

SAN MATEO COUNTY

COUNTYWIDE OVERSIGHT BOARD

Jim Saco, Chairperson
Denise Porterfield, Vice Chairperson
Mark Addiego, Member
Chuck Bernstein, Member
Tom Casey, Member
Barbara Christensen, Member
Mark Leach, Member

MONDAY, JANUARY 27, 2020 - 9:00 A.M.

400 County Center, 1st floor
County Board of Supervisors' Chambers
Redwood City, California 94063

AGENDA

1. Call to Order
2. Roll Call
3. Oral Communications and Public Comment
This is an opportunity for members of the public to address the Oversight Board on any Oversight Board-related topics that are not on the agenda. If your subject is not on the agenda, the individual chairing the meeting will recognize you at this time. Speakers are customarily limited to two minutes.
4. Action to Set the Agenda
5. Approval of the January 13, 2020 Countywide Oversight Board Meeting Minutes
6. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 20-21) and FY 2020-21 Administrative Budget of the Redwood City Successor Agency
7. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 20-21) and FY 2020-21 Administrative Budget of the South San Francisco Successor Agency
8. FY 2020-21 Oversight Board Meeting Calendar (Discussion Only)
9. FY 2020-21 Board Chairperson and Vice-Chairperson Election (Discussion Only)
10. Adjournment

A copy of the Countywide Oversight Board agenda packet is available for review from the Clerk of the Board of Supervisors, 400 County Center, 1st Floor, Monday through Thursday 7:30 a.m.-5:30 p.m. and Friday 8 a.m.-5 p.m.

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Sukhmani Purewal, Assistant Clerk of the Board of Supervisors, at least two working days before the meeting at (650) 363-1802 and/or spurewal@smcgov.org. Notification in advance of the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Attendees to this meeting are reminded that other attendees may be sensitive to various chemical based products.

San Mateo County Countywide Oversight Board Meeting

Monday, January 13, 2020, 9:00 a.m.

400 County Center, 1st Floor, County of Board of Supervisors' Chambers, Redwood City, CA 94063

DRAFT MINUTES

1. Call to Order

The meeting was called to order by Chair Jim Saco at 9:01 a.m.

2. Roll Call

Present:

Board Members: Mark Addiego; Chuck Bernstein; Tom Casey; Barbara Christensen; Mark Leach; Denise Porterfield; and Chair Jim Saco.

Staff: Brian Wong, Deputy County Counsel; Shirley Tourel, Assistant Controller; Matthew Slaughter, Controller Division Manager; and Sukhmani Purewal, Assistant Clerk of the Board.

3. Oral Communications and Public Comment

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None

4. Action to Set the Agenda

Board Member Chuck Bernstein added one (1) discussion item to the end of the agenda regarding a request for the Controller's Office to study the Administrative Costs included in the ROPS. This will be the new Item No. 13 and Adjournment will be Item No. 14.

Motion to set the agenda:

RESULT:	Approved
MOTION:	Mark Leach
SECOND:	Chuck Bernstein
AYES [7]:	Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Mark Leach, Denise Porterfield, and Jim Saco.
NOES:	None
ABSTENTIONS:	None

5. Approval of the December 9, 2019 Countywide Oversight Board Meeting Minutes

MOTION: Mark Addiego
SECOND: Mark Leach
AYES [7]: Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Mark Leach, Denise Porterfield, and Jim Saco.
NOES: None
ABSTENTIONS: None

6. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 20-21) and FY 2020-21 Administrative Budget of the Pacifica Successor Agency

Speakers:

Lorenzo Hines, Assistant City Manager, City of Pacifica

RESULT: **Approved (Resolution No. 2020-01)**
MOTION: Tom Casey
SECOND: Denise Porterfield
AYES [7]: Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Mark Leach, Denise Porterfield, and Jim Saco.
NOES: None
ABSTENTIONS: None

7. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 20-21) and FY 2020-21 Administrative Budget of the East Palo Alto Successor Agency

Speakers:

Brenda Olwin, Finance Director, City of East Palo Alto
Shirley Tourel, Assistant Controller

RESULT: **Approved (Resolution No. 2020-02)**
MOTION: Barbara Christensen
SECOND: Tom Casey
AYES [7]: Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Mark Leach, Denise Porterfield, and Jim Saco.
NOES: None
ABSTENTIONS: None

8. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 20-21) and FY 2020-21 Administrative Budget of the San Bruno Successor Agency

Speakers:

Keith DeMartini, Finance Director, City of San Bruno

RESULT: **Approved (Resolution No. 2020-03)**
MOTION: Tom Casey
SECOND: Denise Porterfield

AYES [7]: Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Mark Leach, Denise Porterfield, and Jim Saco.
NOES: None
ABSTENTIONS: None

10. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 20-21) and FY 2020-21 Administrative Budget of the Redwood City Successor Agency

Speakers:

Carolyn Kerans, Senior Accountant, City of Redwood City
Shirley Tourel, Assistant Controller

Motion to postpone this item to the January 27, 2020 Oversight Board Meeting:

RESULT: **Approved**
MOTION: Chuck Bernstein
SECOND: Mark Addiego
AYES [7]: Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Mark Leach, Denise Porterfield, and Jim Saco.
NOES: None
ABSTENTIONS: None

11. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 20-21) and FY 2020-21 Administrative Budget of the South San Francisco Successor Agency

Speakers:

Janet Salisbury, Finance Director, City of S. San Francisco
Suzy Kim, Associate at RSG and Successor Agency's Consultant
Steve Mattas, Assistant City Attorney, City of South San Francisco
Matthew Slaughter, Controller Division Manager
Jonas Vass, Sr. Vice President – Development, Kilroy Realty
Shirley Tourel, Assistant Controller

Motion to postpone this item to the January 27, 2020 Oversight Board Meeting:

RESULT: **Approved**
MOTION: Jim Saco
SECOND: Tom Casey
AYES [7]: Mark Addiego, Chuck Bernstein, Tom Casey, Barbara Christensen, Mark Leach, Denise Porterfield, and Jim Saco.
NOES: None
ABSTENTIONS: None

12. South San Francisco Successor Agency Informational Item on the Disposition of the 6.61 – Acre Site (“PUC Site”) for High-Density, Mixed-Use Development (Discussion Only)

Speakers:

Mr. Alex Greenwood, Director of Economic & Community Development

Board Member Chuck Bernstein left the meeting at 10:06 a.m. and rejoined at 10:09 a.m.

Ms. Nell Selander, Deputy Director of Economic & Community Development

Eric Tao, Executive Principal, AGI – Avant Group, Inc.

Brad Wiblin, Executive Vice President, BRIDGE Housing

Steve Mattas, Assistant City Attorney, City of South San Francisco

Leora Ross, speaking on behalf of Housing Leadership Council of San Mateo County

- 9. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 20-21) and FY 2020-21 Administrative Budget of the Foster City Successor Agency

Speakers:

Edmund Suen, Financial Services Director, City of Foster City

Board Member Tom Casey left the meeting at 10:55 a.m.

RESULT: **Approved (2020-04)**

MOTION: Denise Porterfield

SECOND: Barbara Christensen

AYES [6]: Mark Addiego, Chuck Bernstein, Barbara Christensen, Mark Leach, Denise Porterfield, and Jim Saco.

NOES: None

ABSENT: Tom Casey

- 13. Request for Study of the Administrative Costs Included in the ROPS (Discussion only)

Board Member Chuck Bernstein introduced this item as a discussion item only. Mr. Bernstein has asked that the Controller’s office perform a study that would suggest some basis for determining the reasonableness of the administrative costs that are included in the ROPS by the Successor Agencies. Controller will add this item to the March Oversight Board meeting agenda.

- 14. Adjournment

RESULT: **Approved**

MOTION: Denise Porterfield

SECOND: Mark Leach

AYES [6]: Mark Addiego, Chuck Bernstein, Barbara Christensen, Mark Leach, Denise Porterfield, and Jim Saco.

NOES: None

ABSENT: Tom Casey

The meeting was adjourned at 11:01 a.m.

SAN MATEO COUNTY

COUNTYWIDE OVERSIGHT BOARD

Jim Saco, Chairperson
Denise Porterfield, Vice Chairperson
Mark Addiego, Member
Chuck Bernstein, Member
Tom Casey, Member
Barbara Christensen, Member
Mark Leach, Member

Date: January 21, 2020 **Agenda Item No. 6**

To: San Mateo County Countywide Oversight Board

From: Shirley Tourel, Assistant Controller

Subject: Redwood City Successor Agency (SA) Annual Recognized Obligation Payment Schedule (ROPS) 20-21

Background

California Health and Safety Code (HSC) Section 34180(g) requires all ROPS to be approved by the Oversight Board.

Discussion

The Annual ROPS 20-21 contains all the obligations of the SA for fiscal year 2020-21.

The Redwood City SA presented their ROPS and Administrative Budget for fiscal year 2020-21 to the Board on January 13, 2020 for approval. The Board questioned whether the SA's legal expenses pertaining to litigation against the State are allowable expenses. Oversight Board Staff consulted its counsel and with the DOF and has concluded that the legal expenses are allowable as part of the SA's administrative cost allowance. The relevant sections of the HSC are (emphasis added):

34171(b)(5) The administrative cost allowance shall be approved by the oversight board and shall be ***the sole funding source for any legal expenses*** related to civil actions brought by the successor agency or the city, county, or city and county that created the former redevelopment agency, including writ proceedings, contesting the validity of this part or Part 1.8 (commencing with Section 34161) or challenging acts taken pursuant to these parts. Employee costs associated with work on specific project implementation activities, including, but not limited to, construction inspection, project management, or actual construction, shall be considered project-specific costs and shall not constitute administrative costs.

34171(d)(1): "Enforceable obligation" means any of the following:

(F)(i) ***Contracts or agreements necessary for the administration or operation of the successor agency***, in accordance with this part, ***including, but not limited to, agreements concerning litigation expenses related to assets or obligations***, settlements and judgments, and the costs of maintaining assets prior to disposition, and agreements to purchase or rent office space, equipment and supplies, and pay-related expenses pursuant to Section 33127 and for carrying insurance pursuant to Section 33134. ***Beginning January 1, 2016, any legal expenses related to civil actions, including writ proceedings, contesting the validity of this part or Part 1.8 (commencing with Section 34161) or challenging acts taken pursuant to these parts shall only be payable out of the administrative cost allowance.***

(F)(ii) ***A sponsoring entity may provide funds to a successor agency for payment of legal expenses related to civil actions initiated by the successor agency***, including writ proceedings, contesting the validity of this part or Part 1.8 (commencing with Section 34161) or challenging acts taken pursuant to

these parts. *If the successor agency obtains a final judicial determination granting the relief requested in the action, the funds provided by the sponsoring entity for legal expenses related to successful causes of action pled by the successor agency shall be deemed an enforceable obligation for repayment under the terms set forth in subdivision (h) of Section 34173.* If the successor agency does not receive a final judicial determination granting the relief requested, the funds provided by the sponsoring entity shall be considered a grant by the sponsoring entity and shall not qualify for repayment as an enforceable obligation.

Enclosed is the Redwood City SA's ROPS and Administrative Budget for fiscal year 2020-21 on which they are requesting approval by the Board to spend \$3,645,155 on outstanding obligations and administrative expenses. The SA revised their memo to the Board and included additional explanation for their funding request for legal expenses.

CAC Exhibits

A - Redwood City SA's Annual ROPS 20-21

Date: January 17, 2020

To: San Mateo County Countywide Oversight Board

From: Kimbra McCarthy, Assistant City Manager – Administrative Services

Subject: Approval of the Recognized Obligation Payment Schedule (ROPS) 20-21 and Administrative Cost Allowance Budget of the Redwood City Successor Agency (SA)

Former RDA: **Redwood City Successor Agency**

Recommendation

Adopt resolutions approving the Redwood City SA’s ROPS 20-21 and Administrative Cost Allowance Budget.

Background

SAs who are not currently on the Last and Final ROPS, must submit annually a ROPS listing the SA’s enforceable obligations and expenses to the State Department of Finance (DOF) pursuant to Health & Safety Section Code (H&S) Section 34177(m) and (o). The ROPS shall include an amount for the SA’s Administrative Cost Allowance as authorized under the Dissolution Act, which is subject to a cap as set forth under H&S Section 34171. The ROPS and the Budget for the SA’s Administrative Cost Allowance must be approved by the Oversight Board.

Discussion

Submitted for the Oversight Board’s approval is the ROPS 20-21. While the DOF’s ROPS template requires all enforceable obligations to be listed, the Oversight Board approval is for the funding of those items to be paid in Fiscal Year 20-21. The Administrative Cost Allowance Budget, which also requires Oversight Board’s approval, is submitted and attached to this report.

The Successor Agency of the City of Redwood City (SA) is submitting an Administrative budget of \$135,255. The Redwood City SA has several outstanding issues that require a significant amount of staff time and, potentially, outside legal and consultant costs.

Litigation

Prior to the dissolution of the Redevelopment Agencies, the Redwood City RDA had an agreement with the Legal Aid Society (LAS) that the housing set aside amount of approximately \$10 million would be used for housing projects. Upon the RDA dissolution, the Redwood City SA retained this amount in order to comply with a valid enforceable obligation, the LAS agreement. Ultimately, Department of Finance (DOF) disagreed and required the SA to turn over this amount to the County and it was distributed to the various taxing entities. The Redwood City SA, with the approval of the then-current Oversight Board, filed suit to re-coup this money, as did the LAS. The trial court ruled in favor of the DOF, and the SA and LAS appealed. The appeal is pending,

but the Court of Appeals has not set a hearing date. When that occurs, it is likely that a significant amount of staff time from the City Attorney's office as well as outside counsel will be required.

Disposition of land parcel

Currently, the SA has a small land parcel located in the former RDA downtown area. This parcel is a small triangle of land that provides access to a culvert, which requires periodic City maintenance. The DOF has disallowed the transfer of the parcel to the City as a governmental use and is requiring that the SA sell the parcel to the highest bidder. However, the SA maintains that the parcel, due to its location, configuration and size, would be difficult to develop, and further, is needed by the City for a legitimate government purpose. It is expected that Community Development staff time and City Manager staff time will be spent working with a land use consultant to provide to the DOF additional evidence that the parcel is needed for governmental purposes.

The requested Administrative Cost Allowance Budget for the ROPS 20-21 is reasonable, given the issues at hand and the level of staff and/or outside legal or professional services required to complete these tasks. Finally, it should be noted that any Administrative Budget that is not used in any given fiscal year, will be returned to the County in the form of a reduction of future year's RPTTF distribution, and will subsequently be distributed to the taxing agencies.

Financial Impact

No funds are involved with the approval of the ROPS.

Attachments:

1. Draft Resolution of the Oversight Board Approving the Redwood City SA's ROPS 20-21 and FY 2020-21 Administrative Budget
2. Exhibit A - Redwood City SA's ROPS 20-21
3. Exhibit B - Redwood City SA's FY 2020-21 Administrative Budget
4. Exhibit C – Summary of Obligations Under ROPS 20-21 and Supporting Documents

RESOLUTION NO. 2020 - _____

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 20-21 (“ROPS 20-21”) AND FISCAL YEAR 2020-21
ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY TO THE FORMER REDWOOD CITY
REDEVELOPMENT AGENCY (RDA)**

WHEREAS, California Health and Safety Code (HSC) Section 34177 requires the Successor Agencies to prepare a Recognized Obligation Payment Schedule (“ROPS”) for each 12-month fiscal period, which lists the outstanding obligations of the former RDA and states the sources of funds for required payments; and

WHEREAS, the Successor Agency to the Former Redwood City Redevelopment Agency has prepared a draft ROPS for the period July 1, 2020 to June 30, 2021, referred to as “ROPS 20-21”, claiming a total enforceable obligation amount of \$3,645,155, as set forth in the attached Exhibit A; and

WHEREAS, pursuant to HSC 34180(g) the Oversight Board must approve the establishment of each ROPS; and

WHEREAS, HSC 34177 requires the Successor Agencies to prepare an administrative budget for Oversight Board approval; and

WHEREAS, the Successor Agency to the Former Redwood City Redevelopment Agency has prepared an administrative budget for the period July 1, 2020 to June 30, 2021, for \$135,255, as set forth in the attached Exhibit B; and

WHEREAS, HSC 34179(e) requires all action items of Countywide Oversight Boards, including the San Mateo County Countywide Oversight Board (the “Board”), be accomplished by resolution;

NOW, THEREFORE, BE IT RESOLVED, the San Mateo County Countywide Oversight Board hereby approves the Redwood City Successor Agency ROPS 20-21 and Fiscal Year 2020-21 Administrative Budget, attached hereto as Exhibits A and B and incorporated herein by this reference;

BE IT FURTHER RESOLVED, that the Oversight Board directs the Successor Agency to submit the ROPS 20-21 to the State Department of Finance upon approval by the Oversight Board.

