



Stanislaus Regional Housing Authority

ALPINE | AMADOR | CALAVERAS | INYO | MARIPOSA
MONO | STANISLAUS | TUOLUMNE COUNTIES

Date: June 25, 2026
To: Board of Commissioners
From: Jim Kruse, CEO/Executive Director
Subject: Action Item #10:
Approve the 2025-2027 Fiscal Year Operation and Maintenance Contract between the State of California Department of Housing and Community Development (HCD) and Stanislaus Regional Housing Authority for the Arturo Ochoa Migrant Center.

Resolution No. **25-26-39**

Prepared by: Kimberly Ryan, Deputy Executive Director

RECOMMENDATION

Staff recommends the Board approve the attached resolution approving the revised 2025/2027 Operating and Maintenance Contract #25-OMS-18881 in the amount not to exceed \$1,689,973; and authorize the CEO to execute the contract for the Arturo Ochoa Migrant Center.

DISCUSSION:

December 4, 2025 the Board of Commissioners approved the 2025/2027 Operating and Maintenance Contract #25-OMS-18881 in the amount not to exceed \$1,576,848 by resolution 25-26-12. The Office of Migrant Services has a need to increase the approved budget amount to provide additional funding for the Communications, Property and Liability Insurance and Administrative Expense line items. The revised contract will provide additional funding to support the increase in costs for operation and maintenance of the Arturo Ochoa Migrant Center for a two-year period. The contract amount is increasing from \$1,576,848 to \$1,689,973.

FISCAL IMPACT

Approval and execution of the contract will provide operations and maintenance funding for the migrant center operations in an amount not to exceed \$1,689,973 for the fiscal years 2025-2027.

ATTACHMENT:

Resolution 25-26-39
Draft Revised OMS Budget Agreement



Stanislaus Regional Housing Authority

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RESOLUTION NO. 25-26-39

RESOLUTION 25-26-39 APPROVING THE 2025-2027 FISCAL YEAR OPERATION AND MAINTENANCE CONTRACT BETWEEN THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND STANISLAUS REGIONAL HOUSING AUTHORITY

CONTRACT #25-OMS-18881

WHEREAS, the California Department of Housing and Community Development has provided an Operation and Maintenance Contract, also known as a Standard Agreement, for the **2025-2027** Fiscal Year for the Arturo Ochoa Migrant Center; and

WHEREAS, the Stanislaus Regional Housing Authority, acting through its Board of Commissioners, having the authority to enter into this contract, desires to approve this Operation and Maintenance Contract for the **2025-2027** operation of the Arturo Ochoa Migrant Center.

NOW, THEREFORE, BE IT RESOLVED, the Board of Commissioners of the Stanislaus Regional Housing Authority, hereby approves the Operation and Maintenance Contract #25-OMS-18881 in an amount **not to exceed \$1,689,973.00** and authorizes its Executive Director to execute said contract, and any amendments to said contract, on behalf of the Stanislaus Regional Housing Authority.

PASSED AND ADOPTED this 25th day of June 2026, by the following votes:

AYES: Commissioners:

NOES: Commissioners:

ABSENT: Commissioners:

Approved: _____
Carlos Estacio,
Chairperson

Attest: _____
Jim Kruse, Secretary

The Clerk of Board of Stanislaus Regional Housing Authority attests or certifies, as a witness to a board meeting held on June 25, 2026 and swears or confirms, that the foregoing information in this resolution is true and correct and has not been altered or amended.

Signed: _____
Kim Ryan, Deputy Executive Director
Stanislaus Regional Housing Authority

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Agreement Amount

- A. For the purposes of performing the Work, the Department agrees to provide the amount of \$613,635 for fiscal year 2025/26 (1/1/26 – 6/30/26) and \$995,863.00 for fiscal year 2026/27, **not to exceed \$1,609,498** (total for eighteen months pursuant to this biannual contract). At the sole discretion of the Department, this amount may be adjusted per annum in accordance with the grant allocation provided by the State of California to the Department, which may require an amendment to this Agreement.
- B. Unless amended, the Department is not liable for any costs for the Work in excess of the amount of this Agreement, nor for any unauthorized or ineligible costs.
- C. Funds provided under this Agreement are provided in the form of a grant only for the approved purposes and itemized amounts as stated in Exhibit B-1 Year One Operating Contract Budget (“Budget”) attached hereto and incorporated herein.
- D. Reserved.
- E. Any adjustments to the Budget require prior written approval of the Department, and may require written justification from the Contractor and an amendment to this Agreement.

