

CALENDAR FOR THE BOARD OF SUPERVISORS  
**CONTRA COSTA COUNTY**  
AND FOR SPECIAL DISTRICTS, AGENCIES, AND AUTHORITIES GOVERNED BY THE BOARD  
**BOARD CHAMBERS, ADMINISTRATION BUILDING, 1025 ESCOBAR STREET**  
**MARTINEZ, CALIFORNIA 94553-1229**

**CANDACE ANDERSEN**, *CHAIR*, 2ND DISTRICT

**DIANE BURGIS**, *VICE CHAIR*, 3RD DISTRICT

**JOHN GIOIA**, 1ST DISTRICT

**KAREN MITCHOFF**, 4TH DISTRICT

**FEDERAL D. GLOVER**, 5TH DISTRICT

**DAVID J. TWA**, CLERK OF THE BOARD AND COUNTY ADMINISTRATOR, (925) 655-2075

**To slow the spread of COVID-19, the Health Officer's Shelter Order of December 4, 2020, prevents public gatherings ([Health Officer Order](#)). In lieu of a public gathering, the Board of Supervisors meeting will be accessible via television and live-streaming to all members of the public as permitted by the Governor's Executive Order N29-20. Board meetings are televised live on Comcast Cable 27, ATT/U-Verse Channel 99, and WAVE Channel 32, and can be seen live online at [www.contracosta.ca.gov](http://www.contracosta.ca.gov).**

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA MAY CALL IN DURING THE MEETING BY DIALING **888-251-2949** FOLLOWED BY THE ACCESS CODE **1672589#**. To indicate you wish to speak on an agenda item, please push "#2" on your phone.

All telephone callers will be limited to two (2) minutes apiece. The Board Chair may reduce the amount of time allotted per telephone caller at the beginning of each item or public comment period depending on the number of calls and the business of the day. Your patience is appreciated.

A lunch break or closed session may be called at the discretion of the Board Chair. Staff reports related to open session items on the agenda are also accessible on line at [www.contracosta.ca.gov](http://www.contracosta.ca.gov).

**AGENDA**  
**December 15, 2020**

**9:00 A.M. Convene and announce adjournment to closed session in Room 168.**

**Closed Session**

A. CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code § 54957.6)

1. Agency Negotiators: David Twa and Stacey Cue.

Employee Organizations: Public Employees Union, Local 1; AFSCME Locals 512 and 2700; California Nurses Assn.; SEIU Locals 1021 and 2015; District Attorney Investigators' Assn.; Deputy Sheriffs Assn.; United Prof. Firefighters I.A.F.F., Local 1230; Physicians' & Dentists' Org. of Contra Costa; Western Council of Engineers; United Chief Officers Assn.; Contra Costa

County Defenders Assn.; Contra Costa County Deputy District Attorneys' Assn.; Prof. & Tech. Engineers IFPTE, Local 21; and Teamsters Local 856.

2. Agency Negotiators: David Twa.

Unrepresented Employees: All unrepresented employees.

**B. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION** (Gov. Code § 54956.9(d)(1))

1. *Dagiima Sungiidorj, et al. v. Contra Costa County, et al.*; Contra Costa County Superior Court, Case No. C17-01739
2. *Kirt De Michiel v. Contra Costa County*, WCAB Nos. ADJ11118171; ADJ1118012; unassigned
3. *Peter Doppe v. County of Contra Costa, et al.*; Contra Costa County Superior Court, Case No. C19-02580
4. *R.V. et al. v. Mnuchin et al.*, United States District Court, District of Maryland, Case No. 8:20-cv-1148 (D.Md.)
5. *Contra Costa County v. Lindsey Nunn Houd, et al.*, Contra Costa County Superior Court Case No. C16-01646
6. *Contra Costa County v. Ron Nunn Family Limited Partnership, et al.*, Contra Costa County Superior Court Case No. C16-01648

**9:30 A.M. Call to order and opening ceremonies.**

Inspirational Thought- *"Year's end is neither an end nor a beginning but a going on, with all the wisdom that experience can instill in us."* ~Hal Borland, author

**CONSIDER CONSENT ITEMS** (Items listed as C.1 through C.102 on the following agenda) – Items are subject to removal from Consent Calendar by request of any Supervisor or on request for discussion by a member of the public. **Items removed from the Consent Calendar will be considered with the Discussion Items.**

**DISCUSSION ITEMS**

- D. 1** PRESENT the 2020 Chair of the Board Award. (Supervisor Andersen)
- D. 2** PRESENT and ADOPT Resolution No. 2020/345 recognizing David Twa upon his retirement as the Contra Costa County Administrator. (Supervisor Andersen)
- D. 3** CONSIDER update on COVID 19; and PROVIDE direction to staff.
  1. Health Department - Anna Roth, Director and Dr. Farnitano, Health Officer
  2. Public Health Order Enforcement
    1. Diana Becton, District Attorney
    2. Assistant Sheriff John Lowden
    3. John Kopchik, Department of Conservation and Development Director
    4. Randy Sawyer, Environmental Health Director

- D. 4** CONSIDER whether to adopt an urgency ordinance increasing administrative fine amounts for violations of public health orders pertaining to the COVID-19 pandemic, or whether to pursue other means of enforcement. (Randy Sawyer, Environmental Health Director)
- D. 5** CONSIDER adopting Resolution 2020/344 urging the State of California to prioritize California public school educators for phase one COVID-19 vaccine access. (Supervisors Burgis and Gioia)
- D. 6** CONSIDER accepting the Keller Canyon Landfill Forensic Audit Technical Memorandum prepared by TRC Solutions, Inc. and Staff Report prepared by Contra Costa Environmental Health staff detailing the investigation of alleged radioactive waste sent to Keller Canyon Landfill from the former Hunters Point Naval Shipyard, as recommended by the Health Services Director and the Office of Supervisor Glover. (Supervisor Glover)
- D. 7** HEARING in connection with the issuance by the County of Contra Costa Public Financing Authority (“Authority”) of its Lease Revenue Bonds 2021 Series A and Series B bond (the “Bonds”); CONSIDER adopting Resolution No. 2020/341, approving the issuance of the Bonds by the Authority, in an aggregate principal amount not to exceed \$150 million to finance various capital projects and refunding of outstanding bonds for savings and authorizing the execution of various leases and related-financing documents and authorizing necessary related actions. (Timothy Ewell, Chief Assistant County Administrator) (Consider with D.8 and D.9)
- D. 8** CONSIDER adopting, as the Governing Board of the County of Contra Costa Public Financing Authority, Resolution No. 2020/342, approving the issuance by the Contra Costa Public Financing Authority of Lease Revenue Bonds (Capital Projects), 2021 Series A and Series B, in an aggregate principal amount not to exceed \$150 million to finance various capital projects and refunding of outstanding bonds for savings, authorizing the forms of and directing the execution and delivery of related financing documents. (Timothy Ewell, Chief Assistant County Administrator) (Consider with D.7 and D.9)
- C. 9** CONSIDER adopting, as the Governing Board of the Contra Costa County Fire Protection District, Resolution No. 2020/343 authorizing an Installment Sale Agreement between the District and the County of Contra Costa pursuant to which the County will provide a principal amount up to \$31 million for the construction of Fire Station Nos. 9 (Pacheco) and 86 (Bay Point) in consideration of the payment by the District of installments of principal and interest for a period of 20 years. (Timothy Ewell, Chief Assistant County Administrator) (Consider with D.7 and D.8)

**D.10** HEARING to consider adopting Ordinance No. 2020-30, an urgency interim ordinance extending, through October 30, 2021, a moratorium on industrial hemp cultivation and processing. (Matt Slattengren, Agriculture Commissioner/Weights and Measures Director)

**D. 11** CONSIDER Consent Items previously removed.

**D. 12** PUBLIC COMMENT (2 Minutes/Speaker)

D. 13 CONSIDER reports of Board members.

**11:00 A.M.**

**Dedication of the New Administration Building located at 1025 Escobar Street, Martinez**

**Closed Session**

ADJOURN in memory of

***Laura Garvey***

Health Services Accountant and former Auditor Controller's Office Division Manager

**CONSENT ITEMS**

**Road and Transportation**

- C. 1** APPROVE and AUTHORIZE the Public Works Director, or designee, to execute, on behalf of the County, an agreement to perform tariff schedule related work with Pacific Gas and Electric Company, effective December 15, 2020, to require the County to pay approximately \$74,103 in connection with the utility relocation for the Marsh Drive Bridge (#28C442) Replacement Project, Concord area. (89% Federal Funds, 11% Local Road Funds)
- C. 2** ADOPT Resolution No. 2020/331 to summarily vacate a portion of John Glenn Drive no longer required for county road purposes, and take related actions under the California Environmental Quality Act, as recommended by the Public Works Director, Pacheco area. (100% Airport Enterprise Fund)
- C. 3** ACCEPT the County's Development Impact Fee Annual Report for fiscal year 2019/2020 for the Area of Benefit program in unincorporated Contra Costa County, as recommended by the Public Works Director, Countywide. (No fiscal impact)