* * *

Exhibit A – Redwood City Successor Agency’s Recognized Obligation Payment Schedule 20-21
Exhibit B – Redwood City Successor Agency’s FY 2020-21 Administrative Budget

**Recognized Obligation Payment Schedule (ROPS 20-21) - Summary
 Filed for the July 1, 2020 through June 30, 2021 Period**

Successor Agency: Redwood City

County: San Mateo

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	20-21A Total (July - December)	20-21B Total (January - June)	ROPS 20-21 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	-
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ -	\$ -	-
F RPTTF	\$ 2,450	\$ 3,507,450	\$ 3,509,900
G Administrative RPTTF	\$ 67,627	\$ 67,628	\$ 135,255
H Current Period Enforceable Obligations (A+E)	\$ 70,077	\$ 3,575,078	\$ 3,645,155

Certification of Oversight Board Chairman:

Name _____ Title _____

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency. /s/

Signature _____ Date _____

Exhibit A - Page 2 of 4

Redwood City
Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail July 1, 2020 through June 30, 2021

A Item #	B Project Name	C Obligation Type	D Agreement Execution Date	E Agreement Termination Date	F Payee	G Description	H Project Area	I Total Outstanding Obligation	J Retired	K ROPS 20-21 Total	C ROPS 20-21A (Jul - Dec)				20-21A Total	F ROPS 20-21B (Jan - Jun)					W 20-21B Total	
											Fund Sources					Fund Sources						
											Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
								46,095,609		\$ 3,645,155	-	-	-	2,450	67,627	\$ 70,077	-	-	-	3,507,450	67,628	\$ 3,575,078.00
1	Tax allocation Bond, Series 2003A for infrastructure projects [34171 (d) 1 (A)]	Bonds Issued On or Before 12/31/10	10/15/2003	07/15/2032	US Bank	Debt service for bonds issued for RDA Project Area No. 2		11,608,767	N	\$ 1,352,544	-	-	-	-	-	-	-	-	-	1,352,544	-	1,352,544
2	Tax allocation Bond, Series 2003A for infrastructure projects [34171 (d) 1 (A)]	Bonds Issued On or Before 12/31/10	10/15/2003	07/15/2032	US Bank	Interest payments for bonds issued for RDA Project Area No. 2		30,461,231	N	\$ 2,152,456	-	-	-	-	-	-	-	-	-	2,152,456	-	2,152,456
7	On-going debt service bank and fiscal agent fees [34171 (d) 1 (A)]	Fees	10/15/2003	07/15/2032	US Bank and Willdan Financial	Bank fees and annual disclosure fees for the 2003 Bond		78,916	N	\$ 4,900.00	-	-	-	2,450	-	2,450	-	-	-	2,450	-	2,450
22	Villa Montgomery-FCH [34171 (d) 1 (B)]	City/County Loan (Prior 06/28/11), Other	05/25/2006	12/01/2045	San Mateo County	Loan payable to San Mateo County on part of FCH loan		500,000	N	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
23	Successor Agency Administrative Cost Allowance [34171 (b)]	Admin Costs	07/01/2012	07/15/2032	Successor Agency	Minimum amount of property tax to Successor Agency for general administrative costs		3,446,695	N	\$ 135,255	-	-	-	\$ 67,627	\$ 67,627	-	-	-	-	-	\$ 67,628	\$ 67,628

Exhibit A - Page 3 of 4

Redwood City ROPS 2020-21 Annual

A	B	C	D	E	F	G	H	
		Bond Proceeds		Fund Sources	Other Funds	RPTTF	Comments	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Reserve Balance Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments	
1	Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude A" period distribution amount"	-	-	3,507,100	1,397,175	201,006	\$3,507,100 recd with 16-17B for July 2017 DS payment	
2	Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller				163,530	5,853,968	17-18 A & B; rental income, interest income and settlement from litigation	
3	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)				93,322	5,853,968	\$93,322 reduction of RPTTF due to cash on hand	
4	Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			3,507,100				
5	ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC	No entry required						
6	Ending Actual Available Cash Balance (06/30/18) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ 1,467,383	\$ 201,006	Bal = \$1668389 comprised of loan payoff amount, rental income and interest income	

Redwood City
Recognized Obligation Payment Schedule (ROPS 20-21) - Notes July 1, 2020 through June 30, 2021

Item #	Notes/Comments
1	
2	
7	
22	This loan is to be paid from a portion of the net proceeds of the project (Villa Montgomery apartment building.) To date, no payments have been made.
23	

Exhibit B

Successor Agency to the Former City of Redwood City Redevelopment Agency
ROPS 20-21 Administrative Budget
Period: 7/1/20 to 6/30/21

<u>Description of Cost/Expense</u>	<u>Amount</u>
Audit of Successor Agency	\$ 1,281
<i>Staff costs</i>	\$ 133,974
Total	<u><u>\$ 135,255</u></u>

EXHIBIT C - SUMMARY OF OBLIGATIONS UNDER ROPS 20-21 AND SUPPORTING DOCUMENTS

ROPS Item No.	ROPS Category	Description of Obligation	Payee	ROPS 20-21 Amount	Supporting Documentation
1	Bonds	Tax Allocation Bonds, Series 2003A (Principal)	US Bank	\$ 1,352,544	Attachment 1 - Debt Service Schedule
2	Bonds	Tax Allocation Bonds, Series 2003A (Interest)	US Bank	\$ 2,152,456	
7	Other/Miscellaneous	On-going debt service bank and fiscal agent fees [34171 (d) 1 (A)]	US Bank/Willdan	\$ 4,900	Attachment 2 -US Bank Invoice \$2,800 & Willdan Invoice \$2,100
23	Admin	Successor Agency Administrative Cost Allowance {34171 (b)}Legal, audit, staff costs	Successor Agency	\$ 135,255	Attachment 3 - Admin Budget Details & General Ledger Printout Supporting Audit Costs
Total				\$ 3,645,155	

Exhibit C - Attachment 1

Debt Service Schedule

The following table presents debt service for the Bonds, as well as for the 1997 Bonds, which are payable from Tax Revenues on a parity with the Bonds. A portion of the 1997 Bonds were used for housing purposes and 20% of the debt service on the 1997 Bonds is payable from moneys in the Agency's Housing Set-Aside moneys. See "SECURITY FOR THE BONDS – Low and Moderate Housing Set-Aside."

TABLE 2
REDEVELOPMENT AGENCY OF THE CITY OF REDWOOD CITY
Redevelopment Project Area No. 2
Debt Service Schedule

Bond Year Ending July 15	1997 Bonds Debt Service ⁽¹⁾	2003A Current Interest Bonds Principal	2003A Current Interest Bonds Interest	2003A Capital Appreciation Bonds Denominational Amount	Series 2003A Capital Appreciation Bonds Compounded Interest	Series 2003A Bonds Total Debt Service	1997 Bonds and 2003A Bonds Aggregate Debt Service
2004	\$1,548,977.50		<u>\$463,356.25</u>			<u>\$ 463,356.25</u>	<u>\$2,012,333.75</u>
2005	1,545,746.75		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,199,896.75</u>
2006	1,540,365.00		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,194,515.00</u>
2007	1,544,265.00		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,198,415.00</u>
2008	1,545,580.00		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,199,730.00</u>
2009	1,543,350.00		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,197,500.00</u>
2010	1,541,850.00	<u>\$1,225,000</u>	<u>654,150.00</u>			<u>1,879,150.00</u>	<u>3,421,100.00</u>
2011	1,545,705.00	<u>1,265,000</u>	<u>611,275.00</u>			<u>1,876,275.00</u>	<u>3,421,980.00</u>
2012		<u>2,480,000</u>	<u>560,675.00</u>			<u>3,040,675.00</u>	<u>3,040,675.00</u>
2013		<u>2,895,000</u>	<u>461,475.00</u>			<u>3,356,475.00</u>	<u>3,356,475.00</u>
2014		<u>3,045,000</u>	<u>309,487.50</u>			<u>3,354,487.50</u>	<u>3,354,487.50</u>
2015		<u>2,850,000</u>	<u>149,625.00</u>	<u>\$ 292,668.60</u>	<u>\$ 217,331.40</u>	<u>3,509,625.00</u>	<u>3,509,625.00</u>
2016				<u>1,889,860.95</u>	<u>1,615,139.05</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2017				<u>1,773,915.55</u>	<u>1,731,084.45</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2018				<u>1,663,893.60</u>	<u>1,841,106.40</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2019				<u>1,557,657.05</u>	<u>1,947,342.95</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2020				<u>1,450,684.45</u>	<u>2,054,315.55</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2021				<u>1,352,544.45</u>	<u>2,152,455.55</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2022				<u>1,256,332.20</u>	<u>2,248,667.80</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2023				<u>1,172,831.40</u>	<u>2,337,168.60</u>	<u>3,510,000.00</u>	<u>3,510,000.00</u>
2024				<u>1,090,125.10</u>	<u>2,414,874.90</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2025				<u>1,025,983.60</u>	<u>2,479,016.40</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2026				<u>967,415.05</u>	<u>2,537,584.95</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2027				<u>911,965.95</u>	<u>2,593,034.05</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2028				<u>859,566.20</u>	<u>2,645,433.80</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2029				<u>810,005.50</u>	<u>2,694,994.50</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2030				<u>763,178.70</u>	<u>2,741,821.30</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2031				<u>719,901.00</u>	<u>2,790,099.00</u>	<u>3,510,000.00</u>	<u>3,510,000.00</u>
2032				<u>678,918.50</u>	<u>2,826,081.50</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>

(1) 20% of debt service on the 1997 Bonds is payable from Housing Set-Aside amounts.

INVOICE NUMBER	AMOUNT	PURCHASE ORDER	DESCRIPTION	ACCOUNT NUMBER
5192821	2,800.00		ADMIN FEES IN ADVANCE 11/1/2018-10/31/2019	2946142350
TOTAL	2,800.00			

CITY OF REDWOOD CITY
 P. O. BOX 391
 REDWOOD CITY, CA 94063
 (650) 780-5958

56-382
412

Wells Fargo Bank, N.A.

CHECK NO.
011727

DATE
12/17/18***

AMOUNT

VOID 180 DAYS AFTER DATE OF ISSUE

*****\$2,800.00

PAY ■ TWO THOUSAND EIGHT HUNDRED DOLLARS AND ZERO CENTS *****

TO THE ORDER OF: U. S. BANK
 CM-9690
 PO BOX 70870
 ST. PAUL, MN 55170-9690

NON-NEGOTIABLE



Corporate Trust Services
EP-MN-WN3L
60 Livingston Ave.
St. Paul, MN 55107

Invoice Number:
Account Number:
Invoice Date:
Direct Inquiries To:
Phone:

5192821
94687200
11/23/2018
MARY WONG
415-677-3602

CITY OF REDWOOD CITY
ATTN DIRECTOR OF FINANCE
1017 MIDDLEFIELD RD
REDWOOD CITY CA 94063

REDEVELOPMENT AGENCY OF THE CITY
OF REDWOOD CITY REDEVELOPMENT
PROJECT AREA NO. 2 TAX ALLOCATION
BONDSSERIES 2003 A
SPECIAL FUND

PAID
12/14/18

The following is a statement of transactions pertaining to your account. For further information, please review the attached.

STATEMENT SUMMARY

PLEASE REMIT BOTTOM COUPON PORTION OF THIS PAGE WITH CHECK PAYMENT OF INVOICE.

TOTAL AMOUNT DUE

\$2,800.00

All invoices are due upon receipt.

V# 27901
294-61423-50
OK to pay
OK 12/5/18

voucher 29205
12/11/18



Corporate Trust Services
 EP-MN-WN3L
 60 Livingston Ave.
 St. Paul, MN 55107

Invoice Number: 5192821
 Invoice Date: 11/23/2018
 Account Number: 94687200
 Direct Inquiries To: MARY WONG
 Phone: 415-677-3602

REDEVELOPMENT AGENCY OF THE CITY
 OF REDWOOD CITY REDEVELOPMENT
 PROJECT AREA NO. 2 TAX ALLOCATION
 BONDSSERIES 2003 A
 SPECIAL FUND

Accounts Included 94687200 94687201 94687202 94687204 94687205
 In This Relationship:

CURRENT CHARGES SUMMARIZED FOR ENTIRE RELATIONSHIP

Detail of Current Charges	Volume	Rate	Portion of Year	Total Fees
04200 Trustee	1.00	1,700.00	100.00%	\$1,700.00
04070 Dissemination Agent	1.00	500.00	100.00%	\$500.00
04120 Paying Agent	1.00	600.00	100.00%	\$600.00
Subtotal Administration Fees - In Advance 11/01/2018 - 10/31/2019				\$2,800.00
TOTAL AMOUNT DUE				\$2,800.00

The fees shown on this invoice are reflective of the most recent fee schedule or notice of fee adjustment provided by U.S. Bank.
 Page 2 of 2

INVOICE NUMBER	AMOUNT	PURCHASE ORDER	DESCRIPTION	ACCOUNT NUMBER
1040432	2,100.00	51062*1	FY 17/18 ANNUAL CONTINUING DISCLOSURE INFO STATEMENT PREP - REDEVELOPMENT PRJT AREA #2, TAX ALLOCATION BONDS, SERIES 2003A	2946142350
TOTAL	2,100.00			

CITY OF REDWOOD CITY
 P. O. BOX 391
 REDWOOD CITY, CA 94063
 (650) 780-5958

56-382
 412

Wells Fargo Bank, N.A.

CHECK NO.
012793

DATE
 02/11/19***

VOID 180 DAYS AFTER DATE OF ISSUE

AMOUNT
 *****\$2,100.00

PAY ■ TWO THOUSAND ONE HUNDRED DOLLARS AND ZERO CENTS *****

TO THE ORDER OF: WILLDAN FINANCIAL SERVICES
 27368 VIA INDUSTRIA, SUITE 200
 TEMECULA, CA 92590

NON-NEGOTIABLE



INVOICE

Attn: Kimbra McCarthy
 Assistant City Manager of Administrative Services/Treasurer
 City of Redwood City
 1017 Middlefield Road
 Redwood City, California 94063-1993

INVOICE #: 010-40432
 INVOICE DATE: 1/29/2019
 PROJECT #: 105581
 CLIENT # C40291
 TERMS: NET 30 DAYS

Bus. # (650) 780-7070
 Fax # (650) 366-2447

Description: FISCAL YEAR 2017/18 ANNUAL CONTINUING DISCLOSURE SERVICES

Annual Continuing Disclosure Information Statement Preparation:

<i>Redevelopment Project Area No. 2, Tax Allocation Bonds, Series 2003A</i>	\$2,100.00
Dissemination to EMMA as required	Included
Dissemination to EMMA (Audited Financial Statements)	Included

Costs Advanced:

California Municipal Statistics, Inc.	Included
MuniServices, LLC	Included

PAID

INVOICE TOTAL \$2,100.00

To set up a wire transfer or ACH payment, please e-mail Lisa Bromley at lbromley@willdan.com or call her at 951-587-3572.