2. Disbursement of Funds

- A. Upon receipt of a certified resolution, determined to be legally sufficient by the Department, and the execution of this Agreement, the Department agrees to disburse Contract funds, to Contractor, as the Payee, on a reimbursement basis, not to exceed the total amount stated in Paragraph 1.A of this Exhibit.
- B. The Department shall disburse requested funds for Work performed on behalf of or by the Contractor (and actions that are to be performed and documented by the Contractor pursuant to statute, regulation, contract, or schedule). Such Work will need to be evidenced and documented by the Contractor, including

EXHIBIT B

- equivalent services performed by the Contractor (as opposed to hiring a third party) that have been approved beforehand by the Department, as required in this Agreement.
- C. The Department further agrees to disburse said funds only for the approved purposes and itemized amounts as described in the Budget.
- D. The Department shall reimburse the Contractor monthly in arrears for the Contractor's actual and necessary expenses in accordance with the Budget and upon receipt of a Request for Reimbursement. Requests for Reimbursement may be mailed to the Department or submitted via email to OMSProgram@hcd.ca.gov.
- E. The Contractor shall provide the Department with a monthly Request for Reimbursement no later than fifty (50) days after the end of each reporting month. The Request for Reimbursement must include adequate source documentation, evidencing that funds were spent consistent with the terms of this Agreement. Adequate source documentation can be a combination of any of the following: signed timesheets, payroll reports, general ledgers that originate outside of the Contractor's sole control (i.e. through an Accounting Branch/Unit), the summary page of utility bills, bank statements, receipts, or any other relevant documentation as requested by the Department and subject to clarification.
- F. The Department cannot commence processing payment until it has received adequate source documentation, therefore the Department will withhold reimbursement until all required documentation is received and verified. The Department will withhold payment for disputed items, but all non-contested items will be processed for invoicing and repayment to the Contractor.
- G. Upon expiration of this Agreement, funds provided through this Agreement, which are in excess of actual and necessary expenses, may be disbursed and deposited into an OMS reserve account established and funded pursuant to Health and Safety Code Section 50710.1(b). Prior to said approval, the Department must certify that there is no need to address reasonable general maintenance requirements or repairs, rehabilitation, and replacement needs of the requesting Housing Center, which affect the immediate health and safety of residents. Pursuant to applicable law, the cumulative balance of the reserve account may not exceed 10 percent of the operating funds annually committed to

EXHIBIT B

the Contractor by the Department, unless specifically authorized by the Department. The Department has ultimate discretion as to whether said funds will be disencumbered or preserved within the OMS reserve account.

- H. Funds in the reserve account must be used only for capital improvements such as replacing or repairing structural elements, furniture, fixtures, or equipment of the Housing Center, the replacement or repair of which are reasonably required to preserve the Housing Center. Withdrawals from the reserve account may only be made upon receipt of written approval from the Department. Withdrawal requests must detail the amount and nature of expenditure and include the most recent bank statement from the reserve account. Withdrawals or expenditures made without prior Department approval are not authorized.
- I. The statutory reserve account referenced above in paragraph 2(G) and 2(H), the general operations account, the CARE account, the account which holds the tenant security deposits, and any other reserve accounts that the contractor may hold with Departmental approval must be maintained separately from one another.
- J. If the Contractor is in violation of any provision of this Agreement, the Department may, at its sole discretion, withhold payment of funds under this Agreement until such violations are corrected.
- K. The expenditure period for FY 2025-2026 ends on June 30, 2026, the expenditure period for FY 2026-2027 ends on June 30, 2027. All Requests for Reimbursement shall be submitted to the Department by December 31, 2027. The Department will not process Requests for Reimbursement submitted to the Department after December 31, 2027.

3. Advances

- A. Upon the effective date of this Agreement, the Contractor may upon written request, obtain an advance of funds in an amount not to exceed twenty percent (20%) of the total Agreement amount, which reflects the annual operating costs of the Housing Center. To request an advance of funds the Contractor cannot have an outstanding advance balance from the prior contract period, as further specified below.

EXHIBIT B

- B. Advance balances will be deemed outstanding if Contractors have not, within sixty (60) days of the end of the prior fiscal year (July 1st through June 30th) submitted acceptable invoices to cover the advances or deposited remaining funds to the reserves (with Department approval). Failure to submit acceptable invoices or deposit remaining funds to the reserves will result in the return of any remaining funds to the Department.
- C. Advance funds must be recaptured during the final three months of invoices. If the Contractor has an outstanding advance balance at the end of the fiscal year, the Department is not required to provide an advance in the subsequent fiscal year.

4. Line Item Changes

The Contractor may upon prior written approval by the Department, transfer any approved allocations, or portions thereof, to other cost categories listed in the Budget for that fiscal year. In no event, shall the total amount of this Agreement be exceeded without prior execution of a formal amendment to this Agreement.

