, Recess or Point of Privilege).

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: Melina Frederick, Director of Development & Asset Management

DATE: April 16, 2024

SUBJECT: Migrant Center Fiber Optic Internet Installation

As previously presented and approved by the Board, the Authority contracted with Spectrum Enterprise in collaboration with the California Office of Migrant Services (OMS) to provide gigabit fiber internet access at all four Migrant Centers. The installation of the fiber internet infrastructure is tentatively scheduled to begin at the Merced, Los Banos, and Felix Torres Seasonal Migrant Centers during the first week in May.

The Atwater Migrant Center, unfortunately, has been delayed due to unforeseen circumstances resulting in changes to the initial work report presented. During the initial planning and logistical phase of the project, Spectrum intended to subcontract the work of bringing the fiber optic cable to the site. The contractor that Spectrum was working with has opted out of the work due to the large scale of what is needed to bring the cabling to the site. A second contractor was contacted and they have declined the project. The fiber optic cable must be brought over 5.5 miles to the Center for installation and the distance consists of routing the cabling from the other side of Highway 99 to the center. As a result, Spectrum will not be subcontracting out the work instead they will be performing the work. These unforeseen circumstances have resulted in a significant proposed increase in the cost of construction for the infrastructure.

The Authority will be receiving the total proposed cost from Spectrum during the week of April 15, 2024, and will be discussing the change(s), and cost increase with OMS. OMS has been included in the communication with Spectrum regarding the issue outlined and has agreed to allocate additional funds to the budget to accommodate this additional cost. A resolution approving the amendment to the costs and contract will be brought at next month's meeting for Board approval.

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: Rosa Vazquez

DATE: April 16, 2024

SUBJECT: Gerard Avenue Plot

During previous meetings, the Board has been made aware that the Authority owns a plot of land in the City of Planada known as the "Gerard Avenue Lot". This plot of land was previously utilized when the Planada Village Migrant Housing Center (Planada Village) was operational. Once Planada Village closed down and was demolished, and the new farmworker housing center was developed, all operations at the lot ceased.

In recent years, the Authority has received several inquiries pertaining to the lot ranging from authorization for well viability testing, the sale of the remaining structures at the site, to most recently the disposition of the plot for potential affordable housing development.

Key elements to highlight regarding the lot is that use of the lot ceased as a result of the lot being inoperable as the infrastructure at the site was routed to the new housing center. Attempts to once again install systems at the site have been futile as the City of Planada cannot sustain the additional lines. The Authority had hoped that if the lot had a viable well it would connect to it and once again utilize the lot. This is pending the testing which has not been completed to date.

The Authority is in the process of appraising the property and gathering information for the Board so that a thorough review of the property can be completed. This will allow the Board and Authority to make a determination on the future use and/or disposition of the lot. The appraisal shall be completed no later than the end of the month and presented at the next Board meeting.