OK to pay
 [Signature] 2/1/19
 P.O. # 51062

Vouch: 31653
 CC 2/5/19
 V# 33434
 Acct: 294-61423-50

**Remit To:
 Willdan Financial Services
 27368 Via Industria, Suite 200
 Temecula, California 92590**

Exhibit C - Attachment 3

REDWOOD CITY SUCCESSOR AGENCY ADMINISTRATIVE BUDGET

Personnel Costs

ROPS 20-21 July 1, 2020 - June 30, 2021

Personnel Costs and Duties	Department	FTE Allocation	Budget
Assistant City Manager - Administrative Services Finance Director/Treasurer to the City and Successor Agency. Oversight for all items related to the Successor Agency; attends Oversight Board	Administrative Services Department	0.07	23,813
Director - Community Development and Transportation Oversight for all items related to the former RDA, and the city's Successor Agency. This includes working with the City Attorney and outside consultants on the disposition of real property. Attends Oversight Board meetings as needed.	Community Development Department	0.06	16,018
Financial Services Manager Attends all Oversight Board meetings; liason to Controller's Office and Department of Finance. Ensures accurate accounting and annual audit of all former RDA and Successor Agency transactions.	Administrative Services Department	0.05	14,516
City Manager Executive Director to the Successor Agency. Oversight for all items related to the former RDA, Successor Agency, attends Oversight Board meetings as needed.	City Manager's Office	0.01	4,742
City Attorney Ongoing legal support for all matters concerning the dissolution of the redevelopment agency and the Successor Agency. This includes working with outside legal counsel. Attends Oversight Board meetings as needed.	City Attorney's Office	0.05	20,549
Principal Analyst - Finance Attends all Oversight Board meetings; preparation of oversight board meeting agenda items; and continuing disclosure of former RDA debt. Liason to Controller's Office and Department of Finance. Submission of ROPS and actions to DOF, continuing disclosure, and maintains permanent files and	Administrative Services Department	0.1	24,518
Secretary Administrative assistance to the Community Development Director; assists with all tasks associated with the former RDA and Successor Agency items, including the disposition of real property.	Community Development Department	0.04	5,639
Senior Accountant Attends all Oversight Board meetings. Preparation of Recognized Obligation Payment Schedules, Administrative Budgets. Oversight of accounting and financial obligations of the former RDA and Successor Agency including reconciliation of ledger and reporting for continuing disclosure of debt of the former RDA. Serve as liason to Controller's Office and Department of Finance.	Administrative Services Department	0.08	17,638
Senior Assistant City Attorney Ongoing legal support for all matters concerning the dissolution of the redevelopment agency and the Successor Agency. This includes working with outside legal counsel.	City Attorney's Office	0.02	6,541
		0.48	\$ 133,974

Maze & Associates - Audit Contract fee by fund

	Account #	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	Allocation by	
							6.30.18 Revenues	%
General	150-61710-50	\$ 42,271	\$ 43,538	44,847	46,192	47,578	163,260,540	64.93%
Sewer	688-61710-50	\$ 9,633	\$ 9,923	10,220	10,527	10,843	37,207,391	14.80%
Water	687-61710-50	\$ 11,131	\$ 11,465	11,809	12,163	12,528	42,990,320	17.10%
Parking	681-61710-50	\$ 697	\$ 718	739	762	784	2,691,838	1.07%
Docktown	695-61710-50	\$ 85	\$ 88	90	93	96	329,112	0.13%
	Direct Charges							
CDBG-Single Audit	258-66310-50-17001	TBD	TBD	TBD	TBD	TBD	will be allocated after SEFA is done	
Measure A/TDA	262-61710-50	\$ 3,555	\$ 3,662	3,772	3,885	4,001		
UUT	153-61710-50	\$ 2,190	\$ 2,256	2,324	2,394	2,466		
Successor Agency	293-66410-50	\$ 1,281	\$ 1,320	1,359	1,400	1,442	4,948,897	1.97%
Gas Tax-Street Report	261-61710-50	\$ 1,290	\$ 1,329	1,369	1,410	1,452		
Port	paid directly by Port	\$ 19,595	\$ 20,183	20,789	21,413	22,055		
SVCW	paid directly by SVCW	\$ 20,565	\$ 21,182	21,818	22,473	23,147		
SBWMA	paid directly by SBWMA	\$ -	\$ 13,810	14,224	14,650	15,090		
	TOTAL	\$ 112,293	\$ 129,474	\$ 133,360	\$ 137,362	\$ 141,482		100.00%

SAN MATEO COUNTY

COUNTYWIDE OVERSIGHT BOARD

Jim Saco, Chairperson
Denise Porterfield, Vice Chairperson
Mark Addiego, Member
Chuck Bernstein, Member
Tom Casey, Member
Barbara Christensen, Member
Mark Leach, Member

Date: January 21, 2020 **Agenda Item No. 7**

To: San Mateo County Countywide Oversight Board

From: Shirley Tourel, Assistant Controller

Subject: South San Francisco Successor Agency (SA) Recognized Obligation Payment Schedule (ROPS) 20-21

Background

California Health and Safety Section Code (HSC) Section 34180(g) requires all ROPS to be approved by the Oversight Board.

Discussion

The Annual ROPS 20-21 contains all the obligations of the former Redevelopment Agency (RDA) for fiscal year 2020-21.

The SA presented their ROPS and Administrative Budget for fiscal year 2020-21 to the Board on January 13, 2020 for approval. The Board decided to postpone action on this item to January 27, 2020 to provide the SA time to gather additional justification for certain ROPS items.

Enclosed is the SA's revised ROPS 20-21 on which they are requesting approval by the Board to spend \$6,191,009 on outstanding obligations and administrative expenses. Two changes were made since it was presented to the Board on January 13:

- Item 14, Oyster Point soft management costs, increased by \$59,158 from \$168,691 to \$227,849.
- Item 48, Administrative Costs, decreased by \$55,000 from \$200,000 to \$145,000.

The changes resulted to a net increase of \$4,158 from the ROPS presented on January 13.

Funding Source

HSC Section 34177(l)(1) provides that sources of funding for ROPS includes Reserves, Other Revenues, Prior Period Adjustment and the Redevelopment Property Tax Trust Fund (RPTTF). Furthermore, the code states that RPTTF can be used only up to the extent no other funding source is available. The SA has \$5,053,351 in Reserves/Other Funds/Prior Period Adjustment and is asking \$1,137,658 from RPTTF.

SA Administrative Expenses

Pursuant to HSC Section 34171 (b) (4), administrative costs are limited to the greater of \$250,000 or 3% of the property tax distributed to the Successor Agency to pay for enforceable obligations in the preceding fiscal year, as reduced by the administrative cost allowance (ACA) and loan repayments to the sponsoring entity. In

addition, administrative costs are not to exceed 50% of property taxes allocated for enforceable obligations in the preceding fiscal year, as reduced by the ACA and any loan repayments made to the sponsoring entity.

The SA did not receive property taxes in the preceding fiscal year, therefore, it is our conclusion that they are not eligible for administrative costs payable from RPTTF or other funds in the current year. Staff's interpretation of the code was confirmed by the Department of Finance. The SA has requested OB staff to keep the \$145,000 in their ROPS for the Oversight Board's approval.

Fiscal Impact

Funding for ROPS from RPTTF reduces the amount of tax revenue available for "Residual" distributions to the affected taxing entities.

CAC Exhibit

A - South San Francisco SA's Annual ROPS 20-21 and Supporting Documents

CAC Exhibit A

Date: January 17, 2020

To: San Mateo County Countywide Oversight Board

From: Mike Futrell, City Manager

Subject: Approval of the Recognized Obligation Payment Schedule and Administrative Cost Allowance Budget of the Successor Agency to the Former Redevelopment Agency of the City of South San Francisco for the period July 1, 2020 through June 30, 2021.

Former RDA: **Redevelopment Agency of the City of South San Francisco**

Recommendation

It is recommended that the San Mateo Countywide Oversight Board 1) adopt a resolution approving the Successor Agency Administrative Budget for Fiscal Year 2020-21; and 2) adopt a resolution approving the Recognized Obligation Payment Schedule for Fiscal Year 2020-21.

Background

The Recognized Obligation Payment Schedule (“ROPS”) is required by Health and Safety Code (“HSC”) Section 34177(l). The ROPS for the period July 1, 2020 through June 30, 2021 (“ROPS 20-21”) requests necessary payments for enforceable obligations of the Former Redevelopment Agency of the City of South San Francisco (“RDA”) for Fiscal Year 2020-21.

The Successor Agency to the Former Redevelopment Agency of the City of South San Francisco (“Successor Agency”) approved the proposed ROPS 20-21 on January 8, 2020. The approving resolution authorized Successor Agency staff to make changes to the ROPS as needed.

Staff has prepared a resolution adopting the ROPS 20-21 for the San Mateo Countywide Oversight Board’s (“Oversight Board”) consideration. If approved, it will be transmitted to the State Department of Finance (“DOF”) for review by February 1, 2020.

Discussion

The ROPS 20-21 is attached to this report as Exhibit A. Two changes were made since it was presented to the Oversight Board on January 13:

- Item 14, Oyster Point soft project management costs, increased by \$59,158 from \$168,691 to \$227,849. Of the \$227,849 requested, \$55,000 is requested from Other Funds and \$172,849 from Redevelopment Property Tax Trust Funds (“RPTTF”).
- Item 48, Administrative Costs, decreased by \$55,000 from \$200,000 to \$145,000.

This change was made to more accurately reflect staff time budgeted for time spent on the Oyster Point project versus general Successor Agency administration.

No other items have changed since the ROPS 20-21 presented to the Oversight Board on January 13, 2020. At the time this staff report was submitted on January 17, 2020, the Successor Agency did not expect to request different amounts for Oyster Point project costs under Items 12 and 13 on the ROPS 20-21. This assumes the Successor Agency is able to reach final agreement with the developer before the January 27, 2020 Oversight Board meeting.

The revised ROPS 20-21 requests a total of \$6,191,009 in enforceable obligations (\$1,137,658 from RPTTF and \$5,053,351 from other Funds and Reserve Balances). This is a net increase of \$4,158 from the ROPS presented on January 13, which requested \$6,186,851 in obligations (\$1,133,500 in RPTTF and \$5,053,351 from Other Funds and Reserve Balances).

The Successor Agency continues to utilize Other Funds and Reserve Balances before requesting RPTTF in order to reduce the impact on taxing agencies.

Financial Impact

The Oversight Board's approval of the ROPS and Administrative Budget is required to fund the Successor Agency's obligations in Fiscal Year 2020-21.

Attachments:

1. Resolution of the Oversight Board Approving South San Francisco SA's ROPS 20-21 and FY 2020-21 SA Administrative Costs Budget
2. Exhibit A – South San Francisco SA's Annual ROPS 20-21
3. Exhibit B – South San Francisco SA's FY 2020-21 Administrative Costs Budget
4. Exhibit C – Summary of Obligations and Supporting Documentations
5. Exhibit D – January 13, 2020 SA Staff Memo to Oversight Board
6. Exhibit E – SSF SA Power Point Presentation

RESOLUTION NO. 2020-_____

RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 20-21 (“ROPS 20-21”) AND FISCAL YEAR 2020-21 ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY TO THE FORMER SOUTH SAN FRANCISCO REDEVELOPMENT AGENCY (RDA)

WHEREAS, California Health and Safety Code (HSC) Section 34177 requires the Successor Agencies to prepare a Recognized Obligation Payment Schedule (“ROPS”) for each 12-month fiscal period, which lists the outstanding obligations of the former RDA and states the sources of funds for required payments; and

WHEREAS, the Successor Agency to the Former South San Francisco Redevelopment Agency has prepared a draft ROPS for the period July 1, 2020 to June 30, 2021, referred to as “ROPS 20-21”, claiming a total enforceable obligation amount of \$6,191,009; and

WHEREAS, pursuant to HSC Section 34180(g) the Oversight Board must approve the establishment of each ROPS; and

WHEREAS, California HSC Section 34177 requires the Successor Agencies to prepare an administrative budget for Oversight Board approval; and

WHEREAS, the Successor Agency to the Former South San Francisco Redevelopment Agency has prepared an administrative budget for the period July 1, 2020 to June 30, 2021, for \$145,000; and

WHEREAS, California HSC Section 34179(e) requires all action items of Countywide Oversight Boards, including the San Mateo County Countywide Oversight Board, be accomplished by resolution.

NOW, THEREFORE, BE IT RESOLVED, the San Mateo County Countywide Oversight Board hereby approves the South San Francisco Successor Agency ROPS 20-21 and the South San Francisco Successor Agency Fiscal Year 20-21 Administrative Budget, attached hereto as Exhibits A and B and incorporated herein by this reference;

BE IT FURTHER RESOLVED, that the Oversight Board directs the Successor Agency to submit the ROPS 20-21 to the State Department of Finance upon approval by the Oversight Board.

* * *

Exhibit A – South San Francisco Successor Agency’s Recognized Obligation Payment Schedule 20-21
Exhibit B – South San Francisco Successor Agency’s FY 2020-21 Administrative Budget

**Recognized Obligation Payment Schedule (ROPS 20-21) - Summary
Filed for the July 1, 2020 through June 30, 2021 Period**

Successor Agency: South San Francisco

County: San Mateo

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	20-21A Total (July - December)	20-21B Total (January - June)	ROPS 20-21 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ 5,053,351	\$ -	\$ 5,053,351
B Bond Proceeds	-	-	-
C Reserve Balance	1,740,427	-	1,740,427
D Other Funds	3,312,924	-	3,312,924
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 1,137,658	\$ -	\$ 1,137,658
F RPTTF	1,137,658	-	1,137,658
G Administrative RPTTF	-	-	-
H Current Period Enforceable Obligations (A+E)	\$ 6,191,009	\$ -	\$ 6,191,009

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/ _____
Signature Date

**South San Francisco
Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail
July 1, 2020 through June 30, 2021**

Exhibit A - Page 2 of 6

A	B	C	D	E	F	G	H	I	J	K	ROPS 20-21A (Jul - Dec)					Q	ROPS 20-21B (Jan - Jun)					W		
											Fund Sources						20-21A Total	Fund Sources					20-21B Total	
											L	M	N	O	P			R	S	T	U			V
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF				
								\$31,052,083		\$6,191,009	\$-	\$1,740,427	\$3,312,924	\$1,137,658	\$-	\$6,191,009	\$-	\$-	\$-	\$-	\$-	\$-		
11	Bond Admin/ Disc Costs Hsg Bonds	Fees	01/01/ 1999	09/01/2018	Bank of New York/Willdan	Costs to administer the housing bonds	Merged	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-		
12	Oyster Point Ventures DDA	OPA/DDA/ Construction	03/23/ 2011	11/11/2026	Oyster Pt Ventures, LLC	DDA Sections 3.2.1 Phase IC Improvements and 3.4.1 Improvement Costs	Merged	4,517,980	N	\$4,517,980	-	1,207,516	3,112,924	197,540	-	\$4,517,980	-	-	-	-	-	-	\$-	
13	Oyster Point Ventures DDA	OPA/DDA/ Construction	03/23/ 2011	11/11/2026	Various contractors/ staff	DDA Section 5.2 Environmental Indemnification	Merged	19,898,052	N	\$1,300,180	-	532,911	-	767,269	-	\$1,300,180	-	-	-	-	-	-	\$-	
14	Oyster Point Ventures DDA	Project Management Costs	03/23/ 2011	11/11/2026	Legal/Staff costs	Soft project management costs	Merged	1,063,144	N	\$227,849	-	-	55,000	172,849	-	\$227,849	-	-	-	-	-	-	\$-	
16	Harbor District Agreement	Improvement/ Infrastructure	03/25/ 2011	11/11/2026	Harbor District	Secs. 5.0 lease rev; 7.0 temp. office	Merged	1,793,248	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-	
17	Harbor District Agreement	Project Management Costs	03/25/ 2011	11/11/2026	Legal/Staff costs	Soft project management costs	Merged	798,341	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-	
21	Train Station Imprvmnts Ph 1(pf1002)	Remediation	03/11/ 2009	12/31/2014	TechAccutite/ Wisley Ham	Contracted work-site remediation	Merged	87,494	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-	
22	Train Station Imprvmnts Phase 1	Project Management Costs	03/11/ 2009	12/31/2014	Staff Costs	Soft project management costs	Merged	9,309	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-	
23	Train Station Imprvmnts Phase 2	Remediation	12/09/ 2009	12/31/2014	Various contractors	Site remediation per Cal Trans Agrmt.	Merged	620,000	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-	
24	Train Station Imprvmnts Phase 2	Project Management Costs	12/09/ 2009	12/31/2014	Legal/Staff costs	Soft project management costs	Merged	148,115	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-	
48	Administration Costs	Admin Costs	02/01/ 2012	12/31/2014	Legal/Staff costs	Costs to administer Successor Agency	Merged	1,750,000	N	\$145,000	-	-	145,000	-	-	\$145,000	-	-	-	-	-	-	\$-	