5. Special Funding Conditions

- A. Funds allocated for Minor Rehabilitation as specified in line item 304 of the Budget shall be subject to the following provisions:
 - 1. Funds may be spent only for the items and activities, in the maximum amounts specified, and according to the priority expressed in Item G of the Budget.
 - 2. Notwithstanding Paragraph 4 of this Exhibit, these funds shall not be subject to transfer to other cost categories.
 - 3. All reimbursements shall be in arrears and shall require submission of invoices and related supporting documentation in a manner directed by the Department.
 - 4. Any funds not expended upon the expiration of this Agreement shall be automatically disencumbered on that date and shall not be available for additional expenditures or reimbursements except as provided in Health and Safety Code Section 50710.1(b) and as further specified in paragraph 2(G)-(H).

EXHIBIT B

- B. Funds allocated within Item B, line 209 “Major Equipment Repair/Maintenance,” of the Budget shall be spent only for the items, and in the maximum amounts, specified in Item F of the Budget.
- C. Funds allocated within both Exhibit B-1 and B-2, Item D, line item 401 “Administrative Support Services,” of the Budget shall be calculated as ten percent (10%) of the total Budget per year, excluding the broadband installation project, and shall be spent on administrative costs incurred by the Contractor to administer the OMS program. Costs incurred to install broadband, under line item 209a on the Budget, will accrue an administrative fee of five percent (5%) upon project completion. Therefore, line item 209a will not be accounted for as part of the ten percent (10%) “Administrative Supportive Services” allocation within the Budget.

6. **Availability of Funds**

The obligations under this Agreement are hereby made expressly contingent upon the availability of projected rental income and other funds for the purposes of performing the services identified in this Agreement. It is understood that this Agreement may have been written prior to the beginning of the fiscal year in order to expedite contract processing. However, should adequate funds not be appropriated by the Legislature for the current fiscal year or should other funds be reduced as a result of a court order or any other incident deemed legally binding by the Department, the Department may exercise its option to cancel this Agreement. Additionally, the Department, in its sole discretion, may opt to reduce the on-season period, unless the Department and the Contractor either amend this Agreement or mutually agree to budget reductions and a rescission of a portion of the encumbered funds as a means to mitigate the lack of funds.

EXHIBIT B-1

YEAR ONE OPERATING BUDGET

THIS IS NOT AN INVOICE

Contract No: 25-OMS-18881
 Term: **January 1, 2026 -
 June 30, 2026**

A. CENTER PERSONNEL		CONTRACTOR FUNDS	STATE FUNDS
101	Permanent Salaries/Wages	-	86,580.00
102	Temporary Salaries/Wages	-	15,970.00
103	Personnel Benefits	-	54,820.00
SUBTOTAL		\$ -	\$ 157,370.00
B. OPERATING EXPENSES			
201	Center Office Supplies	-	1,000.00
202	Household Supplies	-	1,250.00
203	Communications	-	114,395.00
204	Travel	-	450.00
205	Auto Repairs/Maintenance	-	600.00
206	Gas/Oil	-	1,000.00
207	Minor Equipment Repair/Maintenance	-	100.00
208	Purchases Under \$150	-	0.00
209	Major Equipment Repair/Maintenance	-	0.00
209a	Broadband Installation	-	0.00
211	Equipment Rental	-	2,750.00
212	Electricity and Gas	-	64,080.00
213	Garbage, Trash	-	36,460.00
214	Sewer, Water	-	35,130.00
215	Other Costs	-	4,230.00
217	Property and Liability Insurance	-	50,000.00
218	Other Insurance	-	0.00
219	Advertising	-	0.00
SUBTOTAL		\$ -	\$ 311,445.00
C. MAINTENANCE EXPENSES			
301	Electrical/Plumbing/Paint/Solar Supplies	-	8,770.00
302	Lumber and Materials	-	0.00
303	Grounds Maintenance	-	30,265.00
304	Minor Rehabilitation	-	0.00
SUBTOTAL		\$ -	\$ 39,035.00
D. CONTRACTOR ADMINISTRATION			
401	Administrative Support Services	-	105,785.00
402	Travel	-	0.00
403	Audit	-	0.00
SUBTOTAL		\$ -	\$ 105,785.00
E. DEBT SERVICE & REPLACEMENT			
501	Reserves	-	0.00
502	Payment	-	0.00
SUBTOTAL		\$ -	\$ 0.00
TOTAL		\$ -	\$ 613,635.00

OMS – Non-Rural Development
 2025 – 2027 Operations Agreement
 Approved Date: 06/02/2025
 Prep. Date: 5/29/2026

