
**Award an Agreement for Unleaded Fuel Services
to Merrimac Petroleum, Inc.**

**City Council Meeting
May 19, 2026**



Background

- Public Works maintains a total of twelve (12) storage tanks for fuel, lubricants, and hazardous waste at the following locations:
 - Fire Station Nos. 1, 2, 3, 5, 6
 - Police Department
 - Emergency Communications Center
 - City Hall
 - City's Corporation Yard
- The City also has ten (10) emergency generators located at various sites and one (1) portable emergency generator that require fuel.
- Current agreement for fuel delivery services utilizing a cooperative agreement expires on June 30, 2026 and is non-renewable.



Procurement Process

- The City will utilize the County of Orange's Cooperative Agreement with Merrimac Petroleum, Inc., for the procurement of unleaded fuel.
- The County's Cooperative Agreement has proven to be an effective means of purchasing fuel and ensures that the City receives the best possible prices.



Staff Recommendations

- Approve Agreement with Merrimac Petroleum, Inc. for the purchase and delivery of unleaded fuel in an annual amount of \$700,000, based upon pricing provided through a Cooperative Agreement with the County of Orange for a term of five (5) years commencing on July 1, 2026 to June 30, 2031, unless otherwise terminated by the County of Orange.
- Authorize the City Manager and the City Clerk to execute the agreement and future authorized amendments to the agreement.

Agreement With Volunteers of America Los Angeles For Shelter Operations at The Bridge Shelter

City Council Meeting
May 19, 2026



Background

April 2021 – The Bridge Shelter opened with Mercy House as the Shelter Operator. On-site services include:

- Housing navigation
- Document readiness (i.e., Birth Certificate, Social Security, Driver's License)
- Financial assistance for housing deposits and furniture
- Primary, dental, and behavioral health care (including indiv. & group therapy)
- Connection to detox and residential rehab facilities
- Workforce development & employment readiness
- Benefit assistance

June 30, 2026 – The Shelter Operator Agreement with Mercy House expires.

Request for Proposals

- February 2026 – The City released RFP 26-14 seeking proposals for Shelter Operations at the Bridge Shelter.
- The City received proposals from three (3) vendors:
 - Volunteers of America Los Angeles (VOALA)
 - Mercy House Living Centers (Mercy House)
 - Homeless Intervention Services Orange County (HIS-OC)
- A panel of three raters scored the proposals, as follows:

Proposers	Proposal Scores	Interview Scores	Combined Scores	Rank
VOALA	1200	1500	2700	1st
Mercy House	1083.25	1230	2313.25	2nd
HIS-OC	1206.5	1104.85	2311.35	3rd

Scope of Work

The City provides all case management services. The Shelter Operator is responsible for:

1. Logistics – Laundry, kitchen assistance, guest intakes/exits, concierge desk, etc.
2. Janitorial – Daily, ongoing cleaning of the entire campus, and nightly deep cleaning of the bathrooms and high-traffic areas.
3. Security – 24/7 on-site supervision of guests including a post at the main entrance and roving patrols of the entire campus.
4. Transportation – A shuttle service that provides daily drop-off and pick-up locations around Costa Mesa.

Proposer Highlights - Operations

- VOALA utilizes a universal training model where staff are trained to perform all duties listed in the Scope of Work.
 - MH and HIS-OC assign staff to specific roles
- VOALA is authorized to provide Community Supports (CS) and Enhanced Care Management (ECM).
 - MH does not offer CS or ECM. HIS-OC offers CS
- VOALA currently serves unhoused Costa Mesa residents who are disabled (HDAP Program) and/or veterans.
 - MH and HIS-OC do not offer HDAP or veteran services
- VOALA provides regular program oversight via their Evaluation and Quality Assurance Department.
 - MH and HIS-OC do not provide this additional benefit

Budget

The City's current cost to operate the Bridge Shelter is \$2,383,180. The budgets submitted by the proposers are as follows:

Proposer	Staffing Cost	Program Cost	Indirect Cost	Total Cost
HIS-OC	\$ 1,724,144	\$ 251,008	\$ -	\$ 1,975,152
VOALA	\$ 1,613,214	\$ 232,200	\$ 221,450	\$ 2,066,864
Mercy House	\$ 1,512,909	\$ 574,650	\$ 313,134	\$ 2,400,693

- VOALA's proposed budget is \$316,316 less than the current contract.
 - HIS-OC's budget is \$408,028 less than the current contract but does not include admin or indirect costs.
 - MH's budget is \$17,513 more than our current contract and \$333,829 more than VOALA's proposed budget.

Experience & Capacity

VOALA

- Founded in 1896
- Over 2,000 employees
- Annual gross receipts of approx. \$1.4B
- Currently operates 17 shelters across LA and OC
- Currently operates the 85-bed Central Cities Navigation Center (CCNC) in Garden Grove

Mercy House

- Founded in 1990
- Over 800 employees
- Annual gross receipts of approx. \$66M
- Currently operates 7 shelters across Central/Southern CA
- Currently operates the 164-bed Huntington Beach Shelter and 150-bed Buena Park Shelter

HIS-OC

- Founded in 1989
- Roughly 50 employees
- Annual gross receipts of approx. \$1.5M
- Currently operates 1 shelter and several transitional housing projects
- Currently operates the 50-bed Family Care Center (FCC) in Orange

Cost Flexibility

VOALA has the ability to reduce their staffing and certain programmatic costs should the Council decide to reduce the maximum capacity of the Shelter. However, the Shelter requires staffing and programmatic expenditure minimums to operate 24 hours per day, 7 days a week.

For example, decreasing capacity from 100 beds to 85 beds would reduce the Shelter Operator contract by approximately \$134,000/yr.