- C. 4** AWARD and AUTHORIZE the Public Works Director, or designee, to execute a construction contract with GradeTech Inc., in the amount of \$230,943 for the Bel Air Trail Crossing Project, Bay Point area. (18% Transportation Development Act Grant Funds, 82% Local Road Funds)
- C. 5** APPROVE and AUTHORIZE the Chair, Board of Supervisors, to execute an amendment to the Real Property Services Agreement with the Solano Transportation Authority effective July 1, 2020, to increase the amount payable to Contra Costa County by \$50,000 to a new payment limit of \$200,000 for services in connection with the I-80/I-680/SR-12 Interchange-Construction Package 2A Project, as recommended by the Public Works Director, Fairfield area. (100% Solano Transportation Authority Funds)

### **Special Districts & County Airports**

- C. 6** As the governing body of the Contra Costa County Flood Control and Water Conservation District, APPROVE and AUTHORIZE the Chief Engineer, or designee, to execute an agreement with the Central Contra Costa Sanitary District for implementation of the Grayson and Walnut Creeks Levee Improvement Project, a total project cost of \$2,939,000, Martinez area. (50% Flood Control Zone 3B Funds, 50% Central Contra Costa Sanitary District Funds)
- C. 7** APPROVE and AUTHORIZE the Chief Engineer, Contra Costa County Flood Control and Water Conservation District, or designee, to execute, on behalf of the Contra Costa Clean Water Program, a contract with Watershed Resources Consulting in an amount not to exceed \$400,000 for Countywide stormwater quality services necessary to comply with federal and state stormwater permit requirements issued under the National Pollutant Discharge Elimination System Permit, for the period January 1, 2021 through June 30, 2024, Countywide. (100% Stormwater Utility Assessment Funds)
- C. 8** As the governing body of the Contra Costa County Flood Control and Water Conservation District (District), APPROVE and AUTHORIZE the Chief Engineer, or designee, to execute a license agreement with Discovery Builders, Inc., effective December 15, 2020, for ingress and egress purposes by the District, Martinez area. (No fiscal impact)
- C. 9** As the governing body of the Contra Costa County Flood Control and Water Conservation District (District), APPROVE and AUTHORIZE the Chief Engineer, or designee, to execute an amendment to the license agreement between the District and Contra Costa Water District (CCWD) to extend the term through December 31, 2025, for CCWD's use of a portion of the District's levee roads along Walnut and Pacheco Creeks, Martinez area. (100% Flood Control Zone 3B Revenue Funds)

## **Claims, Collections & Litigation**

- C. 10** DENY claims filed by Archil Apkhazava, Lee Ellen Bowlegs, Michelle Carrington, Cypress Ins. Co., Isaiah Glaze, Lenora McCall, Sean Michael Morrison, Charlean Nelson, Loan Nguyen, and Kylah Webster-Wadley.
  
- C. 11** As the governing body of Contra Costa County and the Contra Costa County Flood Control and Water Conservation District, APPROVE and AUTHORIZE the County Counsel, or designee, to execute, on behalf of the County and the District, a contract for legal services with Burke, Williams & Sorensen, LLP, effective December 1, 2020, for specialized condemnation legal services, as recommended by the County Counsel.

## **Statutory Actions**

- C. 12** APPROVE Board meeting minutes for July and August 2020, as on file with the Office of the Clerk of the Board.
  
- C. 13** APPROVE Board meeting minutes for September, October and November 2020, as on file with the Office of the Clerk of the Board.

## **Honors & Proclamations**

- C. 14** ADOPT Resolution No. 2020/334 honoring Peter J. Murray for his years of public service on the occasion of his retirement, as recommended by Supervisor Glover.
  
- C. 15** ADOPT Resolution No. 2020/335 honoring Roy Swearingen for his years of public service on the occasion of his retirement, as recommended by Supervisor Glover.
  
- C. 16** ADOPT Resolution No. 2020/338 honoring Roland Esquivias for his years of public service on the occasion of his retirement, as recommended by Supervisor Glover.
  
- C. 17** ADOPT Resolution No. 2020/346 recognizing the Contra Costa Medical Reserve Corps for their volunteer contributions, as recommended by Supervisor Andersen.

## **Appointments & Resignations**

- C. 18** ACCEPT the resignations of Deborah Penry, Cynthia Molander, Edirle Menezes and Doug Rowe, DECLARE vacancies in the Community 2 - Central/South County, Community 3 - Central/North County, Public Agency 2 - Central/South County, and Public Agency 4 - East County seats on the Local Planning and Advisory Council for Early Care and Education (LPC), and DIRECT the Clerk of the Board to post the vacancies, as recommended by the Contra Costa County Office of Education.
- C. 19** ACKNOWLEDGE receipt of the preference forms for Board of Supervisors appointments to 2021 committees, boards and commissions, submitted to the Clerk of the Board.

### **Appropriation Adjustments**

- C. 20** Employment and Human Services Department (0501): APPROVE Appropriation and Revenue Adjustment No. 005014 authorizing an adjustment to Employment and Human Services Department, Administration Bureau (0501), Children and Family Services Bureau (0502), Aging and Adult Services Bureau (0503) and Workforce Services Bureau (0504) expenditure and revenue budgets as part of the Department's FY 2020/21 Budget Rebalance.

### **Personnel Actions**

- C. 21** ADOPT Position Adjustment Resolution No. 25656 to add one Departmental Human Resources Analyst II (unrepresented) position in the Administrative Services Bureau, as recommended by the Employment and Human Services Director. (58% Federal, 36% State, 6% County)
- C. 22** ADOPT Position Adjustment Resolution No. 25654 to add one Office Manager (represented) position and cancel one Clerk-Specialist Level (represented) position in the Probation Department.
- C. 23** ADOPT Position Adjustment Resolution No. 25659 to add one Clerk-Recorder Services Specialist (represented) position and cancel one Clerk-Recorder Services Technician (represented) position in the Clerk-Recorder Department. (100% General Fund)
- C. 24** ADOPT Position Adjustment Resolution No. 25660 to decrease the hours of one Family Nurse Practitioner position (represented) from full-time to 36/40 in the Health Services Department. (Cost savings)
- C. 25** ADOPT Position Adjustment Resolution No. 25561 to decrease the hours of one Dentist-Exempt position from 35/40 to 26/40 in the Health Services Department. (Cost savings)

- C. 26 ADOPT Position Adjustment Resolution No. 25657 to add one Disability Benefits Coordinator, one Personnel Technician, and one Departmental Human Resources Supervisor position, and cancel one vacant Departmental Personnel Officer-Exempt in the Health Services Department. (100% Hospital Enterprise Fund I)
- C. 27 ADOPT Position Adjustment Resolution No. 25658 to increase the hours of one Occupational Therapist I position (represented) from 24/40 to full-time and one Occupational Therapist II position (represented) from 32/40 to full-time in the Health Services Department. (100% Hospital Enterprise Fund I)
- C. 28 RATIFY the order of the County Administrator crediting up to 120 hours of COVID Administrative Leave to eligible employees for lost leave (Various County Funds).

### Leases

- C. 29 APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a lease amendment with the City of Richmond to extend the term of the lease through September 30, 2035, for continued use of the building located at 5050 Hartnett Avenue, Richmond, by Employment and Human Services' Community Services Bureau, at an annual rate of \$1, plus the cost of water and sewer services. (100% General Fund)
- C. 30 APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a lease between the County and Desco Investments, LLC, for a term of five years, for approximately 1,712 square feet of office space located at 3685 Mount Diablo Boulevard, Suite 120, Lafayette, at an initial annual rate of \$67,800 with annual increases thereafter for continued occupancy by the Department of Conservation and Development. (100% Land Development Funds)
- C. 31 APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a lease with Seecon Financial & Construction Co., Inc., for a term of 20 years for approximately 20,452 square feet of office and warehouse space for the Public Works Print & Mail division, located at 4061 Port Chicago Highway, Concord, at an initial annual rate of \$29,655 per month with annual increases thereafter. (100% General Fund)

### Grants & Contracts

**APPROVE and AUTHORIZE execution of agreements between the County and the following agencies for receipt of fund and/or services:**