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total	
											Fund Sources						Fund Sources						
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
51	Accrued PERS Pension Obligations	Unfunded Liabilities	01/01/1980	06/30/2016	CalPERS	Costs incurred through 02/01/2012	Merged	168,800	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
52	Accrued Retiree Health Obligations	Unfunded Liabilities	01/01/1980	06/30/2016	CalPERS Retiree Benefit Trust (CERBT)	Costs incurred through 02/01/2012	Merged	197,600	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-

Exhibit A - Page 3 of 6

South San Francisco
Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances
July 1, 2017 through June 30, 2018
(Report Amounts in Whole Dollars)

Exhibit A - Page 4 of 6

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude "A" period distribution amount.	310,509		30,482,661	1,620,908	626,343	C: 1999 Housing Bond Reserves (\$310,509). E: Funds reserved in Oyster Point Escrow Account (\$29,473,074) + Reserve Balances applied to ROPS 18-19 (\$340,442) and ROPS 19-20 Item 48 (\$136,234) + Excess PPA from ROPS 19-20 (\$532,911). F: Other Funds reserved for ROPS 17-18 (\$723,660), ROPS 18-19 (\$508,985) and ROPS 19-20 (\$388,263). G: PPA applied to ROPS 19-20, net of Excess PPA (\$626,343).
2	Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller	41,273		9,705,379	2,888,484	751,465	E: Deposits and interest earned Oyster Point Escrow Account (9,705,379). F: Other Funds revenues from rents and interest (\$476,622), Commercial Rehab Loan (\$28,862) and City repayment for Oyster Point "Advance to Other Funds" (\$2,383,000)
3	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)	26,128		5,554,982	299,220	159,596	E: Oyster Point Escrow Account drawdowns to make payments pursuant to DDA. F and G:

Exhibit A - Page 5 of 6

							Match PPA 17-18
4	Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	325,654		34,100,147	897,248	626,343	E: Funds reserved for Oyster Point Escrow Account (\$33,623,471) + Reserve Balances applied to ROPS 18-19 (\$340,442) and ROPS 19-20 Item 48 (\$136,234). F: Other Funds reserved for ROPS 18-19 (\$508,985) and ROPS 19-20 (\$388,263). G: PPA applied to ROPS 19-20, net of Excess PPA (\$626,343).
5	ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC		No entry required			591,869	C: 1999 Housing Bond Reserves. Defeased in Dec 2018. G: PPA 17-18 pending County review
6	Ending Actual Available Cash Balance (06/30/18) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$532,911	\$3,312,924	\$-	E: Excess PPA from ROPS 19-20 (\$532,911). F: Other Funds unspent from ROPS 17-18 (\$424,440) + Other Funds revenue in 17-18 (\$2,888,484). Use of Other Fund balances requested on ROPS 20-21 Items 12-14.

**South San Francisco
Recognized Obligation Payment Schedule (ROPS 20-21) - Notes
July 1, 2020 through June 30, 2021**

Item #	Notes/Comments
11	
12	Items 12 □ 13 - The amounts requested are for enforceable obligations in the DDA between the Developer (Kilroy formerly Oyster Point Ventures LLC/Oyster Point Development LLC) and the Successor Agency and the specific amounts payable and terms of payment are set forth in the settlement agreement with ilroy Realty. Any payments to ilroy from the funding approved in ROPS 20-21 are contingent upon a final executed copy of the settlement agreement.
13	
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Exhibit B

**Successor Agency to the Former South San Francisco Redevelopment Agency
 ROPS 20-21 Administrative Cost Allowance Budget
 Period: 7/1/20 to 6/30/21**

Description of Cost/Expense	Amount	Documentation
Staff salaries, benefits, and payroll taxes	\$ 65,000	
Overhead costs and supplies	\$ 1,000	
Professional Services - SA Consulting, RSG, Inc. (prepare ROPS, PPA, cash flow/budgeting, DOF and County Coordination)	\$ 25,000	RSG Contract pending Maze & Associates
Professional services - Auditors	\$ 4,000	Contract Meyers Nave
Professional Services - Legal, Meyers Nave	\$ 50,000	Contract
Total	\$ 145,000	

EXHIBIT C - SUMMARY OF OBLIGATIONS AND SUPPORTING DOCUMENTS

ROPS Item No.	ROPS Category	Description of Obligation	Payee	ROPS 20-21 Funding Request	Supporting Documentation
12	OPA/DDA/ Construction	Oyster Point Ventures DDA, Sections 3.2.1 Phase IC Improvements and 3.4.1 Improvement Costs	Oyster Pt Ventures, LLC	4,517,980	Attachment 1 , Kilroy Oyster Point Change Order & Contingency Summary and Memo from SA (Pages 1-6)
13	OPA/DDA/ Construction	Oyster Point Ventures DDA, Section 5.2 Environmental Indemnification	Various contractors/ staff	1,300,180	Attachment 1 , Kilroy Oyster Point Change Order & Contingency Summary and Memo from SA (Pages 1-6)
14	Project Management Costs	Oyster Point Ventures DDA, Soft Project Management Costs	Legal/Staff costs	227,489	Attachment 2 , Oyster Point DDA Soft Project Management Costs
48	Admin Costs	Successor Agency Administrative Costs	Legal/Staff costs	145,000	Attachment 3 - Staffing Costs Attachment 4 - Professional Consulting Attachment 5 - Audit Services Attachment 6 - Legal Services
Total for ROPS 20-21				\$ 6,191,009	

Kilroy Oyster Point
South San Francisco, CA



Confidential
Phase IC, ID, & IID
1/2/2020

Change Order & Contingency Summary

Alternate Approach E

	TOTAL CO COST	PHASE IC		
		TOTAL	AGENCY	DEVELOPER
Disputed Changes				
<u>Import of Cover Soil (EPL)</u>				
CO - 008; 012, 019, 024 - Cover Soil Import	\$2,377,070	\$2,377,070	\$373,761	\$2,003,309
RFC - 073 - Add'l Sweeper - Cover Soil Import	\$38,465	\$38,465	\$6,048	\$32,417
RFC - 077 - Add'l Cover Soil Import	\$1,963,882	\$1,963,882	\$308,793	\$1,655,089
<u>Import of Clay</u>				
CO - 008; 012, 019, 024 - Clay Import	\$1,345,214	\$1,345,214	\$160,643	\$1,184,571
RFC - 045 - Add'l Clay Import	\$326,470	\$326,470	\$38,986	\$287,484
<u>Cement Treatment (CT)</u>				
CO - 008 & 012 - Cement Treatment & Testing	\$1,588,029	\$1,588,029	\$867,612	\$720,417
CO - 016 - Add'l Cement Treatment (11%)	\$317,441	\$317,441	\$173,432	\$144,009
CO - 024 - Lime Treat Test Strip (IID - Excess Material)	\$5,245	\$5,245	\$2,865	\$2,379
CO - 022 - Cement Treatment (ID - 9.5% Premium)	\$43,283	\$43,283	\$23,647	\$19,635
<u>Export of Refuse</u>				
CO-010 - Excess Refuse Offhaul	\$4,887,509	\$4,887,509	\$3,096,163	\$1,791,346
CO-014 - Relocate Class II Refuse to Mt Refuse	\$772,661	\$772,661	\$489,469	\$283,192
CO - 019 - Add'l Excess Refuse Offhaul (Non-RCRA)	\$1,986,005	\$1,986,005	\$1,258,104	\$727,901
RFC - 059 - Relocation of Refuse Outside Limits (IID & Hub)	\$240,518	\$240,518	\$152,365	\$88,153
RFC - 060 - Relocation & CT of Refuse - Stockpiled in IID	\$832,334	\$832,334	\$527,271	\$305,063
CO - 024 - Winterization (2/1 - 4/23/2019)	\$283,251	\$283,251	\$179,435	\$103,816
Excess Refuse - Holdback Funded	\$2,088,000	\$2,088,000	\$0	\$2,088,000
Sub-Total - Disputed Changes:	\$19,095,376	\$19,095,376	\$7,658,594	\$11,436,782

Total New Charges per Schedule	\$19,095,376
Add: Additional Costs Related to Relocation of Refuse, Cement Treatment and Import of Soil/Clay from Phase IID and Additional Beach Park Property (Developer is asking \$500,000 but SA negotiated a proposed cost allocation share of \$300,000)	300,000
TOTAL	\$19,395,376

Date: January 13, 2020
To: San Mateo Countywide Oversight Board
From: South San Francisco Successor Agency Staff
Subject: Information regarding cost allocation related to request for additional funds for enforceable obligations related to the Oyster Point Ventures DDA (Kilroy Realty)

The following information supplements the request for additional funding for ROPS 20-21 from the Successor Agency to the Former Redevelopment Agency of the City of South San Francisco for the period of July 1, 2020 through June 30, 2021. The information presented herein relates to ROPS Lines 12 and 13.

In summary, additional costs are required to be incurred resulting from: (1) the import of cover soil; (2) the import of clay; (3) the cement treatment of refuse for purpose of compaction and (4) the export/relocation of refuse on-site and off-site. The total amount of costs for these activities has increased during construction from \$9,505,703 estimated in January 2019 to \$19,395,376 as estimated in December 2019. The supported cost data for the revised total costs are included as Attached A to this letter.

The Developer and Successor Agency are sharing in these increased costs as part of a proposed settlement agreement. The Developer's agreement to share in these costs is expressly contingent on the approval of the Successor Agency funding proposed in this ROPS for line items 12 and 13 as the Developer contends that the Successor Agency is responsible for a greater share of the costs.

These additional costs are necessary to allow the infrastructure required by the DDA to be constructed as the additional work is necessary to provide, for example, a stable base under the streets and utilities to the hub, the streets and utilities to the point and the parking area between the beach park area and the ferry terminal. The necessity of this additional work was determined once the landfill cap on the project site was opened and the contractor began to excavate and relocate solid waste and other materials on site as required under the approved construction plans.

The DDA anticipated the potential for additional costs such as these in the exhibits related to section 3.2.1 which provides, in part, that the "quantities, scope of work, and cost estimates [for the required infrastructure] will be modified when construction drawings are prepared." (See e.g. Exhibit 3.2.1A). Although not anticipated, any additional costs for these items beyond the amount sought herein would be sole responsibility of the Developer.

The following chart shows the total estimated costs for the additional works as of January 2019 and the amount that Successor Agency staff believed as of January 2019 qualifies as a Successor Agency enforceable obligation.

January 2019 Cost Allocation and Estimated Total Amount

Work Required	DDA Section	Total Cost of Work ¹	Successor Agency Enforceable Obligation	Kilroy Obligation
Import of Clay Cover Soil	Sections 3.2.1(i)(1), 3.2.1(ii), 3.2.1(i)(2) ²	\$2,377,070	\$415,316	\$1,961,754
Import of Clay	Sections 3.2.1(i)(1), 3.2.1(ii), 3.2.1(i)(2) ³	\$1,345,214	\$163,047	\$1,182,167
Cement Treatment of refuse	Sections 3.2.1(i) (1 & 2) and (iii) ⁴	\$1,588,029	\$699,756	\$888,273
Export of excess refuse	Sections 3.2.1(i)(2) and (iii) and 5.2 ⁵	\$4,195,390	\$862,315	\$3,333,075
		\$9,505,703	\$2,140,434	\$7,365,269

¹ The total costs presented in January 2019 were reviewed and validated by the Kilroy, Successor Agency staff, and the project construction manager – Cummings.

² Imported cover soil that is necessary for cap repair for: (1) street and utilities to the hub [3.2.1(i)(1) and (ii)](Successor Agency allocation 20% of these costs), (2) streets and utilities to point [3.2.1(i)(2) (Successor Agency allocation 100% of the costs) and (ii)] and (3) the reconfiguration and reconstruction of parking [3.2.1(ii) and (iii)] (Successor Agency 100% of the costs)

³ Imported clay that is necessary for cap repair for (1) street and utilities to the hub [3.2.1(i)(1) and (ii)](Successor Agency allocation 20% of these costs), (2) the streets and utilities to point [3.2.1(i)(2) (Successor Agency allocation 100% of the costs) and (ii)] and (3) the reconfiguration and reconstruction of parking [3.2.1(ii) and (iii)] (Successor Agency 100% of the costs)

⁴ Cement mixing treatment to create a stable base for the streets and utilities at the hub (Successor Agency allocation 20% of these costs), the streets and utilities to point and the reconfigured parking area (3.2.1 (i) (1 & 2) (Successor Agency 100% of these costs)

⁵ Off-haul of excess relocated solid waste from areas under the streets and utilities at the hub (20% Successor Agency Cost), and portion of the streets and utilities to the point and reconfigured parking areas [3.2.1(i)(2) 5.2] ROPS Line 12 \$760,367 and ROPS Line 13 \$101,948

The following chart shows the total estimated costs for the additional works as of December 2019 and the amount that Successor Agency staff and Developer propose, as part of a proposed settlement agreement, as a Successor Agency enforceable obligation. The increased Successor Agency amount is based both on an overall increase in the costs of completing the work previously approved in the 2019-2020 ROPS and as result of higher proportionate allocation of cement treatment of refuse and export of refuse relocations costs to the Successor Agency. The allocated amounts set forth herein are negotiated amounts by the parties and are contingent upon approval by the Oversight Board and DOF.

December 2019 Cost Allocation and Final Successor Agency Costs for the Items in ROPS 19-20, Lines 12 and 13

Work Required	DDA Section	Total Cost of Work ⁶	Successor Agency Enforceable Obligation ⁷	Kilroy Obligation
Import of Clay Cover Soil	Sections 3.2.1(i)(1), 3.2.1(ii), 3.2.1(i)(2)	\$4,379,417	\$688,601	\$3,690,816
Import of Clay	Sections 3.2.1(i)(1), 3.2.1(ii), 3.2.1(i)(2)	\$1,671,684	\$199,630	\$1,472,054
Cement Treatment of refuse	Sections 3.2.1(i) (1 & 2) and (iii)	\$1,953,998	\$1,067,557	\$886,441
Export of excess refuse	Sections 3.2.1(i)(2) and (iii) and 5.2	\$11,090,277	\$5,702,806	\$5,387,471 ⁸
Total Costs		\$19,095,376	\$7,658,594	\$11,436,782
Amount approved as part of ROPS 19-20			\$2,140,434	
Net additional amount allocated to Successor Agency			\$5,518,160	

⁶ The total costs presented in December 2019 were reviewed and validated by the Kilroy, Successor Agency staff, and the project construction manager – Cummings. These are final costs for these specific items and if approved will be the final Successor Agency costs for these items.

⁷ Of the total amount shown, ROPS 19-20 already authorized payment of \$2,140,434 and those funds have already been paid into the project escrow account.

⁸ This amount includes \$2,088,000 provided as part of the purchase and sale agreement between Kilroy and OPD.