Recommendations

Staff recommends the City Council:

1. Approve the Professional Services Agreement with Volunteers of America Los Angeles to provide Shelter Operations at the Costa Mesa Bridge Shelter for a period of three (3) years, with the option for two (2) additional one (1) year periods upon mutual written agreement of both parties in amount not to exceed \$2,066,864.
2. Authorize the City Manager and City Clerk to execute all agreements and any amendments to the agreements including any potential increase to the annual compensation that is based on an increase to Volunteers of America Los Angeles employee salaries. This increase shall not exceed 5%.

Update On SB 707 And Adopt The Council Policy For Disruption of Telephonic or Internet Service During City Council Meetings

City Council Meeting
May 19, 2026





OVERVIEW OF SB 707

- Governor Newsom signed Senate Bill (SB 707) on October 3, 2025.
- SB 707 amends the Brown Act to expand public participation and accessibility.
- Most significant changes will become effective on July 1, 2026.
- Updates provisions related to teleconferencing, including requirements for remote participation, accessibility, and procedures for addressing disruptions to meeting access for City Council meetings.
- SB 707 requires City Council to adopt a Technology Disruption Policy by July 1, 2026.



TECHNOLOGY DISRUPTION POLICY

City Council must provide hybrid meetings through a two-way telephonic or audiovisual platform. The policy must address procedures for responding to disruptions of telephonic or internet service during a meeting and the efforts the City Council is making to restore service.

Proposed Technology Disruption Procedures

- Recess open session for a minimum of one hour
- Make good faith efforts to restore public access
- Closed session may continue if permitted by law

Reconvening Requirements

- At least one hour has passed or service has been restored, whichever occurs first.

If service remains unavailable:

- City Council must make findings by roll call vote confirming good faith efforts, or
- Adjourn the meeting.

Disruptive Conduct

- Disruptive participants may be removed or limited, whether attending remotely or in person.

PUBLIC PARTICIPATION & OUTREACH

SB 707 requires outreach to increase participation, including underrepresented and non-English-speaking communities.

SB 707 Requirements:

- Maintain electronic systems for agenda/document requests
- Provide public meeting webpage with participation instructions
- Improve outreach to local organizations, including non-English-language groups

The City has actively been engaging community groups and accessibility practices for several years prior to having this effort mandated, including:

- Community partnerships established prior to SB 707
- Language requests managed and coordinated through City Clerk's Office
- Dedicated Spanish language webpage launched in January 2024
- Accessible participation information for public meetings
- Public comment instructions included in all City Council agendas
- Spanish language meetings and workshops conducted citywide

PUBLIC PARTICIPATION & OUTREACH CONT.

The City has actively engaged community organizations and groups for several years prior to SB 707 requirements.

Community Groups

- Resilience Orange County
- Promotoras de Salud de Orange County
- Costa Mesa Unidos
- CHAMOY

Spanish Language Meetings/Workshops

- City Council Meetings
- Senior Outreach Transportation Meetings
- Fair Housing Workshops
- Climate Action & Adaptation Plan Workshop
- Neighborhoods Where We All Belong Meetings

The City will continue expanding outreach and accessible public participation opportunities citywide.

LANGUAGE ACCESS & INTERPRETATION

- SB 707 requires translation of agendas and public meetings information webpage into "applicable languages" under American Community Survey (ACS) criteria.
- The City must reasonably accommodate public for interpretation services, so long as the interpretation does not disrupt the meeting.
- Reasonable assistance may include:
 - Arranging space for interpreters
 - Allowing additional interpretation time, or
 - Ensuring participants may use personal equipment or reasonably accessible interpretation services.
- Additionally, the City must provide space for the public near the official agenda postings for additional translated agendas.





TELECONFERENCING UPDATES

SB 707 revises and expands the teleconferencing options available under the Brown Act. The teleconferencing options applies to City Council and the Commissions.

- Traditional Teleconferencing (Gov. Code Section 54953) rules remain in place.
- Expanded remote participation for Council Members with disabilities (Gov. Code Section 54953 (c))
- Teleconference meetings permissible during proclaimed Emergencies (Gov. Code Section 54953.8.2)
- ‘Just Cause’ Teleconferencing (Gov. Code Section 54953.8.3) provisions added.



ADA & ACCESSIBILITY COMPLIANCE



Web Content Accessibility Guidelines (WCAG) accessibility standards implemented.

- All content posted to the City's website
- Images must include concise and descriptive alternative text.
- Meeting agendas and minutes must be indexed to allow users to navigate directly to specific sections.
- Video content must include closed captioning.



To ensure compliance, the City procured new equipment essential to operate CMTV and livestreaming of City meetings.



New equipment includes software for Spanish translation capability.



WCAG compliance deadline extended to April 26, 2027, but the requirements under SB 707 remain in effect as of July 1, 2026.

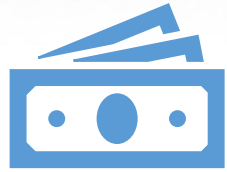
ADDITIONAL SB 707 UPDATES



Social Media

Removed Sunset date for AB 992's Social Media restrictions – law will remain in effect.

- Prohibits a majority of members from using social media to discuss official business, including making posts, commenting, sharing and using emojis.
- Prohibits members from directly responding to another member's posts on matters within the body's jurisdiction.



Executive Compensation Reporting

Brown Act previously required oral reports before taking action on compensation for "local agency executives."

Expands to include department heads and similar administrative officers.



Copies of Brown Act

Require agencies to provide a copy of the Brown Act to any person elected or appointed as a member of the City Council.



RECOMMENDATION

Staff recommends the City Council receive and file the informational update regarding SB 707 and Adopt the Council Policy for Disruption of Telephonic or Internet Service During City Council Meetings.