- C. 32** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with the State Department of Rehabilitation, to pay the County an amount not to exceed \$1,167,744 to provide vocational rehabilitation services for individuals with psychiatric disorders for the period July 1, 2020 through June 30, 2021. (No County match)
- C. 33** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with the U.S. Department of Housing and Urban Development, for McKinney-Vento Act funding, to pay County an amount not to exceed \$462,917 to provide housing and support services for the County's Continuum of Care Project for the period December 1, 2020 through November 30, 2021. (25% County match, budgeted)
- C. 34** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with The Tides Center, to pay County an amount not to exceed \$105,358 to provide mental health and crisis intervention services for students and families in the School Engagement Program for the period July 1, 2020 through June 30, 2021. (No County match)
- C. 35** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute an amendment with the California Department of Health Care Services, to modify terms and conditions to include the Substance Abuse Prevention and Treatment Block Grant services for community behavioral health services for County residents with no change in the original term of July 1, 2018 through June 30, 2021. (No County match)
- C. 36** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with the City of Pittsburg, to pay the County an amount not to exceed \$23,034 to provide homeless outreach services for the Coordinated Outreach, Referral and Engagement Program for the period July 1, 2020 through June 30, 2021. (No County match)
- C. 37** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with the City of Concord, Community Development Block Grant, to pay the County an amount not to exceed \$12,500 for homeless outreach services under the Coordinated Outreach, Referral and Engagement Program for the period July 1, 2020 through June 30, 2021. (No County match)
- C. 38** ADOPT Resolution No. 2020/316 approving and authorizing the Sheriff-Coroner, or designee, to apply for and accept the California Department of Parks and Recreation, Division of Boating and Waterways Financial Aid Program funds in an initial amount of \$738,249 for marine patrol and boating regulation enforcement for the period July 1, 2021 through the end of available funding. (100% State)

**APPROVE and AUTHORIZE execution of agreement between the County and the following parties as noted for the purchase of equipment and/or services:**

- C. 39** APPROVE and AUTHORIZE the Agricultural Commissioner, or designee, to execute an agreement with the California Department of Food and Agriculture to reimburse the County an amount not to exceed \$52,893 to provide Light Brown Apple Moth quarantine response and regulatory enforcement activities for the period July 1, 2020 through June 30, 2021. (100% State)
- C. 40** APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a contract amendment with TBP/Architecture, Inc., effective December 15, 2020, to increase the payment limit by \$750,000 to a new payment limit of \$1,500,000 and extend the term from October 8, 2022 to October 8, 2023, to provide on-call architectural design services for various County facilities projects, Countywide. (100% Various Funds)
- C. 41** ALLOCATE \$10,000 from the Livable Communities Trust Fund (District II portion) to the Public Works Department to participate in the San Ramon Valley Street Smarts Program for the period July 1, 2020 through June 30, 2021, as recommended by Supervisor Andersen. (100% Livable Communities Trust Fund)
- C. 42** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute an agreement amendment with Mt. Diablo Unified School District to increase the payment limit by \$171,065 to a new payment limit of \$546,065 to provide Workforce Innovation and Opportunity Act youth workforce development services and extend the term through June 30, 2021. (100% Federal)
- C. 43** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Public Health Foundation Enterprises Inc., in an amount not to exceed \$774,212 to implement the COVID-19 Adult Ambassador Pilot Program, which will promote testing and best practices in areas of the County that are underserved or experiencing a high number of COVID-19 cases, for the period December 1, 2020 through June 30, 2021. (100% Workforce Innovation and Opportunity Act, Employment and Human Services Department)
- C. 44** APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a Consent and Agreement, dated December 8, 2020 with SunPower (Solar Star Co Co 1), LLC and ST TOTAL Strong Statutory Trust, as lessor in accordance with the original Power Purchase Agreement, Countywide. (No fiscal impact)
- C. 45** APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a contract with CDM Smith, Inc., in an amount not to exceed \$500,000 to provide on-call water treatment consulting services for the period January 1, 2021 to December 31, 2023, Countywide. (100% Various Funds)

- C. 46** APPROVE and AUTHORIZE the Agricultural Commissioner, or designee, to execute a contract with the California Department of Food and Agriculture to pay the County an amount not to exceed \$68,861 to provide Asian Citrus Psyllid Winter Detection Trapping for the period October 1, 2020 through April 30, 2021. (100% State)
- C. 47** APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a contract amendment with Environmental Science Associates, a corporation, to extend the term from December 31, 2020 through December 31, 2022 with no change to the payment limit of \$402,588, to complete the Environmental Impact Report for the Keller Canyon Landfill land use permit amendment. (100% Land use permit fees)
- C. 48** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute an agreement amendment with Contra Costa County Office of Education to increase the payment limit by \$613,573 to a new payment limit of \$1,363,573 to provide Workforce Innovation and Opportunity Act youth services and extend the term through June 30, 2021. (100% Federal)
- C. 49** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with PH Senior Care, LLC (dba Pleasant Hill Manor), in an amount not to exceed \$803,400 to provide augmented residential room, board and care services for County-referred mentally disordered clients for the period December 1, 2020 through November 30, 2021. (88% Mental Health Realignment; 12% Mental Health Services Act)
- C. 50** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Catholic Charities CYO of the Archdiocese of San Francisco, in an amount not to exceed \$527,493 to provide mental health and therapeutic behavioral services for seriously emotionally disturbed children at its St. Vincent's School for Boys for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$263,747. (50% Federal Medi-Cal; 50% Mental Health Realignment)
- C. 51** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Mt. Diablo Unified School District, in an amount not to exceed \$6,029,569 to provide school-based mental health services to seriously emotionally disturbed students in the Mt. Diablo Unified School District for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$2,880,387. (48% Federal Medi-Cal; 48% Mental Health Realignment; 4% Mt. Diablo Unified School District)

- C. 52** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Mental Health Systems, Inc., in an amount not to exceed \$1,050,375 to provide mental health services including outpatient treatment, assertive community treatment and crisis intervention for adults in central Contra Costa County for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$525,188. (14% Federal Medi-Cal; 70% State Mental Health Services Act; 16% Mental Health Realignment)
- C. 53** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Contra Costa Crisis Center, in an amount not to exceed \$330,006 to provide Mental Health Services Act prevention and early intervention services through a twenty-four hour crisis line for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$165,003. (100% Mental Health Services Act)
- C. 54** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Bay Area Community Services, Inc., in an amount not to exceed \$2,627,206 to provide community services, support and residential mental health services to County clients for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$1,313,603. (55% Mental Health Realignment; 33% Federal Medi-Cal; 12% Mental Health Services Act)
- C. 55** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment with J Cole Recovery Homes, Inc., to modify the billing rates due to service delivery disruptions caused by COVID-19 with no change in the payment limit of \$935,028 or term July 1, 2020 through June 30, 2021. (31% Federal Drug Medi-Cal; 31% State General Fund; 14% AB 109; 24% Local)
- C. 56** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment with Westcare California, Inc., to modify the billing rates due to service delivery disruptions caused by COVID-19, with no change in the payment limit of \$1,521,380 or term October 1, 2020 through June 30, 2021. (46% Substance Abuse Treatment and Prevention Block Grant; 54% Federal Medi-Cal)
- C. 57** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment with Ujima Family Recovery Services, effective July 1, 2020, to modify the billing rates due to service delivery disruptions caused by COVID-19, with no change in the payment limit of \$3,485,421 or term July 1, 2020 through June 30, 2021. (71% Drug Medi-Cal; 16% Substance Abuse Prevention and Treatment Perinatal Set-Aside; 10% SAPT Block Grant; 3% AB 109)

- C. 58** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract amendment with Bi-Bett, to modify the billing rates due to service delivery disruptions caused by COVID-19, with no change in the payment limit of \$5,226,426 or term July 1, 2020 through June 30, 2021. (29% Substance Abuse Treatment and Prevention Block Grant; 64% Federal Medi-Cal; 7% AB 109)
- C. 59** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Contra Costa Interfaith Transitional Housing, Inc. (dba Hope Solutions), in an amount not to exceed \$385,477 to provide an on-site, on-demand and culturally appropriate Prevention and Early Intervention Program to help formerly homeless families for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$192,738. (100% Mental Health Services Act)
- C. 60** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Portia Bell Hume Behavioral Health and Training Center, in an amount not to exceed \$4,147,691 to provide Mental Health Services Act and Full Service Partnership Services to adults with serious mental illness who are homeless or at serious risk of homelessness for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$2,073,845. (20% Federal Medi-Cal; 80% Mental Health Services Act)
- C. 61** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Fred Finch Youth Center, in an amount not to exceed \$1,503,519 to provide mental health services to County youth under the Mental Health Services Act Community Services and Supports Program for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$751,759. (39% Federal Medi-Cal; 61% Mental Health Services Act)
- C. 62** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Shelter, Inc., in an amount not to exceed \$750,000 to provide support services to County residents in the Supportive Housing Program who are homeless and have a diagnosis of mental illness or dual-diagnosis for the period December 1, 2020 through November 30, 2021. (42% Federal McKinney-Vento Homeless; 56% Department of Housing and Urban Development; 2% Mental Health Services Act)
- C. 63** APPROVE and AUTHORIZE the Director of Risk Management to execute a software and services agreement with Ventiv Technology, Inc. for a hosted workers' compensation and liability claims management software system in the amount of \$1,176,123 for the period of December 31, 2020 to December 31, 2023. (100% Self-Insurance Internal Service Funds)