In addition to the costs shown in the prior chart, the Developer contends that additional costs of at least \$500,000 will be necessary for additional costs related to relocation of refuse, cement treatment and import of soil/clay from Phase IID and additional beach park property. The Successor Agency staff and Developer have negotiated a proposed cost allocation where the Successor Agency will pay up to an additional maximum of \$300,000 on a dollar-for-dollar matching cost basis for these costs in exchange for final resolution of all potential claims for refuse relocation, cement mixing, soil and clay import for the entire project. In exchange for these additional payments, the Developer will enter into a settlement agreement that will release the Successor Agency from any additional costs associated with refuse relocation, cement mixing, soil and clay import for the entire project.

3450940.1

SOUTH SAN FRANCISCO ROPS 20-21 ITEM 14 OYSTER POINT DDA SOFT PROJECT MANAGEMENT COSTS					
Item	Staff	Tasks	Average hours per month	Hourly Rate	Total Annual Costs
Successor Agency Engineering Management Staffing Costs	Eunejune Kim, Public Works Director	Project and contract management specific to Oyster Point DDA project	10	\$168.26	\$20,191
	West Coast Code Consultants Inc. WC-3	Daily project management; cost management; coordination with contractor, developer and other regulatory agencies	40	\$165.00	\$79,200
Successor Agency Project Management Staffing Costs	Mike Futrell, Successor Agency Executive Director	Overall project management, coordination with developer, staff and legal counsel	20	\$210.21	\$50,450
	Alex Greenwood, Director of Economic & Community Development	Overall project management, coordination with developer, staff and legal counsel	4	\$173.91	\$8,348
Legal Expenses	Meyers Nave	Contract interpretation, implementation and dispute resolution for all contracts related to the enforceable obligations included in the DDA	15	\$385	\$69,300
TOTAL					\$227,489

3450936.1

Exhibit C - Attachment 3

Last Name	First Name	Position	Department	Fully Loaded Hourly Rate	Estimated Hours	Total Cost
Selander	Nell	Deputy Director, Economic & Community Development	Economic & Community Development	\$ 127.27	60	\$ 7,636.20
Lappen	Mike	Economic Development Coordinator	Economic & Community Development	\$ 108.92	60	\$ 6,535.20
Talavera	Deanna	Management Assistant II	Economic & Community Development	\$ 91.30	100	\$ 9,130.00
Ruiz	Heather	Management Analyst I	Economic & Community Development	\$ 81.14	100	\$ 8,114.00
Mendez	Ines	Administrative Assistant I	Economic & Community Development	\$ 65.58	65	\$ 4,262.70
Salisbury	Janet	Director, Finance	Finance	\$ 165.12	60	\$ 9,907.20
Crosby	Christina	Financial Services Manager	Finance	\$ 115.30	48	\$ 5,534.40
Lew	Steven	Senior Accountant	Finance	\$ 93.09	100	\$ 9,309.00
Parker	Amanda	Administrative Assistant II	Finance	\$ 66.99	24	\$ 1,607.76
Govea Acosta	Rosa	City Clerk	City Clerk	\$ 112.05	24	\$ 2,689.20
Rodriguez	Gabriel	Deputy City Clerk	City Clerk	\$ 74.99	24	\$ 1,799.76
Mouasher	Iman	City Clerk Records Technician	City Clerk	\$ 68.25	12	\$ 819.00
FY2020-21 Estimated Staff Costs:						\$ 67,344.42
<i>Less Rounding Factor</i>						<i>\$ 2,344.42</i>
FY2020-21 Budgeted Staff Costs:						\$ 65,000.00



RSG, Inc.
 17872 Gillette Ave.
 Suite 350
 Irvine, CA 92614

12/18/2019

South San Francisco, City of
 400 Grand Avenue
 South San Francisco, CA 94080

Pursuant to our agreement for professional services, the following represents the hours and expenses accrued by RSG and any subconsultants for services rendered and invoiced during Fiscal Year 2018-19.

Should you have any questions please call (714) 541-4585 (Ext 100).

Job Summary

Amount

RSG1841 - Successor Agency ROPS 19-20

Date	No.	Billing Type	Type	Progress Date	Due	Amount
31-Jul-2018	<u>I003817</u>	Actual	Progress Invoice	31-Jul-2018	0.00	6,318.75
31-Aug-2018	<u>I003916</u>	Actual	Progress Invoice	31-Aug-2018	0.00	350.00
30-Sep-2018	<u>I004011</u>	Actual	Progress Invoice	30-Sep-2018	0.00	4,193.75
31-Oct-2018	<u>I004096</u>	Actual	Progress Invoice	31-Oct-2018	0.00	3,386.25
30-Nov-2018	<u>I004154</u>	Actual	Progress Invoice	30-Nov-2018	0.00	2,742.50
31-Dec-2018	<u>I004291</u>	Actual	Progress Invoice	31-Dec-2018	0.00	4,216.25
31-Jan-2019	<u>I004422</u>	Actual	Progress Invoice	31-Jan-2019	0.00	5,050.00
28-Feb-2019	<u>I004552</u>	Actual	Progress Invoice	28-Feb-2019	0.00	1,350.00
31-Mar-2019	<u>I004658</u>	Actual	Progress Invoice	31-Mar-2019	0.00	1,800.00
30-Apr-2019	<u>I004737</u>	Actual	Progress Invoice	30-Apr-2019	0.00	50.00
30-Jun-2019	<u>I004978</u>	Actual	Progress Invoice	30-Jun-2019	987.50	987.50

30,445.00

Exhibit C - Attachment 5 This is the contract between the City of SSF and Maze for audit services. The City estimates that \$4,000 of the contract price is the prorated share of the SA.



CONTRACT/AGREEMENT APPROVAL FORM

Date: 6/22/18
Name of Contract/Agreement: Independent Audit Services
Originating Department/Responsible Person, ext.: Finance/Richard Lee
Vendor: Maze and Associates
Routing Instructions: CAO - CM - Clerk - Finance

TYPE OF CONTRACT: Professional Services
 Amendment
 Additional Funds
 Have there been any changes to the Contract Template? No Yes

CONTRACT AMOUNTS: Specified Amount(s) indicated below

	DATE	AMOUNT		DATE	AMOUNT
Original	2/24/16	237,855.00	3rd Amendment		
1st Amendment	6/22/18	158,570.00	4th Amendment		
2nd Amendment			TOTAL		396,425.00

APPROVAL AUTHORITY: Council

INSURANCE REQUIREMENTS:
 Waivers requested No Yes (If Yes, Route to Risk Manager for signature first)

BUDGETARY: Included in Budget (Simpler report attached showing amounts)

(PER YEAR)	Amount	Project String	Accounting String
	79,285.00		100-06110-5005

ATTACHMENTS:
 Agreement and all Exhibits Resolution (all contracts over \$75k) SIR Questionnaire
 Certificate of Insurance, naming City of South San Francisco as an Additional Insured

DEPARTMENT HEAD ACKNOWLEDGEMENT: R
 The contract, amendments, exhibits, insurance requirements/waivers and attachments have been reviewed and included.

RISK MANAGER APPROVAL OF INSURANCE WAIVER: _____

CITY ATTORNEY APPROVAL OF ENTIRE AGREEMENT: _____
 Comments: City Council approval is not required. City Manager is authorized by Resolution No. 31-2016 to extend the agreement for an additional two years. Vendor has agreed to keep the rate of \$79,285 per year. roval is

UPDATED COI ATTACHED
 Approval of Agreement Approval of Insurance Add Agreement to Contract Tracker

ASSISTANT CITY MANAGER'S APPROVAL: _____
 (Only if amount is over \$25,000)

FINAL APPROVAL: _____
 City Manager on behalf of Council

CITY CLERK:
 Please attest, keep a copy for your files, and return to Originating Department
 Please upload to Laserfiche and return to Originating Department

COPY SENT TO VENDOR: _____

**FIRST AMENDMENT TO THE AGREEMENT BETWEEN THE CITY OF SOUTH
SAN FRANCISCO AND MAZE AND ASSOCIATES**

THIS FIRST AMENDMENT TO THE CONSULTING SERVICES AGREEMENT is made at South San Francisco, California, as of June 22, 2018 by and between THE CITY OF SOUTH SAN FRANCISCO (“City”), a municipal corporation, and Maze and Associates (“Contractor”), (sometimes referred together as the “Parties”) who agree as follows:

RECITALS

A. On February 24, 2016, City and Contractor entered that certain Consulting Services Agreement (“Agreement”) whereby Contractor agreed to provide independent audit services. A true and correct copy of the Agreement and its exhibits is attached as Exhibit A.

B. City and Contractor now desire to amend the Agreement.

NOW, THEREFORE, for and in consideration of the promises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Contractor hereby agree as follows:

1. All terms which are defined in the Agreement shall have the same meaning when used in this Amendment, unless specifically provided herein to the contrary.
2. Section 1. The March 31, 2019 end date for the term of services identified in Section 1 of the Agreement is hereby replaced with March 31, 2021.
3. Section 3. Section - of the Agreement shall be amended such that the City agrees to pay Contractor a sum not to exceed \$396,425, with the understanding that up to \$237,855 has already been paid to Contractor.

Contractor agrees this is the City’s total contribution for payment of costs under the Agreement unless additional payments are authorized in accordance with the terms of the Agreement and said terms of payment are mutually agreed to by and between the parties in writing.

All other terms, conditions and provisions in the Agreement remain in full force and effect. If there is a conflict between the terms of this Amendment and the Agreement, the terms of the Agreement will control unless specifically modified by this Amendment.

[SIGNATURES ON THE FOLLOWING PAGE]

Dated: 7/5/2018

CITY OF SOUTH SAN FRANCISCO

CONTRACTOR

By: [Signature]
City Manager

By: Katherine Yuen
[NAME]

Katherine Yuen

Approved as to Form:

By: [Signature]
City Attorney

ATTEST:
[Signature]
DEPUTY CITY CLERK

**CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF SOUTH SAN FRANCISCO AND
MAZE AND ASSOCIATES**

THIS AGREEMENT for consulting services is made by and between the City of South San Francisco ("City") and Maze and Associates ("Consultant") (together sometimes referred to as the "Parties") as of February 24, 2016 (the "Effective Date").

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A, attached hereto and incorporated herein, at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on March 31, 2019, the date of completion specified in Exhibit A, and Consultant shall complete the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession. Consultant shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Consultant's profession.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Sections 1.1 and 1.2 above and to satisfy Consultant's obligations hereunder.

Section 2. COMPENSATION. City hereby agrees to pay Consultant a sum not to exceed \$237,855.00 (TWO HUNDRED THIRTY SEVEN THOUSAND EIGHT HUNDRED FIFTY FIVE DOLLARS), notwithstanding any contrary indications that may be contained in Consultant's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Consultant's proposal, attached as Exhibit A, regarding the amount of compensation, the Agreement shall prevail. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to

City in the manner specified herein. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Consultant shall submit invoices, not more often than once per month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant. City shall have no obligation to pay invoices submitted ninety (90) days past the performance of work or incurrence of cost.

2.4 Total Payment. City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

2.5 Hourly Fees. Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown in Exhibit A.

2.6 Reimbursable Expenses. Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.

2.7 Payment of Taxes. Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes. Contractor represents and warrants that Contractor is a resident of the State of California in accordance with California Revenue & Taxation Code Section 18662, as may be amended, and is exempt from withholding. Contractor accepts sole responsible for

verifying the residency status of any subcontractors and withhold taxes from non-California subcontractors as required by law.

- 2.8 **Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.9 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consistent with the following provisions, Consultant shall provide Certificates of Insurance, attached hereto and incorporated herein as **Exhibit B**, indicating that Consultant has obtained or currently maintains insurance that meets the requirements of this section and under forms of insurance satisfactory, in all respects, to the City. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s).

- 4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000) per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor

Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator (as defined in Section 10.9). The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting there from, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 8 and 9. No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

- a. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- b. Any failure of Consultant to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.

4.3 Professional Liability Insurance.

4.3.1 General requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for

licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall not exceed ONE HUNDRED FIFTY THOUSAND DOLLARS \$150,000 per claim.

4.3.2 Claims-made limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five (5) years after completion of the Agreement or the work. The City shall have the right to exercise, at the Consultant's sole cost and expense, any extended reporting provisions of the policy, if the Consultant cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

4.4 All Policies Requirements.

4.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.2 Verification of coverage. Prior to beginning any work under this Agreement, Consultant shall furnish City with complete copies of all policies delivered to Consultant by the insurer, including complete copies of all endorsements attached to those policies. All copies of policies and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. If the City does not receive the required insurance documents prior to the Consultant beginning work, it shall not waive the Consultant's obligation to provide them. The City reserves the right to require complete copies of all required insurance policies at any time.

4.4.3 Notice of Reduction in or Cancellation of Coverage. A certified endorsement shall be attached to all insurance obtained pursuant to this Agreement stating that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified

mail, return receipt requested, has been given to the City. In the event that any coverage required by this section is reduced, limited, cancelled, or materially affected in any other manner, Consultant shall provide written notice to City at Consultant's earliest possible opportunity and in no case later than ten (10) working days after Consultant is notified of the change in coverage.

4.4.4 Additional insured; primary insurance. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant, as applicable; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by the Consultant in the course of providing services pursuant to this Agreement. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.

A certified endorsement must be attached to all policies stating that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

4.4.5 Deductibles and Self-Insured Retentions. Consultant shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. Further, if the Consultant's insurance policy includes a self-insured retention that must be paid by a named insured as a precondition of the insurer's liability, or which has the effect of providing that payments of the self-insured retention by others, including additional insureds or insurers do not serve to satisfy the self-insured retention, such provisions must be modified by special endorsement so as to not apply to the additional insured coverage required by this agreement so as to not prevent any of the parties to this agreement from satisfying or paying the self-insured retention required to be paid as a precondition to the insurer's liability. Additionally, the certificates of insurance must note whether the policy does or does not include any self-insured retention and also must disclose the deductible.

During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Consultant procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

4.4.6 Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

4.4.7 Wasting Policy. No insurance policy required by Section 4 shall include a "wasting" policy limit.

4.4.8 Variation. The City may approve a variation in the foregoing insurance requirements, upon a determination that the coverage, scope, limits, and forms of such insurance are either not commercially available, or that the City's interests are otherwise fully protected.

4.5 Remedies. In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- b. Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- c. Terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES. Consultant shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Consultant or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Consultant shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the gross negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Consultant or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been

determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.
- 6.2 Consultant No Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent or to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications,

and approvals, including from City, of what-so-ever nature that are legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.

- 7.5 Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Consultant.

Consultant may cancel this Agreement for cause upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Consultant shall be entitled to compensation for services performed to the date of notice of termination; City, however, may condition payment of such compensation upon Consultant delivering to City all materials described in Section 9.1.

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

- 8.3 **Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.
- 8.4 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not assign or subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the termination of this Agreement.
- 8.6 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:
- 8.6.1 Immediately terminate the Agreement;
 - 8.6.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.6.3 Retain a different consultant to complete the work described in **Exhibit A** not finished by Consultant; or
 - 8.6.4 Charge Consultant the difference between the cost to complete the work described in **Exhibit A** that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 **Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are

not necessarily suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties unless required by law.

9.2 Consultant's Books and Records. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

9.3 Inspection and Audit of Records. Any records or documents that Section 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

9.4 Records Submitted in Response to an Invitation to Bid or Request for Proposals. All responses to a Request for Proposals (RFP) or invitation to bid issued by the City become the exclusive property of the City. At such time as the City selects a bid, all proposals received become a matter of public record, and shall be regarded as public records, with the exception of those elements in each proposal that are defined by Consultant and plainly marked as "Confidential," "Business Secret" or "Trade Secret."

The City shall not be liable or in any way responsible for the disclosure of any such proposal or portions thereof, if Consultant has not plainly marked it as a "Trade Secret" or "Business Secret," or if disclosure is required under the Public Records Act.

Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the City may not be in a position to establish that the information that a prospective bidder submits is a trade secret. If a request is made for information marked "Trade Secret" or "Business Secret," and the requester takes legal action seeking release of the materials it believes does not constitute trade secret information, by submitting a proposal, Consultant agrees to indemnify, defend and hold harmless the City, its agents and employees, from any judgment, fines, penalties, and award of attorneys fees awarded against the City in favor of the party requesting the information, and any and all costs connected with that defense. This obligation to indemnify survives the City's award of the contract. Consultant agrees that this indemnification survives as long as the trade secret information is in the City's possession, which includes a minimum retention period for such documents.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including arbitration or an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County San Mateo or in the United States District Court for the Northern District of California.
- 10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 **Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve (12) months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including

reimbursement of expenses, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

- 10.8 Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 Contract Administration.** This Agreement shall be administered by the Director of Finance ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 Notices.** All notices and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given (i) when received if personally delivered; (ii) when received if transmitted by telecopy, if received during normal business hours on a business day (or if not, the next business day after delivery) provided that such facsimile is legible and that at the time such facsimile is sent the sending Party receives written confirmation of receipt; (iii) if sent for next day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express); and (iv) upon receipt, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to the respective Parties as follows:

Consultant

Maze and Associates
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

City:

City Clerk
City of South San Francisco
400 Grand Avenue
South San Francisco, CA 94080

- 10.12 Integration.** This Agreement, including all Exhibits attached hereto, and incorporated herein, represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral pertaining to the matters herein.
- 10.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 10.14 Construction.** The headings in this Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Agreement. The parties have had

an equal opportunity to participate in the drafting of this Agreement; therefore any construction as against the drafting party shall not apply to this Agreement.

The Parties have executed this Agreement as of the Effective Date.

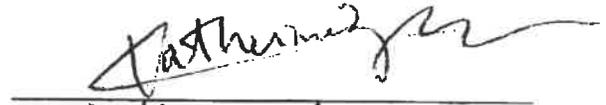
CITY OF SOUTH SAN FRANCISCO

Consultants



City Manager

NAME:



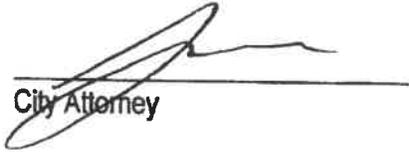
TITLE: Katherine Yuen
VP of Audit

Attest:



Deputy City Clerk
for Krista Martinelli, City Clerk

Approved as to Form:



City Attorney

2051688.4

RESOLUTION NO. 31-2016

CITY COUNCIL, CITY OF SOUTH SAN FRANCISCO, STATE OF CALIFORNIA

A RESOLUTION APPROVING AN AGREEMENT WITH MAZE AND ASSOCIATES FOR INDEPENDENT AUDIT SERVICES IN AN AMOUNT NOT TO EXCEED \$79,285 PER YEAR FOR A THREE YEAR PERIOD WITH OPTIONS TO EXTEND FOR TWO ADDITIONAL FISCAL YEARS AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT.

WHEREAS, the City of South San Francisco ("City") published a Request for Proposals ("RFP") for independent audit services; and

WHEREAS, seven vendors submitted timely proposals, and three vendors were interviewed; and

WHEREAS, a panel comprised of external local governmental finance professionals interviewed three of the vendors and determined that and determined that Maze and Associates would best serve the City's needs; and

WHEREAS, both parties now wish to enter into an agreement, whereby Maze and Associates will provide independent audit services commencing FY 2015-16 through FY 2017-18 with options to extend two additional fiscal years and attached hereto as Attachment A; and

WHEREAS, this City Council has examined the Agreement and approves of it as to both form and content, and desires to enter into said Agreement;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of South San Francisco does hereby take the following action:

1. Approves an Agreement with Maze and Associates for independent audit services in an amount not to exceed \$79,825 per year for a three year period, with options to extend for two additional fiscal years, substantially in the form attached hereto as Attachment A.
2. Authorizes the City Manager, or his designee, to execute an Agreement with Maze and Associates, subject to approval as to form by the City Attorney, for and on behalf of the City of South San Francisco, and to take any other actions necessary to carry out the intent of this resolution on behalf of the City Council.

* * * * *

I hereby certify that the foregoing Resolution was regularly introduced and adopted by the City Council of the City of South San Francisco at a regular meeting held on the 24th day of February, 2016 by the following vote:

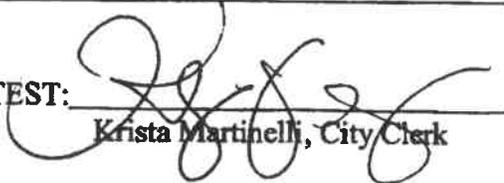
AYES: Councilmembers Richard A. Garbarino, and Liza Normandy

Vice Mayor Pradeep Gupta and Mayor Mark N. Addiego

NOES: Councilmembers Karyl Matsumoto

ABSTAIN: None

ABSENT: None

ATTEST: 

Krista Martinelli, City Clerk

FEE PROPOSAL

Total All-inclusive Maximum Price

Our Total All-Inclusive Maximum Prices for the services specified in the Request for Proposal for the fiscal years ending June 30, 2016 through June 30, 2018 are detailed at the end of this section.

What Our Price Includes

Our price includes all the basic audit work and reports, statements and other deliverables specified in your request for proposal. Our price also includes the items below at no additional cost:

- 1) year-round support and telephone consultation on pertinent issues affecting your City,
- 2) copies of our journal entries and our leadsheets used to support the amounts in your financial statements,
- 3) a Study Session for the Council to discuss the audit process, financial statements and recommendations,
- 4) active Partner involvement in your work every year,
- 5) our Interim Audit Checklist,
- 6) our Annual Closing Checklist,
- 7) our interim Accounting Issues Memorandum,
- 8) preliminary draft financial statements at interim,
- 9) overviews and summaries of upcoming pronouncements and regulations affecting the audited financial statements,
- 10) direct dump of general ledger data into our ProSystems trial balance software which is fully linked to financial statement formats, and associated roll-up reports,
- 11) annual on-line training classes.

Fees and Billings

Our fees are on a not-to-exceed basis. In determining our fees, we understand that the City's records will be in condition to be audited; that is, transactions will be properly recorded in the general ledger and subsidiary records, these accounting records and the original source documents will be readily available to use, we will be furnished with copies of bank reconciliations and other reconciliations and analyses prepared by the City and City personnel will be reasonably available to explain procedures, prepare audit correspondence and obtain files and records.

We do not post separate rate structures for municipal audit work. We view this work as being every bit as important and valuable as the work we perform for other clients and we put our best people on it. Any consulting work you request will be performed at the same rates as our audit work.

Cost Rationale

We have always completed our work in the time budgeted and for the agreed upon fee. We have never requested additional fees after our work was completed. As always, we finish what we start, regardless of the accuracy of our budgets. Since the City would be a continuing client we are offering an 8.00% discount to the 2016 audit fees, which would carry forward to subsequent years. That represents a \$6,900 savings in 2016 alone – and a cumulative savings of \$20,700 over the next three fiscal years!

FEE PROPOSAL (Continued)

Additional Services

Any additional services will be performed and billed only on the City's prior authorization at our standard billing rates.

Manner of Payment

Progress billings will be sent on the basis of actual hours work completed during the course of the engagement. We do not bill for out-of-pocket expenses as they are included in our stated all-inclusive maximum price.

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total FY 2015-16 Audit	Total FY 2016-17 Audit	Total FY 2017-18 Audit
For All Audits/Reports						
Partner	71.00	\$ 300	\$ 300	\$ 21,300	\$ 21,300	\$ 21,300
Manager		\$ 160	\$ 160	\$ -	\$ -	\$ -
Supervisory Staff	201.00	\$ 115	\$ 115	\$ 23,115	\$ 23,115	\$ 23,115
Staff	372.00	\$ 85	\$ 85	\$ 31,620	\$ 31,620	\$ 31,620
Administrative	50.00	\$ 64	\$ 65	\$ 3,250	\$ 3,250	\$ 3,250
Out-of-Pocket, Expenses, Including Printing of Reports				\$ -	\$ -	\$ -
Total All-Inclusive Maximum Price				\$ 79,285	\$ 79,285	\$ 79,285

All-Inclusive Price by Report

	Total FY 2015-16 Audit	Total FY 2016-17 Audit	Total FY 2017-18 Audit
Basic City Audit/CAFR	\$ 52,900	\$ 52,900	\$ 52,900
Single Audit	5,805	5,805	5,805
TDA Fund	3,040	3,040	3,040
Measure A	1,505	1,505	1,505
GANN Report	670	670	670
CAFR Preparation	6,860	6,860	6,860
State Transportation Improvement Program	1,505	1,505	1,505
Cities Financial Transactions Report	7,000	7,000	7,000
Other Recommended/Suggested Reports (List Separately)			
Total	\$ 79,285	\$ 79,285	\$ 79,285

AMENDMENT NO. 21 TO THE PROFESSIONAL SERVICES
AGREEMENT BETWEEN THE CITY OF SOUTH SAN FRANCISCO
AND MEYERS, NAVE, RIBACK, SILVER AND WILSON

WHEREAS, the City of South San Francisco (“City”) and Meyers, Nave, Riback, Silver & Wilson (“Meyers Nave”) entered into a Professional Services Agreement in March 1994; and

WHEREAS, the City and Meyers Nave have approved twenty amendments to the Professional Services Agreement; and

WHEREAS, the City and Meyers Nave desire to amend said agreement to modify the compensation provided to Meyers Nave for basic and special legal services.

Effective July 1, 2018, the City of South San Francisco, the South San Francisco Successor Agency (collectively “City”) and Meyers, Nave, Riback, Silver and Wilson (“Law Firm”) do hereby agree to as follows:

1. Section 4 “Compensation - Basic Services” shall be amended to read as follows:

City shall compensate Law Firm for all Basic Services as described in Section 1 on an hourly basis at the rate of \$268 per hour for Principals and “Of Counsel” attorneys and \$237 per hour for Associate attorneys.

In addition to Basic Services compensation, Law Firm shall also be paid for: 1) successor agency services or redevelopment legal services at the rate of \$294 per hour for Principals and “Of Counsel” attorneys and \$237 per hour for Associate attorneys; 2) enterprise fund matters (e.g., Sewer, Storm water and Solid Waste) at the rate of \$319 per hour for Principal and “Of Counsel” attorneys, \$294 per hour for Senior Associate attorneys, and \$252 per hour for Junior Associate attorneys; and 3) cost recovery matters involving land use entitlements at the rate of \$370 per hour for Senior Principal attorneys, \$319 per hour for Junior Principal and Of Counsel attorneys, \$294 per hour for Senior Associate attorneys, \$252 per hour for Junior Associate attorneys, and \$150 per hour for paralegals, with the City’s costs reimbursed by the development applicant.

2. The first sentence of Section 5 “Compensation – Special Services” is hereby amended to read as follows:

City shall compensate Law Firm for all Special Services as described in Section 2 hereof on an hourly basis at the rate of \$375 per hour for Senior Principals, \$330 per hour for Junior Principals and Of Counsel attorneys, \$280 per hour for Associate attorneys, and \$150 per hour for paralegals, except that City shall compensate Law Firm for bond counsel services described in Section 2(g) at the standard market rates for bond counsel at bond closing.

Effective July 1, 2019, the City and Law Firm do hereby agree as follows:

3. Section 4 "Compensation - Basic Services" shall be amended to read as follows:

City shall compensate Law Firm for all Basic Services as described in Section 1 on an hourly basis at the rate of \$276 per hour for Principals and "Of Counsel" attorneys and \$244 per hour for Associate attorneys.

In addition to Basic Services compensation, Law Firm shall also be paid for: 1) successor agency services or redevelopment legal services at the rate of \$303 per hour for Principals and "Of Counsel" attorneys and \$244 per hour for Associate attorneys; 2) enterprise fund matters (e.g., Sewer, Storm water and Solid Waste) at the rate of \$329 per hour for Principal and "Of Counsel" attorneys, \$303 per hour for Senior Associate attorneys, and \$260 per hour for Junior Associate attorneys; and 3) cost recovery matters involving land use entitlements at the rate of \$380 per hour for Senior Principal attorneys, \$329 per hour for Junior Principal and Of Counsel attorneys, \$303 per hour for Senior Associate attorneys, and \$260 per hour for Junior Associate attorneys, and \$155 per hour for paralegals, with the City's costs reimbursed by the development applicant.

4. The first sentence of Section 5 "Compensation – Special Services" is hereby amended to read as follows:

City shall compensate Law Firm for all Special Services as described in Section 2 hereof on an hourly basis at the rate of \$385 per hour for Senior Principals, \$340 per hour for Junior Principals and Of Counsel attorneys, \$290 per hour for Associate attorneys, and \$155 per hour for paralegals, except that City shall compensate Law Firm for bond counsel services described in Section 2(g) at the standard market rates for bond counsel at bond closing.

Except as expressly provided herein, all other terms and conditions of the Professional Services Agreement between the City and Meyers Nave shall remain in full force and effect for the term of this Agreement. This amendment shall be effective as of July 1, 2018.

Date: _____

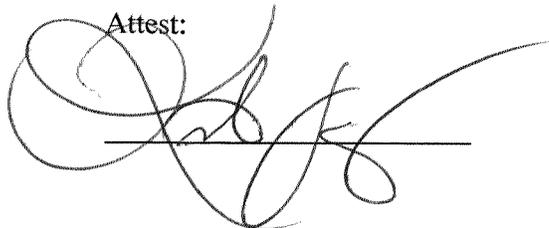
7/9/18

City of South San Francisco, a Municipal Corporation of the State of California and South San Francisco Successor Agency

By: _____

Mike Futrell, City Manager

Attest: _____



City Clerk

Approved as to Form:

Meyers, Nave, Riback, Silver & Wilson


Special Counsel

By: 
Steven T. Mattas, Principal

2722815.1

Liability Insurance

Endorsement

Policy Period MAY 1, 2019 TO MAY 1, 2020

Effective Date MAY 1, 2019

Policy Number 3590-43-09 WUC

Insured MEYERS NAVE RIBACK SILVER & WILSON
A PROFESSIONAL CORP

Name of Company VIGILANT INSURANCE COMPANY

Date Issued APRIL 25, 2019

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added.

Who Is An Insured

Additional Insured -
Scheduled Person
Or Organization

Persons or organizations shown in the Schedule are **insureds**; but they are **insureds** only if you are obligated pursuant to a contract or agreement to provide them with such insurance as is afforded by this policy.

However, the person or organization is an **insured** only:

- if and then only to the extent the person or organization is described in the Schedule;
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**;
- for activities that did not occur, in whole or in part, before the execution of the contract or agreement; and
- with respect to damages, loss, cost or expense for injury or damage to which this insurance applies.

No person or organization is an **insured** under this provision:

- that is more specifically identified under any other provision of the Who Is An Insured section (regardless of any limitation applicable thereto).
- with respect to any assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages, loss, cost or expense for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.

Liability Endorsement
(continued)

Under Conditions, the following provision is added to the condition titled Other Insurance.

Conditions

**Other Insurance –
Primary, Noncontributory
Insurance – Scheduled
Person Or Organization**

If you are obligated, pursuant to a contract or agreement, to provide the person or organization shown in the Schedule with primary insurance such as is afforded by this policy, then in such case this insurance is primary and we will not seek contribution from insurance available to such person or organization.

Schedule

Persons or organizations that you are obligated, pursuant to a contract or agreement, to provide with such insurance as is afforded by this policy.

All other terms and conditions remain unchanged.

Authorized Representative



Exhibit D

Date: January 13, 2020

To: San Mateo County Countywide Oversight Board

From: Mike Futrell, City Manager

Subject: Approval of the Recognized Obligation Payment Schedule and Administrative Cost Allowance Budget of the Successor Agency to the Former Redevelopment Agency of the City of South San Francisco for the period July 1, 2020 through June 30, 2021.