- C. 64** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Signature Parking, LLC, in an amount not to exceed \$479,772 to provide parking management services for the Contra Costa Regional Medical Center for the period January 1, 2021 through December 31, 2021. (100% Hospital Enterprise Fund I)
- C. 65** APPROVE and AUTHORIZE the County Probation Officer, or designee, to execute a contract with the Seneca Family of Agencies in an amount not to exceed \$357,501 to provide Wraparound Services for youth throughout Contra Costa County for the term December 1, 2020 through November 30, 2021. (100% State Revenue)
- C. 66** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Oliver Wyman Actuarial Consulting, Inc., in an amount not to exceed \$305,000 to provide actuarial services for Contra Costa Health Plan and Contra Costa Health Services for the period December 1, 2020 through November 30, 2023. (100% Contra Costa Health Plan Enterprise Fund II)
- C. 67** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Native American Health Center, Inc., in an amount not to exceed \$250,257 to provide Mental Health Services Act prevention and early intervention services to families of Native American heritage for the period from July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021, in an amount not to exceed \$125,129. (100% Mental Health Services Act)
- C. 68** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Mental Health Systems, Inc., in an amount not to exceed \$2,136,653 to provide Mental Health Services Act assisted outpatient treatment and assertive community treatment for eligible adults in Contra Costa County for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$1,068,327. (19% Federal Medi-Cal; 81% State Mental Health Services Act)
- C. 69** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a novation contract with Telecare Corporation, in an amount not to exceed \$2,204,053 to provide and manage crisis support and residential services for adults with mental illness at the Hope House for the period July 1, 2020 through June 30, 2021, including a six-month automatic extension through December 31, 2021 in an amount not to exceed \$1,102,026. (30% Federal Medi-Cal; 70% Mental Health Services Act)
- C. 70** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment and extension with Aspiranet, a non-profit corporation, to increase the payment limit by \$616,150 to a new payment limit of \$2,446,711, for emergency shelter receiving center services to foster children, and extend the term through June 30, 2021. (70% State, 30%

County General Funds)

- C. 71** APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract with Seneca Family of Agencies, a non-profit corporation, in an amount not to exceed \$250,000 to provide family finding services for foster youth for the period of January 1, 2021 through December 31, 2021. (50% State, 50% Federal)
- C. 72** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute cancellation agreement with Nazak Mozaffarieh, O.D., a sole proprietor, effective close of business on December 31, 2020; and APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a new contract with Nazak Mozaffarieh, O.D., Inc., a corporation, in an amount not to exceed \$300,000 to provide optometry services to Contra Costa Health Plan members, for the period January 1, 2021 through December 31, 2023. (100% CCHP Enterprise Fund II)
- C. 73** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with CitiGuard, Inc., in an amount not to exceed \$550,000 to provide security guard services at Contra Costa Regional Medical Center, Health Centers and COVID-19 testing sites for the period December 1, 2020 through November 30, 2021. (100% Federal COVID-19 funding sources)
- C. 74** APPROVE and AUTHORIZE the purchasing agent to execute, on behalf of the Health Services Department, a purchase order with Maverick Medical Group, Inc., in an amount not to exceed \$3,000,000 for the purchase of exam gloves, medical supplies, and other personal protective equipment at the Contra Costa Regional Medical Center and Health Centers for the period January 1, 2021 through December 31, 2021. (100% FEMA and federal emergency funding)
- C. 75** APPROVE and AUTHORIZE the Purchasing Agent, or designee, to execute a purchase order with Victory Supply Inc., on behalf of the Chief Probation Officer, in an amount not to exceed \$350,000 to purchase detention supplies related items as required for detained youth at the county juvenile facilities for the period January 1, 2021 to December 31, 2023. (100% General Fund)
- C. 76** APPROVE and AUTHORIZE the Purchasing Agent, on behalf of the Health Services Department, to execute a purchase order with ASD Specialty Healthcare, LLC., in an amount not to exceed \$295,000 for the purchase of Remdesivir for treating COVID-19 patients for the period January 1, 2021 through December 31, 2021. (100% Hospital Enterprise Fund I)
- C. 77** APPROVE and AUTHORIZE the Purchasing Agent, on behalf of the Health Services Department, to purchase food for the Program Governance Meetings totaling \$300 and gift card incentives totaling \$500 for the Health Care for the Homeless Program participants for the period February 1, 2020 through January 31, 2021. (100% Federal)

- C. 78** APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a community benefits agreement with The Artist Tree V, LLC, effective upon approval of a use permit, to pay the County amounts based on annual sales and provide specified community benefits in connection with The Artist Tree V's storefront commercial cannabis dispensary, El Sobrante area, as recommended by the Conservation and Development Director.
- C. 79** APPROVE and AUTHORIZE the Chief Information Officer to execute an Agreement with DocuSign in the amount of \$1,099,039 for electronic signature and contract lifecycle management services for a term of one year. (100% General Fund)
- C. 80** APPROVE and AUTHORIZE the Director of Risk Management to execute a contract with Tuell & Associates, Inc. in an amount not to exceed \$750,000 to provide workers' compensation staffing services for the period of November 1, 2020 through October 31, 2021. (100% Workers' Compensation Internal Service Fund)
- C. 81** APPROVE and AUTHORIZE the Agricultural Commissioner, or designee, to execute an agreement with the California Department of Food and Agriculture to reimburse the County an amount not to exceed \$155,743 to perform pest exclusion and high-risk pest inspection and enforcement activities for the period July 1, 2020 through June 30, 2021. (100% State)

### **Other Actions**

- C. 82** APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a community benefits agreement with SGI Pacheco, LLC, (dba Authentic 925), effective upon approval of a use permit, to pay the County amounts based on annual sales in connection with SGI Retail's storefront commercial cannabis dispensary, Pacheco area, as recommended by the Conservation and Development Director. (100% Special Revenue)
- C. 83** ACCEPT the 2020 Advisory Body Annual Report for the Affordable Housing Finance Committee, as recommended by the Conservation and Development Director. (No fiscal impact)
- C. 84** ADOPT Resolution No. 2020/332 accepting as complete the contracted work performed by Aztec Consultants for the Bisso Data Center Improvements Project located at 2380 Bisso Lane, Concord, for the Health Services Department. (No fiscal impact)



- C. 85** RESCIND Board action of September 8, 2020 (C.85) which pertained to a contract with Apheresis Care Group, Inc; and APPROVE and AUTHORIZE the Health Services Director, or designee to execute a contract with Apheresis Care Group, Inc., in an amount not to exceed \$700,000 to provide therapeutic plasmapheresis and hemodialysis services at Contra Costa Regional Medical Center and Health Centers for the period December 1, 2020 through June 30, 2025. (100% Hospital Enterprise Fund I)
- C. 86** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Ohlone College, for the County to provide supervised field instruction at Contra Costa Regional Medical Center and Health Centers to medical residency students for the period December 1, 2020 through November 30, 2025. (Nonfinancial agreement)
- C. 87** APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Children’s Hospital and Research Center Oakland, to provide supervised field instruction at Contra Costa Regional Medical Center and Health Centers to medical residency students for the period December 31, 2020 through December 30, 2025. (Nonfinancial agreement)
- C. 88** APPROVE a Substantial Amendment to the County's FY 2020/21 Community Development Block Grant (CDBG) Program Action Plan, by awarding \$25,000 in reallocated CDBG funds to Community Housing Development Corporation of North Richmond for the operation of programs within the Multicultural/Senior Family Community Center, located in North Richmond, as recommended by the Conservation and Development Director. (100% Federal funds)
- C. 89** ACCEPT the fiscal year 2019/20 Keller Canyon Mitigation Fund Year-End Report, as recommended by the Conservation and Development Director. (No fiscal impact)
- C. 90** ACCEPT the Contra Costa County Fish and Wildlife Committee 2020 Annual Report, as recommended by the Fish and Wildlife Committee. (No fiscal impact)
- C. 91** ACCEPT the Contra Costa County Historical Landmarks Advisory Committee (HLAC) 2020 Annual Report, as recommended by the Conservation and Development Director. (No fiscal impact)
- C. 92** APPROVE and AUTHORIZE the Auditor-Controller, or designee, to pay \$2,895 to John Muir Behavioral Health Center, for the provision of psychiatric treatment services including diagnostic and therapeutic services and mental health treatment for the period July 1, 2019 through February 29, 2020. (100% Mental Health Realignment)
- C. 93** ACCEPT the Contra Costa County Integrated Pest Management Advisory Committee 2020 Annual Report and 2021 Work Plan.

- C. 94** APPROVE an additional Keller Canyon Mitigation Fund (KCMF) allocation for the current fiscal year of \$50,000 for COVID-19 community outreach in the KCMF target area, as recommended by the Conservation and Development Director. (100% KCMF)
- C. 95** APPROVE the list of providers recommended by Contra Costa Health Plan's Peer Review and Credentialing Committee, the Medical Director, and the Health Services Director, as required by the State Departments of Health Care Services and Managed Health Care, and the Centers for Medicare and Medicaid Services.
- C. 96** APPROVE the medical staff appointments and reappointments, additional privileges, advancement, and voluntary resignations as recommend by the Medical Staff Executive Committee and by the Health Services Director.
- C. 97** APPROVE and AUTHORIZE the allocation of \$123,637 from the Crockett Co-Generation Property Tax Allocation for four projects, as recommended by the Crockett Community Foundation and Supervisor Glover. (100% County General Fund)
- C. 98** ACCEPT the Contra Costa County Library Commission 2020 Annual Report and 2021 Work Plan, as recommended by the Interim County Librarian. (No fiscal impact)
- C. 99** ACCEPT the 2020 Annual Report of the Alamo Municipal Advisory Council (MAC), as recommended by Supervisor Andersen.
- C.100** ADOPT Resolution No. 2020/336 authorizing FortiFi Financial Group, LLC, to implement Property Assessed Clean Energy programs within the County, and APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute agreements with the California Statewide Community Development Authority and FortiFi related thereto, as recommended by the Conservation and Development Director, Countywide. (No fiscal impact)
- C.101** ADOPT Resolution No. 2020/339 establishing an Electronic Recording Delivery System pursuant to the State Electronic Recording Delivery Act of 2004, as recommended by the Clerk-Recorder.
- C.102** ACCEPT the 2020 Advisory Body Annual Report for the Racial Justice Oversight Body. (No fiscal impact)

## **GENERAL INFORMATION**

The Board meets in all its capacities pursuant to Ordinance Code Section 24-2.402, including as the Housing Authority and the Successor Agency to the Redevelopment Agency. Persons who wish to address the Board should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Clerk of the Board to a majority of the members of the Board of Supervisors less than 96 hours prior to that meeting are available for public inspection at 1025 Escobar Street, First Floor, Martinez, CA 94553, during normal business hours.

All matters listed under CONSENT ITEMS are considered by the Board to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Board votes on the motion to adopt.

Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board. Comments on matters listed on the agenda or otherwise within the purview of the Board of Supervisors can be submitted to the office of the Clerk of the Board via mail: Board of Supervisors, 1025 Escobar Street, First Floor, Martinez, CA 94553.

The County will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 655-2000. An assistive listening device is available from the Clerk, First Floor.

Copies of recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 655-2000, to make the necessary arrangements.

Forms are available to anyone desiring to submit an inspirational thought nomination for inclusion on the Board Agenda. Forms may be obtained at the Office of the County Administrator or Office of the Clerk of the Board, 1025 Escobar Street, Martinez, California.

Subscribe to receive to the weekly Board Agenda by calling the Office of the Clerk of the Board, (925) 655-2000 or using the County's on line subscription feature at the County's Internet Web Page, where agendas and supporting information may also be viewed:

[www.co.contra-costa.ca.us](http://www.co.contra-costa.ca.us)

### **STANDING COMMITTEES**

Until further notice, to slow the spread of COVID-19 and in lieu of a public gathering, if the Board's STANDING COMMITTEES meet they will provide public access either telephonically or electronically, as noticed on the agenda for the respective STANDING COMMITTEE meeting.

The **Airport Committee** (Supervisors Karen Mitchoff and Diane Burgis) meets quarterly on the second Wednesday of the month at 11:00 a.m. at the Director of Airports Office, 550 Sally Ride Drive, Concord.

The **Family and Human Services Committee** (Supervisors John Gioia and Candace Andersen) meets on the fourth Monday of the month at 9:00 a.m. in Room 110, County Administration Building, 1025 Escobar Street, Martinez.

The **Finance Committee** (Supervisors John Gioia and Karen Mitchoff) meets on the first Monday of the month at 9:00 a.m. in Room 110, County Administration Building, 1025 Escobar Street, Martinez.

The **Hiring Outreach Oversight Committee** (Supervisors Federal D. Glover and John Gioia) meets quarterly on the first Monday of the month at 10:30 a.m.. in Room 110, County Administration Building, 1025 Escobar Street, Martinez.

The **Internal Operations Committee** (Supervisors Candace Andersen and Diane Burgis) meets on the second Monday of the month at 10:30 a.m. in Room 110, County Administration Building, 1025 Escobar Street, Martinez.

The **Legislation Committee** (Supervisors Karen Mitchoff and Diane Burgis) meets on the second Monday of the month at 1:00 p.m. in Room 110, County Administration Building, 1025 Street, Martinez.

The **Public Protection Committee** (Supervisors Andersen and Federal D. Glover) meets on the fourth Monday of the month at 10:30 a.m. in Room 110, County Administration Building, 1025 Escobar Street, Martinez.

The **Sustainability Committee** (Supervisors Federal D. Glover and John Gioia) meets on the fourth Monday of every other month at 1:00 p.m. in Room 110, County Administration Building, 1025 Escobar Street, Martinez.

The **Transportation, Water & Infrastructure Committee** (Supervisors Candace Andersen and Karen Mitchoff) meets on the second Monday of the month at 9:00 a.m. in Room 110, County Administration Building, 1025 Escobar Street, Martinez.

Airports Committee	TBD for 2021		See above
Family & Human Services Committee	December 28, 2020 Canceled	9:00 a.m.	See above
Finance Committee	TBD for 2021		See above
Hiring Outreach Oversight Committee	TBD for 2021		See above
Internal Operations Committee	TBD for 2021		See above
Legislation Committee	TBD for 2021		See above
Public Protection Committee	December 28, 2020	10:30 a.m.	See above
Sustainability Committee	TBD for 2021		See above

Transportation, Water & Infrastructure Committee	TBD for 2021		See above
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**AGENDA DEADLINE: Thursday, 12 noon, 12 days before the Tuesday Board meetings.**

### **Glossary of Acronyms, Abbreviations, and other Terms (in alphabetical order):**

Contra Costa County has a policy of making limited use of acronyms, abbreviations, and industry-specific language in its Board of Supervisors meetings and written materials. Following is a list of commonly used language that may appear in oral presentations and written materials associated with Board meetings:

**AB** Assembly Bill  
**ABAG** Association of Bay Area Governments  
**ACA** Assembly Constitutional Amendment  
**ADA** Americans with Disabilities Act of 1990  
**AFSCME** American Federation of State County and Municipal Employees  
**AICP** American Institute of Certified Planners  
**AIDS** Acquired Immunodeficiency Deficiency Syndrome  
**ALUC** Airport Land Use Commission  
**AOD** Alcohol and Other Drugs  
**ARRA** American Recovery & Reinvestment Act of 2009  
**BAAQMD** Bay Area Air Quality Management District  
**BART** Bay Area Rapid Transit District  
**BayRICS** Bay Area Regional Interoperable Communications System  
**BCDC** Bay Conservation & Development Commission  
**BGO** Better Government Ordinance  
**BOS** Board of Supervisors  
**CALTRANS** California Department of Transportation  
**CalWIN** California Works Information Network  
**CalWORKS** California Work Opportunity and Responsibility to Kids  
**CAER** Community Awareness Emergency Response  
**CAO** County Administrative Officer or Office  
**CCE** Community Choice Energy  
**CCCPCFD (ConFire)** Contra Costa County Fire Protection District  
**CCHP** Contra Costa Health Plan  
**CCTA** Contra Costa Transportation Authority  
**CCRMC** Contra Costa Regional Medical Center  
**CCWD** Contra Costa Water District  
**CDBG** Community Development Block Grant  
**CFDA** Catalog of Federal Domestic Assistance  
**CEQA** California Environmental Quality Act  
**CIO** Chief Information Officer  
**COLA** Cost of living adjustment  
**ConFire (CCCPCFD)** Contra Costa County Fire Protection District  
**CPA** Certified Public Accountant  
**CPI** Consumer Price Index

**CSA** County Service Area  
**CSAC** California State Association of Counties  
**CTC** California Transportation Commission  
**dba** doing business as  
**DSRIP** Delivery System Reform Incentive Program  
**EBMUD** East Bay Municipal Utility District  
**ECCFPD** East Contra Costa Fire Protection District  
**EIR** Environmental Impact Report  
**EIS** Environmental Impact Statement  
**EMCC** Emergency Medical Care Committee  
**EMS** Emergency Medical Services  
**EPSDT** Early State Periodic Screening, Diagnosis and Treatment Program (Mental Health)  
**et al.** et alii (and others)  
**FAA** Federal Aviation Administration  
**FEMA** Federal Emergency Management Agency  
**F&HS** Family and Human Services Committee  
**First 5** First Five Children and Families Commission (Proposition 10)  
**FTE** Full Time Equivalent  
**FY** Fiscal Year  
**GHAD** Geologic Hazard Abatement District  
**GIS** Geographic Information System  
**HCD** (State Dept of) Housing & Community Development  
**HHS** (State Dept of ) Health and Human Services  
**HIPAA** Health Insurance Portability and Accountability Act  
**HIV** Human Immunodeficiency Virus  
**HOME** Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households  
**HOPWA** Housing Opportunities for Persons with AIDS Program  
**HOV** High Occupancy Vehicle  
**HR** Human Resources  
**HUD** United States Department of Housing and Urban Development  
**IHSS** In-Home Supportive Services  
**Inc.** Incorporated  
**IOC** Internal Operations Committee  
**ISO** Industrial Safety Ordinance  
**JPA** Joint (exercise of) Powers Authority or Agreement  
**Lamorinda** Lafayette-Moraga-Orinda Area  
**LAFCo** Local Agency Formation Commission  
**LLC** Limited Liability Company  
**LLP** Limited Liability Partnership  
**Local 1** Public Employees Union Local 1  
**LVN** Licensed Vocational Nurse  
**MAC** Municipal Advisory Council  
**MBE** Minority Business Enterprise  
**M.D.** Medical Doctor  
**M.F.T.** Marriage and Family Therapist  
**MIS** Management Information System  
**MOE** Maintenance of Effort