Former RDA: **Redevelopment Agency of the City of South San Francisco**

Recommendation

It is recommended that the San Mateo Countywide Oversight Board 1) adopt a resolution approving the Successor Agency Administrative Budget for Fiscal Year 2020-21; and 2) adopt a resolution approving the Recognized Obligation Payment Schedule for Fiscal Year 2020-21.

Background

The Recognized Obligation Payment Schedule (“ROPS”) is required by Health and Safety Code (“HSC”) Section 34177(l). The ROPS for the period July 1, 2020 through June 30, 2021 (“ROPS 20-21”) requests necessary payments for enforceable obligations of the Former Redevelopment Agency of the City of South San Francisco (“RDA”) for Fiscal Year 2020-21.

The Successor Agency to the Former Redevelopment Agency of the City of South San Francisco (“Successor Agency”) has prepared the proposed ROPS 20-21, attached hereto and incorporated herein by this reference. It will be considered by the Successor Agency Board on January 9, 2020.

Staff has prepared a resolution adopting the ROPS 20-21 for the San Mateo Countywide Oversight Board’s (“Oversight Board”) consideration. If approved, it will be transmitted to the State Department of Finance (“DOF”) for review by February 1, 2020.

Discussion

The ROPS 20-21 is attached to this report as Exhibit B. A total of \$6,186,851 is requested to fund ROPS 20-21 obligations, including \$1,133,500 from Redevelopment Property Tax Trust Funds (“RPTTF”) and \$5,053,351 from Other Funds and Reserve Balances. The request includes \$200,000 to fund administrative costs.

ROPS Obligations

The ROPS 20-21 contains the following obligations:

- **Item 11 – Bond Administration / Continuing Disclosure Cost** – This item has been marked

as retired as all Successor Agency bonds were paid off in FY 2018-19 and there are no remaining bond administration costs.

- Items 12, 13, and 14 – Oyster Point Ventures DDA –\$4,779,335 is requested for enforceable obligations associated with Sections 3.2.1, 3.4.1 and 5.2 of the DDA and for staff and legal expenses associated with Successor Agency implementation of the DDA. Of this amount, only \$1,133,500 is requested from RPTTF, \$3,112,924 from Other Funds held by the Successor Agency, and \$532,911 is from Reserve Balance held by the Successor Agency (Excess PPA unallocated in prior periods). The investment of RPTTF into the Oyster Point development will result in a significant increase in property tax revenues for affected taxing agencies, from \$840,000 in annual revenues prior to dissolution in 2011 to \$23.23 million in annual revenues projected in 2024.

In summary, additional costs are required to be incurred resulting from: (1) the import of cover soil; (2) the import of clay; (3) the cement treatment of refuse for purpose of compaction and (4) the export/relocation of refuse on-site and off-site. The total amount of costs for these activities has increased during construction from \$9,505,703 estimated in January 2019 to \$19,395,376 as estimated in December 2019. The Developer and Successor Agency are sharing in these increased costs as part of a proposed settlement agreement. The Developer's agreement to share in these costs is expressly contingent on the approval of the Successor Agency funding proposed in this ROPS for line items 12 and 13. These additional costs are necessary to allow the infrastructure required by the DDA to be constructed as the additional work is necessary to provide, for example, a stable base under the streets and utilities to the hub, the streets and utilities to the point and the parking area between the beach park area and the ferry terminal. The necessity of this additional work was determined once the landfill cap on the project site was opened and the contractor began to excavate and relocate solid waste and other materials on site as required under the approved construction plans. The DDA anticipated the potential for additional costs such as these in the exhibits related to section 3.2.1 which provides, in part, that the "quantities, scope of work, and cost estimates [for the required infrastructure] will be modified when construction drawings are prepared." (See e.g. Exhibit 3.2.1A). Although not anticipated, any additional costs for these items beyond the amount sought herein would be sole responsibility of the Developer.

Item 12 requests \$3,310,464 (\$3,112,924 from Other Funds and \$197,540 from RPTTF) for additional costs associated with:

- 1) Imported cover soil and clay that is necessary for street and utilities to the hub (the Successor Agency is responsible for 20 percent of these costs) [3.2.1(i)(1) and (ii)], the streets and utilities to point [3.2.1(i)(2) and (ii)] and the reconfiguration and reconstruction of parking [3.2.1(ii) and (iii)];
- 2) Cement mixing treatment to create a stable base for the streets and utilities at the hub, the streets and utilities to point and the reconfigured parking area (3.2.1 (i) (1 &2) and (iii); and
- 3) Off-haul/relocation of excess solid waste from areas under the streets and utilities

at the hub (20% Successor Agency Cost), the streets and utilities to the point and reconfigured parking areas [3.2.1(i)(2) and (iii)].

Item 13 requests \$1,300,180 (\$532,911 from Reserve Balance and \$767,269 from RPTTF) for the Successor Agency portion of the cost of off-haul of excess solid waste from the streets and utilities to the Hub and adjacent areas including portion of Phase IID (Section 5.2) pursuant to a proposed settlement agreement.

Item 14 requests \$168,691 (from RPTTF) for estimated project-related staff costs to implement these items.

Please note that the total increased costs for Items 12 and 13 is actually \$5,818,160 but the Successor Agency is seeking approval to reallocate \$1,207,516 in funds previously approved by the Oversight Board and DOF for Phase IC Cap Repair and cost savings associated with change from the use of GeoFoam to another form of soil stabilization treatment to offset \$1,207,516 in costs. The funds were distributed as RPTTF in prior ROPS periods and transferred to an Oyster Point escrow account, and reported as "Reserve Balance" in the Cash Balances form. The \$1,207,516 reallocation from the Oyster Point escrow account is requested as "Reserve Balance" under Item 12.

- Item 16 and 17 – Harbor District Agreement Fees – There are no costs associated with Harbor District enforceable obligations in Fiscal Year 2020-21. The line items should remain on the ROPS as there are potential remaining enforceable obligations.
- Items 21, 22, 23, and 24 – Train Station Improvement Phases I & II Fees – No expenses are anticipated for these enforceable obligations in Fiscal Year 2020-21. The line items should remain on the ROPS as there are potential remaining enforceable obligations.
- Item 48 – Administrative Cost Allowance - The Successor Agency is requesting \$200,000 from Other Funds for Fiscal Year 2020-21 administrative expenses, which is within the maximum permitted by law. Administrative costs are needed to administer obligations and prepare required reports, such as the ROPS and audited financial statements. The Administrative Budget for Fiscal Year 2020-21 contains more detail, and is attached to the resolution accompanying this staff report.

The maximum administrative cost allowance is based on the amount of Redevelopment Property Tax Trust Funds ("RPTTF", or property tax increment) distributed in the prior fiscal year. DOF approved \$512,557 in obligations funded by RPTTF on the ROPS 19-20. However, no RPTTF was distributed because the Successor Agency had unspent funds remaining from prior ROPS periods. It is possible that DOF will reduce the Successor Agency's Fiscal Year 2020-21 administrative cost allowance to zero. Successor Agency staff will work with DOF on the administrative allowance during their review.

- Items 51 and 52– Accrued PERS Pension and Retiree Health Obligations – No expenses are requested for these items on the ROPS 20-21. The obligations are not being retired in case the Successor Agency wishes to request eligible costs in future years.

Report of Cash Balances

The “Report of Cash Balances” page reports available cash balances by type in Fiscal Year 2017-18. As of June 30, 2018, the Successor Agency had \$532,911 in Reserve Balances leftover from prior ROPS periods. There were also \$3,312,924 in Other Funds as of June 30, 2018. This includes revenues from a City payment to the Successor Agency related to an Oyster Point loan, rents and interest earned in Fiscal Year 2017-18, and Other Funds unspent from prior periods. Staff has allocated \$1,207,516 in Reserve Balances (\$531,911 in Excess PPA and \$1,207,516 from the Oyster Point escrow account) and \$3,312,924 in Other Funds toward ROPS 20-21 Items 12-14 and 48.

The Successor Agency anticipates that a \$591,869 Prior Period Adjustment will be made to account for RPTTF that was unspent in the ROPS 17-18 period. This is reported on the “Report of Cash Balances” page, Column G, Row 5. The Prior Period Adjustment process is handled separately from the ROPS by the San Mateo County Auditor-Controller. The Successor Agency submitted a Prior Period Adjustment form to the County Auditor-Controller on October 1, 2019 to review ROPS 17-18 expenses. The County will make a determination on the Prior Period Adjustment amount and send it to DOF by February 1, 2020.

Administrative Budget

Health and Safety Code Section 34177(j) requires the Successor Agency to prepare an administrative budget and submit it to the Oversight Board for approval. An Administrative Budget for Fiscal Year 2020-21 is attached as an exhibit to the accompanying resolution for the Successor Agency’s consideration. It will also be submitted to the Oversight Board for approval.

Staff proposes an administrative cost allowance of \$200,000 for Fiscal Year 2020-21 to cover professional services (including preparation of the ROPS and auditor fees) and staff costs and overhead required to administer enforceable obligations and prepare legally mandated reports. This is the amount permitted by HSC Section 34171(b)(1).

Last and Final ROPS

Due to the Successor Agency’s outstanding obligation related to environmental remediation at the Oyster Point site, which is an unknown cost, we cannot anticipate when or if the Successor Agency will file a last and final ROPS.

Financial Impact

The Oversight Board’s approval of the ROPS and Administrative Budget is required to fund the Successor Agency’s obligations in Fiscal Year 2020-21.

Attachments:

1. Resolution of the Oversight Board Approving South San Francisco SA’s ROPS 20-21 and FY 2020-21 SA Administrative Costs Budget
2. Exhibit A – South San Francisco SA’s Annual ROPS 20-21
3. Exhibit B – South San Francisco SA’s FY 2020-21 Administrative Costs Budget

4. Exhibit C – Summary of Obligations and Supporting Documentations
5. Exhibit D – SSF SA Power Point Presentation

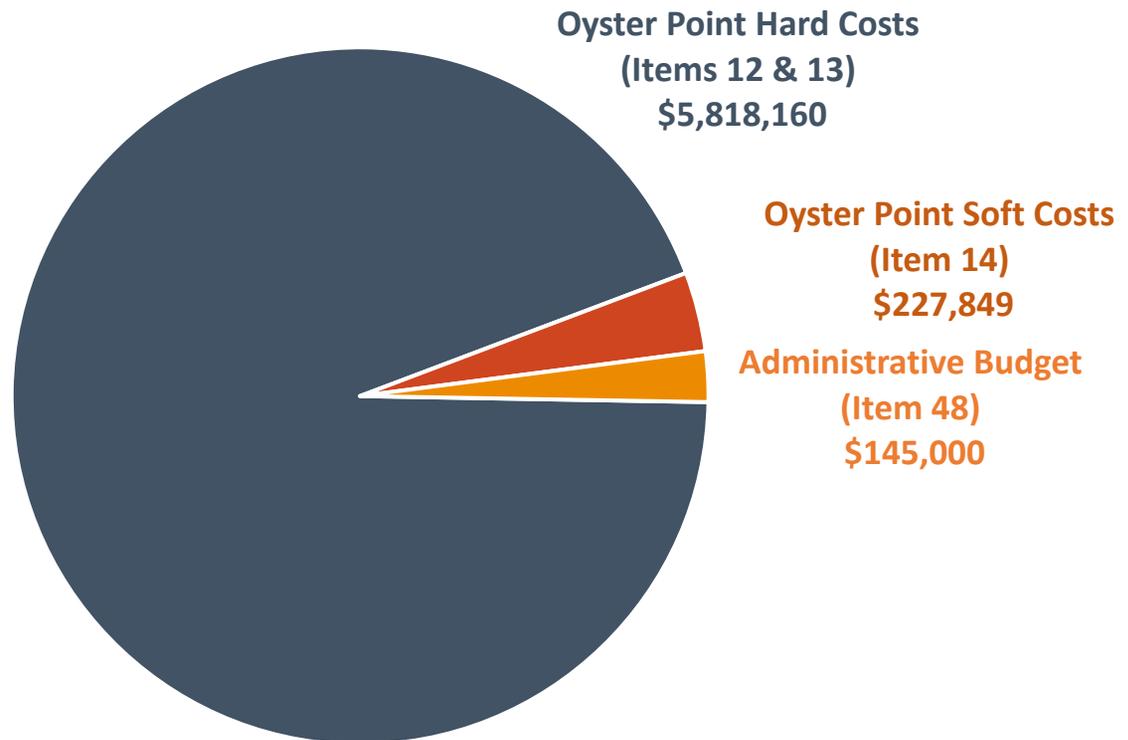
Exhibit D

South San Francisco ROPS 20-21

ROPS 20-21

\$6.1 MILLION IN OBLIGATIONS

\$1.1 MILLION FROM RPTTF



ROPS 20-21

CHANGES SINCE JANUARY 13

ITEM	JANUARY 13	JANUARY 27	NET CHANGE
14 – Oyster Point Soft Project Management Staff Costs	\$168,691	\$227,489	\$59,158
48 – Administrative Costs	\$200,000	\$145,000	(\$55,000)
Total Requested	\$6,191,009	\$6,186,851	\$4,158

OYSTER POINT DDA PROJECT MANAGEMENT (ITEM 14)

Position	Tasks	Average Hours Per Month	Fully Loaded Hourly Rate	Total Annual Cost
Public Works Director	Project and contract management specific to Oyster Point DDA project	10	\$168.26	\$20,191
Project Management Services (WC-3)	Daily project management; cost management; coordination with all parties and regulatory agencies	40	\$165.00	\$79,200
City Manager	Overall project management, coordination with developer, staff and legal counsel	20	\$210.21	\$50,450
Economic & Community Development Director	Overall project management, coordination with developer, staff and legal counsel	4	173.91	\$8,348
Legal Services (Meyers Nave)	Contract interpretation, implementation and dispute resolution	15	\$385.00	\$69,300
Total				\$227,489

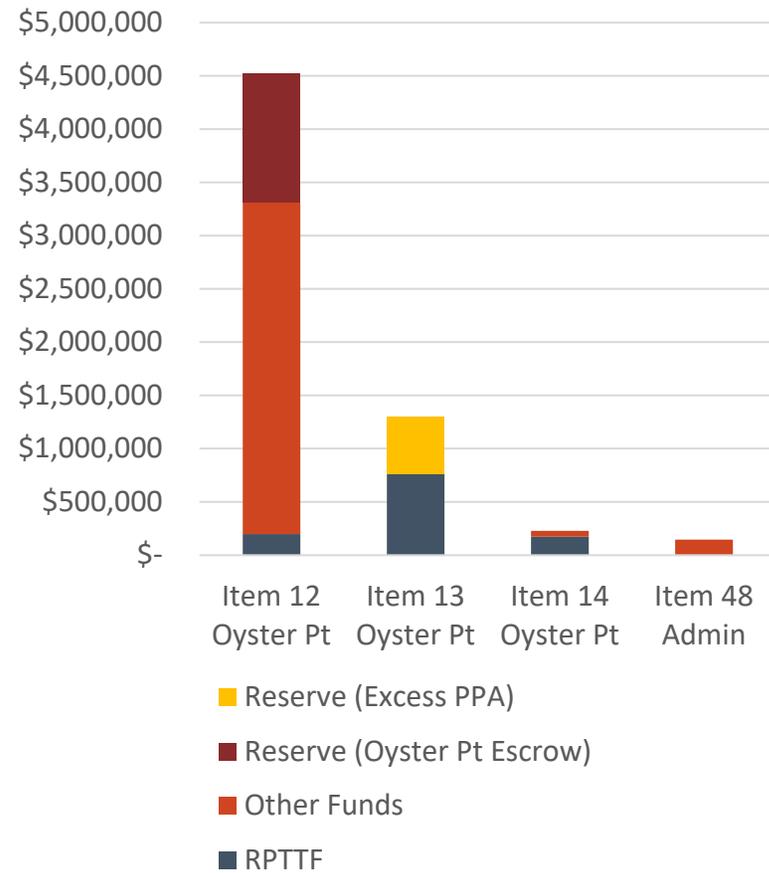
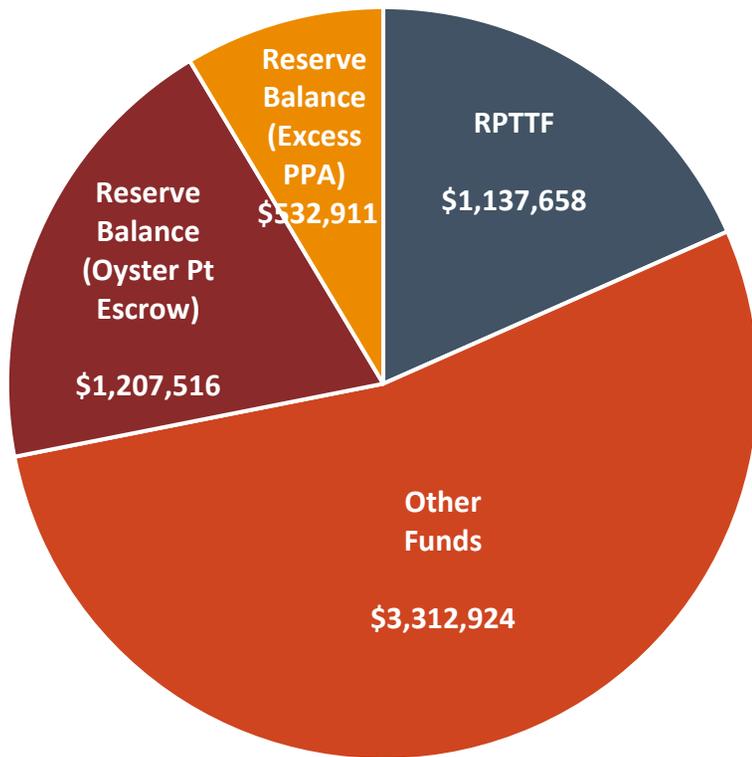
ADMINISTRATIVE BUDGET