**MOU** Memorandum of Understanding  
**MTC** Metropolitan Transportation Commission  
**NACo** National Association of Counties  
**NEPA** National Environmental Policy Act  
**OB-GYN** Obstetrics and Gynecology  
**O.D.** Doctor of Optometry  
**OES-EOC** Office of Emergency Services-Emergency Operations Center  
**OPEB** Other Post Employment Benefits  
**OSHA** Occupational Safety and Health Administration  
**PACE** Property Assessed Clean Energy  
**PARS** Public Agencies Retirement Services  
**PEPRA** Public Employees Pension Reform Act  
**Psy.D.** Doctor of Psychology  
**RDA** Redevelopment Agency  
**RFI** Request For Information  
**RFP** Request For Proposal  
**RFQ** Request For Qualifications  
**RN** Registered Nurse  
**SB** Senate Bill  
**SBE** Small Business Enterprise  
**SEIU** Service Employees International Union  
**SUASI** Super Urban Area Security Initiative  
**SWAT** Southwest Area Transportation Committee  
**TRANSPAC** Transportation Partnership & Cooperation (Central)  
**TRANSPLAN** Transportation Planning Committee (East County)  
**TRE** or **TTE** Trustee  
**TWIC** Transportation, Water and Infrastructure Committee  
**UASI** Urban Area Security Initiative  
**VA** Department of Veterans Affairs  
**vs.** versus (against)  
**WAN** Wide Area Network  
**WBE** Women Business Enterprise  
**WCCHD** West Contra Costa Healthcare District  
**WCCTAC** West Contra Costa Transportation Advisory Committee



Contra  
Costa  
County

To: Board of Supervisors  
From: Candace Andersen, District II Supervisor  
Date: December 15, 2020

Subject: Resolution recognizing David Twa upon his retirement as the Contra Costa County Administrator

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF  
SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: 9259578860

By: , Deputy

cc:



ATTACHMENTS

Resolution

2020/345

*The Board of Supervisors of  
Contra Costa County, California*

In the matter of:

**Resolution No. 2020/345**

**Recognizing David Twa upon his retirement as the Contra Costa County Administrator**

Whereas, Contra Costa County was fortunate to bring David Twa to California as its County Administrator, and prior to his appointment in 2008, he spent decades in county administration in Minnesota; after coming to Contra Costa, he quickly established himself as a well-respected executive, leader and advisor to the Board of Supervisors, employees, and County Administrator peers across the State of California; and

Whereas, While serving as an appointee of the Board of Supervisors, David Twa has overseen the successful implementation of their goals and policies, and has been in charge of managing and the overall responsibility of more than 10,000 employees and a county budget of \$3.8 Billion; and

Whereas, one of David's greatest talents shared with the Board, peers, and employees has been his steady, measured approach to virtually every issue that he encounters, which comes from his decades of experience and having the ability to maintain significant composure and presence; the outcome being that his advice and direction on issues was rarely challenged, a testament to the value placed upon his opinions, and trust in his oversight; and

Whereas, David has always encouraged and been supportive of County personnel to attend trainings or participate in other career development opportunities, playing a key role in making opportunities available to County staff, in 2014 he helped establish the Contra Costa Local Government Leadership Academy, and in 2015 he arranged for the CSAC Institute to bring the credentialed California County Senior Executive Program directly to Contra Costa County; and

Whereas, David has participated and assisted in numerous activities to introduce public administration to the next generation of leaders including the "So you want to be the CAO?" course hosted by CSAC and the CAOAC, volunteer lecturing in public administration courses at California State University, East Bay, and mentoring his staff and others throughout California; and

Whereas, One of David's primary goals, in concert with the Board of Supervisors, upon his arrival to Contra Costa County was to achieve a AAA bond rating for the County; in December of 2013, the County was awarded a AAA bond rating by Standard & Poor's, a significant accomplishment, not just because of the difficulty of achieving a AAA rating, but doing so in the greatest economic downturn since the Great Depression; and

Whereas, David Twa has been responsible for the overall administration of 24 departments, agencies and special districts, including six elected Department Heads, ensuring that the million plus Contra Costa residents receive taxpayer supported

programs, ranging from Airports to Zoning; and

Whereas, David Twa’s respected leadership and his long-term positive accomplishments for Contra Costa County have brought him praise as a role model for others, and the name David Twa has become synonymous with the term “County Administrator.”

Whereas, David is wished all the best as he returns to Minnesota to join his family. that the Board of Supervisors of Contra Costa County does hereby honor and thank David Twa for years of dedication and loyalty to the residents of Contra Costa County and to the employees of Contra Costa County.

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**CANDACE ANDERSEN**  
Chair, District II Supervisor

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**JOHN GIOIA**  
District I Supervisor

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**DIANE BURGIS**  
District III Supervisor

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**KAREN MITCHOFF**  
District IV Supervisor

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**FEDERAL D. GLOVER**  
District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa,

By: \_\_\_\_\_, Deputy



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: Update on COVID-19

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**RECOMMENDATION(S):**

CONSIDER update on COVID 19; and PROVIDE direction to staff.

1. Health Department - Anna Roth, Director and Dr. Farnitano, Health Officer
- 2.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

, County Administrator and Clerk of the Board of Supervisors

Contact: David Twa

By: , Deputy

cc:

RECOMMENDATION(S): (CONT'D)

Public Health Order Enforcement

1. Diana Becton, District Attorney
2. Assistant Sheriff John Lowden
3. John Kopchik, Department of Conservation and Development Director
4. Randy Sawyer, Environmental Health Director

<sup>1.</sup>  
FISCAL IMPACT:

Administrative reports with no specific fiscal impact.

BACKGROUND:

The Health Services Department has established a website dedicated to COVID-19, including daily updates. The site is located at: <https://www.coronavirus.cchealth.org/>



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Administrative fines for violations of public health orders

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**RECOMMENDATION(S):**

CONSIDER whether to adopt an urgency ordinance increasing administrative fine amounts for violations of public health orders pertaining to the COVID-19 pandemic, or pursue other means of enforcement.

**FISCAL IMPACT:**

Although adopting the ordinance has no fiscal impact by itself, the potential change of County policy that it affects will have an impact that is unlikely to be covered by the current or potential increased fines. The administrative and programmatic costs of establishing enforcement officers will be dependent upon the level of enforcement with public health orders, the cost of hearing officers, and the cost of likely appeals to the Superior Court.

**BACKGROUND:**

On July 28, 2020, the Board of Supervisors adopted Ordinance No. 2020-21, an urgency ordinance that established administrative fines for violations of public health orders issued by the County’s Public Health Officer and the State Public Health Officer. The ordinance authorizes administrative fines for violations

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- APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Anna Roth,  
(925)

By: , Deputy

cc:

## BACKGROUND: (CONT'D)

of public health orders involving both non-commercial and commercial activities. For health order violations involving non-commercial activities, the amount of the fine is \$100 for a first violation, \$200 for a second violation, and \$500 for each additional violation within one year of the initial violation. For violations involving commercial activity, the amount of the fine is \$250 for a first violation, \$500 for a second violation, and \$1,000 for each additional violation within one year of the initial violation. If a violation continues for more than one day, each day is a separate violation.

The ordinance authorizes enforcement officers designated by the Director of Health Services, the Director of Conservation and Development, and the Sheriff to enforce the ordinance. Because Public Health Officer orders apply countywide, this ordinance also applies countywide under Government Code section 8634. The ordinance may be enforced in cities and special districts by officials designated by those agencies to enforce the ordinance.

The ordinance authorizes enforcement officers to impose a fine by issuing a Notice of Fine to a person or business in violation of a public health order. Before issuing a Notice of Fine, an enforcement officer can first issue a Notice of Violation, which gives a person or business up to two days to correct a violation. If the violation is not corrected, the enforcement officer can then issue a Notice of Fine. In cases where the enforcement officer determines that issuing a Notice of Violation is unnecessary or ineffective, the enforcement officer can immediately issue a Notice of Fine. If a person or business is issued a Notice of Fine, the fine can be paid or appealed. An appeal is heard by a hearing officer established or appointed by the agency issuing the Notice of Fine.

On December 8, 2020, Board members expressed interest in possibly increasing the maximum amount of fines that can be levied for health order violations. Attached is a draft urgency ordinance with no fine amounts specified. After the December 15 staff presentation on public health order enforcement, the Board may wish to either consider increasing fines, or leave the existing ordinance and existing fine amounts in place and consider alternative methods of enforcement. If the Board wishes to adopt a new ordinance increasing fines, the new fine amounts will have to be specified in Section 5(d) of the draft ordinance. Section 5(d) is on page 4 of the ordinance.

## CONSEQUENCE OF NEGATIVE ACTION:

If no action is taken, the existing fine amounts will remain unchanged.

## CHILDREN'S IMPACT STATEMENT:

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## ATTACHMENTS

Draft Urgency Ordinance

ORDINANCE NO. 2020-\_\_\_ **DRAFT**

AN URGENCY ORDINANCE INCREASING ADMINISTRATIVE FINES FOR  
VIOLATIONS OF PUBLIC HEALTH ORDERS  
PERTAINING TO THE COVID-19 PANDEMIC

The Contra Costa County Board of Supervisors ordains as follows:

**Section 1. Findings.**

- A. On January 30, 2020, the World Health Organization declared the outbreak of a novel coronavirus that causes the disease named coronavirus disease 2019 (“COVID-19”), a public health emergency of international concern.
- B. On January 31, 2020, as the result of confirmed cases of COVID-19, the U.S. Secretary of Health and Human Services declared a public health emergency nationwide.
- C. On March 3, 2020, Contra Costa Health Services announced the first case of local transmission of the virus causing COVID-19 in Contra Costa County.
- D. On March 4, 2020, Governor Gavin Newsom proclaimed the existence of a state of emergency in California under the California Emergency Services Act (Gov. Code, § 8550 et seq.).
- E. On March 10, 2020, the Board of Supervisors found that due to the introduction of COVID-19 in the County, conditions of disaster or extreme peril to the safety of persons and property had arisen, commencing on March 3, 2020. Based on these conditions, under Government Code section 8630, the Board adopted Resolution No. 2020/92, proclaiming the existence of a local emergency throughout the County.
- F. The legislative bodies of a number of cities in Contra Costa County have also adopted local emergency proclamations due to COVID-19 under Government Code section 8630.
- G. On March 16, 2020, the County Health Officer issued an order requiring County residents to shelter at their places of residence in order to slow community transmission of COVID-19, subject to exceptions for the provision and receipt of essential services while complying with social distancing requirements to the maximum extent possible. The County Health Officer extended the order on March 31, 2020, and on April 29, 2020.
- H. On March 19, 2020, the State Public Health Officer issued an order directing all individuals living in California to stay at home except as needed to facilitate authorized, necessary activities or to maintain the continuity of operations of critical infrastructure sectors.
- I. On May 7, 2020, the State Public Health Officer announced that statewide data supported the gradual modification of the statewide stay at home order to allow more businesses that had been closed to reopen.



- J. On May 18, 2020, the County Health Officer extended the shelter-in-place order, continuing restrictions on many activity, travel, and business functions but allowing a limited number of additional businesses to resume operating. On June 2, June 5, and June 16, 2020, the County Health Officer issued orders allowing additional businesses to resume operating.
- K. Since May, the statewide data has demonstrated a significant increase in the spread of COVID-19, resulting in public health conditions that demand measures responsive to those conditions.
- L. On July 11, 2020, the County Health Officer issued an order increasing restrictions on certain businesses and activities that were previously cleared for operation, because they present a high risk for disease transmission due to prolonged contact between persons at those businesses and activities.
- M. On July 13, 2020, the State Public Health Officer issued an order requiring counties on the state’s County Monitoring List to close certain businesses that had been allowed to reopen to close again. Contra Costa County is on the state’s County Monitoring List.
- N. Violations of public health orders related to the control of the spread of COVID-19 present an immediate threat to the public peace, health, and safety, as described in Government Code section 25123(d), in that violations of the orders increase the likelihood that COVID-19 will continue spreading, overwhelming health care systems and leading to injury and death that might otherwise be substantially reduced through adherence to public health orders.
- O. On July 28, 2020, the Board of Supervisors adopted Ordinance No. 2020-21, an urgency ordinance that established administrative fines for violations of public health orders. There is an urgent need for the County to authorize an increase in administrative fines for violations of public health orders to ensure increased compliance with public health orders. Increased compliance is necessary in light of the statewide surge of COVID-19 cases and hospitalizations that began in the middle of October 2020. On October 14, 2020, the seven-day average COVID-19 adjusted daily case rate was 4.6 cases per 100,000 people in the County. By November 24, 2020, the adjusted rate had more than doubled, to 9.7 cases per 100,000 persons in the County. Hospitalizations of COVID-19 patients have also increased, from a seven-day average of 27 patients in County hospitals as of October 14, 2020, to a seven-day average of 100 patients in County hospitals as of December 2, 2020. Data reported by the State of California indicates that 10 percent to 30 percent of COVID-19 patients will require intensive care. Of 116 COVID-19 patients hospitalized in the County on December 2, 2020, 27 were in intensive care units (ICUs), and only 55 ICU beds were available in the County for all patients, leaving the County with 31 percent available ICU capacity. Available ICU capacity in hospitals in the Bay Area region was 25.3 percent on December 3, 2020, and is projected to fall to 15 percent by mid-December. If the current trends continue, according to State projections, Bay Area hospitals collectively may be operating at 91 percent of their full capacity by December 24, 2020, and by January 1, 2021, the demand for ICU beds may exceed the current supply.

**Section 2. Applicability and Authorization.**

- (a) This ordinance provides for administrative fines, enforcement, and collection remedies to address any violation of a Public Health Order, as defined in Section 3.
- (b) Remedies under this ordinance are in addition to any other remedy allowed by applicable law.
- (c) This ordinance is authorized by Government Code sections 8634 and 53069.4.

**Section 3. Definitions.** For purposes of this ordinance, the following words and phrases have the following meanings:

- (a) “Enforcement Officer” means the following officials and their designees:
  - (1) County Director of Health Services.
  - (2) County Director of Conservation and Development.
  - (3) County Sheriff.
  - (4) Any official designated by a city council or city manager, or by a special district board of directors or general manager, to enforce this ordinance in that jurisdiction.
- (b) “Public Health Order” means any order issued by the County Public Health Officer under authority granted by state law and any order issued by the State Public Health Officer.
- (c) “Responsible Party” means an individual or legal entity, or the agent of the individual or legal entity, whose act or failure to act violated a Public Health Order, including, without limitation, any person or entity that causes, maintains, permits, or allows a violation of this ordinance; any person or entity that owns, possesses, or controls any parcel of real property in the County where a violation of this ordinance is maintained; or any person or entity that owns, possesses, operates, manages, or controls any business within the County that is responsible for causing or maintaining a violation of this ordinance.

**Section 4. Adoption of Public Health Orders as County Law.**

Persons in the County shall comply with all applicable requirements in all currently effective Public Health Orders. A violation of a Public Health Order is a violation of this ordinance.

**Section 5. Administrative Fines.**

- (a) A Responsible Party that violates this ordinance may be issued a Notice of Fine by an Enforcement Officer.
- (b) If an Enforcement Officer determines that a violation of this ordinance occurred, the Enforcement Officer may issue a Notice of Violation to the Responsible Party that

provides up to two days to correct the violation. If the Responsible Party receiving the Notice of Violation does not correct the violation in the time specified in the Notice of Violation, the Enforcement Officer may then issue a Notice of Fine. This section does not prevent an Enforcement Office from issuing a Notice of Fine without previously issuing a Notice of Violation when, in the Enforcement Officer's sole discretion, the circumstances of the violation make the Notice of Violation unnecessary or ineffective.

- (c) A Notice of Violation and a Notice of Fine will include the following information:
  - (1) The date of the violation.
  - (2) The address or other description of the location where the violation occurred.
  - (3) The Public Health Order violated and a description of the violation.
  - (4) If a Notice of Violation orders the correction of a violation, a description in the Notice of Violation of how the violation can be corrected.
  - (5) The amount of the fine.
  - (6) An advisement of the right to request a hearing to appeal the fine and instructions for filing a request for hearing.
- (d) An administrative fine will be assessed by means of a Notice of Fine. The amounts of the fines imposed pursuant to this ordinance are as follows:
  - (1) For violations involving non-commercial activity, the amount of the fine will be \$\_\_\_\_\_ [*current fine: \$100*] for a first violation, \$\_\_\_\_\_ [*current fine: \$200*] for a second violation, and \$\_\_\_\_\_ [*current fine: \$500*] for each additional violation within one year of the initial violation.
  - (2) For violations involving commercial activity, the amount of the fine will be \$\_\_\_\_\_ [*current fine: \$250*] for a first violation, \$\_\_\_\_\_ [*current fine: \$500*] for a second violation, and \$\_\_\_\_\_ [*current fine: \$1,000*] for each additional violation within one year of the initial violation.
- (e) Acts, omissions, or conditions in violation of this ordinance that continue, exist, or occur on more than one day constitute separate violations and offenses on each day.