FY 2020-21 (ITEM 48)

Description of Cost/Expense	Amount
Staff salaries, benefits, and payroll taxes	\$65,000
Overhead costs and supplies	1,000
Professional Services – Successor Agency Consulting (RSG, Inc.)	25,000
Professional Services – Auditors (Maze & Associates)	4,000
Professional Services – Legal (Meyers Nave)	50,000
Total	\$145,000

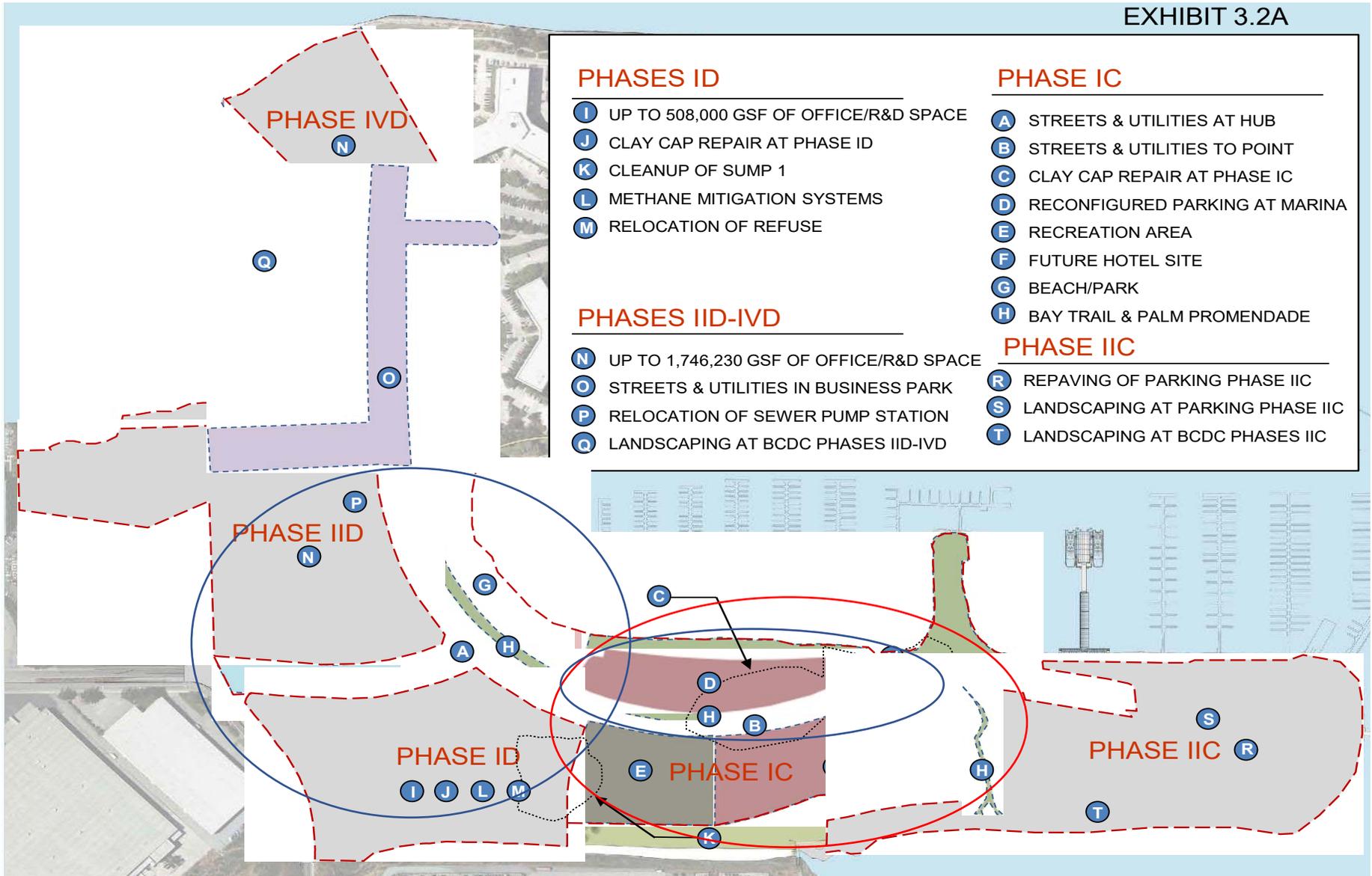
ROPS 20-21

OBLIGATIONS BY FUNDING SOURCE



March 2011: DDA OPV (Developer)/RDA/City

EXHIBIT 3.2A



Landfill Construction Underway



October 2019 Aerial of Project Site



*November 2019
Underground Utility Installation*

Vision for Oyster Point : Kilroy Realty



OYSTER POINT DDA (ROPS ITEMS 12 & 13) PROJECT COSTS - JANUARY 2019 ESTIMATE

Work Required	DDA Sections	Total Cost of Work	Successor Agency Obligation	Kilroy Cost Obligation
Import of Clay Cover Soil	3.2.1(i)(1), 3.2.1(ii), 3.2.1(i)(2)	\$2,377,070	\$415,316 ROPS Line 12	\$1,961,754
Import of Clay	3.2.1(i)(1), 3.2.1(ii), 3.2.1(i)(2)	\$1,345,214	\$163,047 ROPS Line 12	\$1,182,167
Cement Treatment of Refuse	3.2.1(i) (1 &2) and (iii)	\$1,588,029	\$699,756 ROPS Line 12	\$888,273
Export of Excess Refuse	3.2.1(i)(2) and (iii) and 5.2	\$4,195,390	\$862,315 ROPS Lines 12/13	\$3,333,075
Total		\$9,505,703	\$2,140,434	\$7,365,269

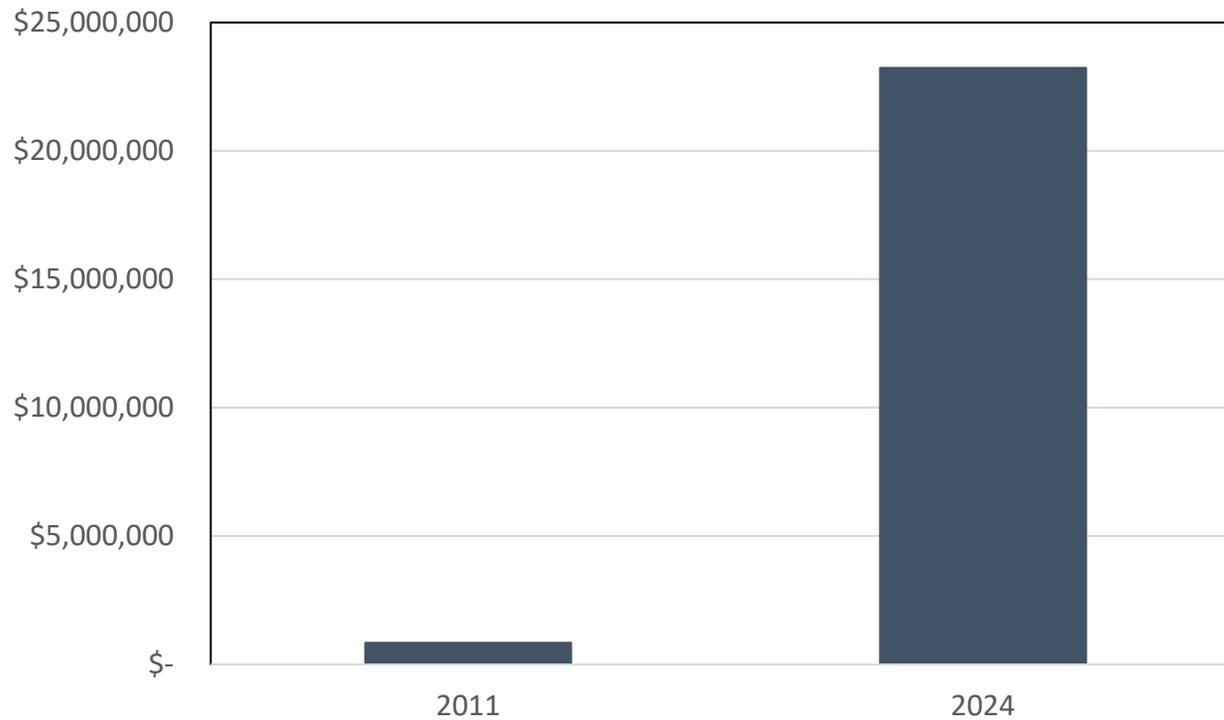
OYSTER POINT DDA (ROPS ITEMS 12 & 13) PROJECT COSTS - DECEMBER 2019 UPDATE

Work Required	DDA Sections	Total Cost of Work	Successor Agency Obligation	Kilroy Cost Obligation
Import of Clay Cover Soil	3.2.1(i)(1), 3.2.1(ii), 3.2.1(i)(2)	\$4,379,417	\$688,601 ROPS Line 12	\$3,690,816
Import of Clay	3.2.1(i)(1), 3.2.1(ii), 3.2.1(i)(2)	\$1,671,684	\$199,630 ROPS Line 12	\$1,472,054
Cement Treatment of Refuse	3.2.1(i) (1 &2) and (iii)	\$1,953,998	\$1,067,557 ROPS Line 12	\$886,441
Export of Excess Refuse	3.2.1(i)(2) and (iii) and 5.2	\$11,090,277	\$5,702,806 ROPS Lines 12/13	\$5,387,471
Total		\$19,095,376	\$7,658,594	\$11,436,782

OYSTER POINT DDA PROPERTY TAX IMPACT

2011 Annual Property Taxes: \$ 840,000

2024 Annual Property Taxes: \$23,230,000



SAN MATEO COUNTY

COUNTYWIDE OVERSIGHT BOARD

Jim Saco, Chairperson
Denise Porterfield, Vice Chairperson
Mark Addiego, Member
Chuck Bernstein, Member
Tom Casey, Member
Barbara Christensen, Member
Mark Leach, Member

Date: January 21, 2020

Agenda Item No. 8

To: San Mateo County Countywide Oversight Board

From: Shirley Tourel, Assistant Controller

Subject: Fiscal Year 2020-21 Proposed Regular Meeting Schedule for the OB

Recommendation

This item is for information and discussion purposes only. No action is required by the Board.

Background and Discussion

Article III Section 1 of the Board Bylaws provides that the Board may adopt its regular meeting schedule for the upcoming fiscal year prior to the end of each fiscal year.

The proposed FY 2020-21 meeting dates for the Board are provided on the attached (Exhibit A).

Future business items include:

1. Approval of the Recognized Obligations Payment Schedules ("ROPS")
2. Approval of Amendments to ROPS
3. Disposal of Properties
4. Amendment to Daly City Successor Agency's Long Range Property Management Plan
5. Last and Final ROPS Approval (The potential remaining SAs are East Palo Alto, South San Francisco and San Bruno.

Since the exact timing of items 3 through 5 are not known, Staff recommends the Board schedule additional meetings throughout the year to accommodate these items as they arise. In addition, to the extent that urgent matters may arise which require the immediate attention of the Board, special meetings may be scheduled as necessary.

Fiscal Impact

None.

Exhibit

A-Proposed FY 2020-21 OB Calendar

San Mateo County Countywide Oversight Board Fiscal Year 2020-21 Calendar

Proposed

JULY

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

AUGUST

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DECEMBER

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
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JANUARY

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Meeting Dates

- July 13, 2020
- August 10, 2020
- September 14, 2020
- October 5, 2020
- November 16, 2020
- December 14, 2020
- January 11, 2021
- January 25, 2021
- February 8, 2021
- March 8, 2021
- April 12, 2021
- May 10, 2021
- June 14, 2021

Other Key Dates

- Feb. 1 ROPS Due to State
- Oct. 1 ROPS Revisions Due to State

All meetings begin at 9:00AM and will be held at the Board of Supervisors' Chambers in the Hall of Justice at 400 County Center, 1st Floor, Redwood City, California 94063

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San Mateo County Countywide Oversight Board

2020-21 Meeting Schedule

All meetings to be held at:
Board of Supervisors' Chambers
Hall of Justice - 400 County Center, 1st Floor
Redwood City, California 94063

2020

Day	Date	Starting Time
Monday	July 13	9.00 a.m.
Monday	August 10	9:00 a.m.
Monday	September 14	9:00 a.m.
Monday	October 5	9:00 a.m.
Monday	November 16	9.00 a.m.
Monday	December 14	9:00 a.m.

2021

Day	Date	Starting Time
Monday	January 11 *	9:00 a.m.
Monday	January 25 *	9:00 a.m.
Monday	February 8	9:00 a.m.
Monday	March 8	9:00 a.m.
Monday	April 12	9:00 a.m.
Monday	May 10	9:00 a.m.
Monday	June 14	9:00 a.m.

*These meetings are necessary to meet the DOF's February 1st deadline for Annual ROPS.

SAN MATEO COUNTY

COUNTYWIDE OVERSIGHT BOARD

Jim Saco, Chairperson
Denise Porterfield, Vice Chairperson
Mark Addiego, Member
Chuck Bernstein, Member
Tom Casey, Member
Barbara Christensen, Member
Mark Leach, Member

Date: January 22, 2020

Agenda Item 9

To: San Mateo County Countywide Oversight Board

From: Shirley Tourel, Assistant Controller

Subject: FY 2020-21 Chairperson and Vice Chairperson Election

Recommendation

This item is for information and discussion purposes only. No action is required by the Board at this time.

Background and Discussion

The San Mateo County Countywide Oversight Board Bylaws, Article II – OFFICERS, Section 1: Officers and Officials states, “The members of the Board shall elect one member to serve as the Chairperson and may elect one member to serve as the Vice Chairperson. The term of office for the Chairperson and Vice Chairperson shall be effective July 1 and shall be for one year. In the event an election does not take place prior to the end of a term of office, the prior incumbents will continue to serve in such capacities until a new Chairperson and a new Vice Chairperson are elected.”

The current Chairperson and Vice Chairperson terms will end on June 30, 2020.

Fiscal Impact

None