## **Section 6. Hearings.**

- (a) A Responsible Party upon whom an administrative fine is imposed may appeal the fine pursuant to the procedures set forth in this section. The appellant must file a written appeal within 10 days after the service date of the Notice of Fine. The written appeal must contain:

- (1) A brief statement setting forth the interest the Responsible Party has in the matter relating to the imposition of the fine; and
  - (2) A brief statement of the material facts that the Responsible Party claims supports the contention that no fine should be imposed or that a fine of a different amount is warranted.
- (b) Notice of the appeal hearing will be served as specified in Section 10 and will set the time and location of the appeal hearing.
  - (c) An appeal of an administrative fine will be heard by a hearing officer established or appointed by the agency issuing the Notice of Fine.
  - (d) At the hearing, the Responsible Party will be given the opportunity to testify and to present evidence.
  - (e) After considering the testimony and evidence submitted at the hearing, or after the appellant has failed to appear at the hearing, the hearing officer will issue a written decision to uphold, modify, or cancel the administrative fine and will list in the decision the reason or reasons for that decision. The decision will be served as specified in Section 10.

**Section 7. Final Order.** The imposition of the administrative fine becomes a final administrative order at one of the following times:

- (a) On the date that service of the Notice of Fine is complete, if the Responsible Party fails to file a written appeal within the time specified.
- (b) On the date that service of the hearing officer's written decision is complete, if the appeal was timely filed.

**Section 8. Payment of the Fine.** The administrative fine is effective and due immediately upon issuance of the Notice of Fine. The Responsible Party has 30 days after the administrative fine becomes a final administrative order to pay the fine to the agency issuing the Notice of Fine. Payment of a fine under this ordinance does not excuse or discharge any continuation or repeated occurrence of the violation that is the subject of the Notice of Fine. The payment of a fine does not bar any other enforcement action regarding a violation that is not corrected.

**Section 9. Collection.** If the fine is not paid within 30 days after the imposition of the fine becomes a final administrative order, the County may collect the fine, the County's collection costs, and interest. An administrative fine accrues interest at the same annual rate as any civil judgment, beginning on the 20th day after the fine becomes a final administrative order. The County may collect by using any available legal means, including but not limited to a civil action or other actions as are allowed for enforcement of a civil judgment pursuant to the Enforcement of Judgment Law, California Code of Civil Procedure section 680.010 et seq.

**Section 10. Service.**

- (a) All notices or decisions required to be served by this ordinance will be served by one or more of the following methods.
  - (1) By personal service.
  - (2) By posting and mailing, if the violation occurred on real property known to the Enforcement Officer to be owned, possessed, or controlled by the Responsible Party. Posting of the notice or decision will be conspicuously on or in front of the property. If the property has no frontage, posting will be on the portion of the property nearest to a street, highway, or road, or most likely to give actual notice to the owner. The notice or decision will also be mailed by overnight mail, postage prepaid, to the address at which the notice or decision was posted, or to any other mailing address of the Responsible Party that is known to the Enforcement Officer.
  - (3) By mailing to a mailing address of the Responsible Party that is known to the Enforcement Officer, if personal service or posting is impracticable.
- (b) Service is complete at the time of personal service, one day after posting and mailing the notice or decision, or five days after service by mail alone. The failure of a Responsible Party to receive a properly addressed service shall not affect the validity of the proceedings.

**Section 11. Judicial Review.** A final administrative order may be appealed to the Superior Court of Contra Costa County in accordance with the provisions set forth in Government Code section 53069.4.

**Section 12. Severability.** If any provision or clause of this ordinance or the application thereof to any person or circumstances is held to be unconstitutional or to be otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other ordinance provisions or clauses or applications thereof that can be implemented without the invalid provision or clause or application, and to this end the provisions and clauses are declared to be severable. The Board of Supervisors hereby declares that it would have adopted this ordinance and each provision thereof irrespective of whether any one or more provisions are found invalid, unconstitutional, or otherwise unenforceable.

**Section 13. Declaration of Urgency.** This ordinance is hereby declared to be an urgency ordinance necessary for the immediate preservation of the public peace, health, and safety of the County. The facts constituting the urgency of this ordinance’s adoption are set forth in Section 1.

**Section 14. Effective Date.** This ordinance becomes effective immediately upon passage by four-fifths vote of the Board of Supervisors. This ordinance shall expire and be repealed as of the termination of the local emergency proclaimed in response to the COVID-19 pandemic.

**Section 15. Publication.** Within 15 days after passage, this ordinance shall be published once with the names of the supervisors voting for and against it in the East Bay Times, a newspaper published in this County.

PASSED ON December 15, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:     DAVID J. TWA,  
              Clerk of the Board of Supervisors  
              and County Administrator

\_\_\_\_\_  
Board Chair

By:

\_\_\_\_\_  
Deputy

[SEAL]

H:\2020\Covid 19\administrative penalties\urgency ordinance - admin penalties increase - draft.docx



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Supervisor Diane Burgis & Supervisor John Gioia  
Date: December 15, 2020

Subject: Resolution Urging the State of California to prioritize California public school educators for phase one COVID-19 vaccine access

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: James Lyons,  
510-231-8692

By: , Deputy

cc:

ATTACHMENTS

Resolution

2020/344



*The Board of Supervisors of  
Contra Costa County, California*

In the matter of:

**Resolution No. 2020/344**

**In the Matter of urging Governor Newsom and the California Department of Public Health to prioritize California public school educators for phase one COVID-19 vaccine access.**

WHEREAS, As of December 7, 2020 the California Department of Public Health has reported at least 1,389,707 confirmed COVID-19 cases in California, and a total of 20,047 deaths in the state; and

WHEREAS, In the early stages of the pandemic, local and state public health orders required the closure of public schools across the state to slow the spread of coronavirus in the community; and

WHEREAS, Despite the unprecedented nature of the public health crisis, school districts and educators across the state stepped up and adapted to the significant challenges caused by school closures by shifting towards new online distance learning formats; and

WHEREAS, Even with innovative distance learning measures put in place, COVID-19 school disruptions have had an adverse effect on K-12 learning, especially among low-income students and students of color, with data showing a higher failure rate at schools with a higher percentage of students on free or reduced lunch programs; and

WHEREAS, While schools have been closed for nearly 9 months, state officials have failed to prioritize enough resources to support safe school reopening as a part of the state's COVID recovery efforts and many school districts remain closed with no clear timelines or commitments for reopening in the near future; and

WHEREAS, Public school enrollment has begun to decline across the state and country, with many families being forced to leave public school districts to enroll in private and independent schools systems that have managed to reopen schools with government authorization and safety protocols in place; and

WHEREAS, School closures have had extreme ramifications on student achievement including cutting student learning time, limiting the ability of educators to provide their usual level of support, diminishing opportunities for students to develop their social and emotional skills, and increasing rates of anxiety, depression, obesity, and other serious health conditions among students; and

WHEREAS, These educational consequences from school closures are exponentially worse at understaffed and underfunded schools across the state that traditionally serve large populations of students of color and their families, who were already facing stark achievement gaps prior to the COVID crisis; and

WHEREAS, The disproportionate health and economic impacts of COVID-19 on Black, Latino, Asian and Pacific Islander, and Native American families, including higher rates of job loss and COVID-19 infections compounded by limited access to

technology and reliable internet access, have only exacerbated the educational challenges that students of color have had to endure during this crisis; and

WHEREAS, If we do not act with greater urgency to resolve these disruptions to our public education system, the severe learning deficits caused by school closures could have lasting impacts on our students including persistent behavioral and academic challenges, grade repetition, and increases in school truancy, suspension, expulsion, and dropouts rates longer term; and

WHEREAS, For many working families, the continued closure of schools has forced many parents and caregivers to make an impossible choice between leaving their jobs and foregoing their family's income, or leaving their children home alone without the care or supervision of an adult; and

WHEREAS, There is general agreement among parents, educators, school administrators, and public health professionals that schools should be able to reopen as long as the rates of COVID-19 transmission remain low in the general population, and there is adequate school testing, screening, monitoring, sanitation, personal protective equipment, and emergency response protocols in place to ensure that educators and students can safely return to an in-person school setting; and

WHEREAS, Providing vaccines to all school site personnel, including teachers, paraprofessionals, janitors, and other support staff, will be key to reopening schools safely and efficiently; and

WHEREAS, Several pharmaceutical companies have released recent reports showing promising results that vaccines protecting against the COVID-19 virus may become available to priority populations as early as December 2020 following authorization from the U.S. Food and Drug Administration; and

WHEREAS, According to the National Institutes of Health, there are enough vaccines available to vaccinate up to 20 million people in the United States in December and those doses are likely to be distributed based on state conditions and population size; and

WHEREAS, Because initial vaccine supply will be limited, California state health officials are developing a phased distribution plan in partnership with the U.S. Centers for Disease Control and Prevention that will establish the priority populations for vaccination; and

WHEREAS, The state has indicated that health care workers and first responders who are likely to treat or be exposed to COVID-19 patients are expected to be the first phase of vaccine recipients, and these workers are being divided into subgroups in case of a shortage in the first rounds; and

WHEREAS, The definition of an essential worker in the distribution guidance is still being developed by state health officials; and

WHEREAS, Public School educators are arguably among the most essential workers in our society as they not only provide an education, but also serve to protect children from hunger and other social ills, give children purpose, set them up for success as citizens, and inspire them to succeed in life; and

WHEREAS, While educators are generally considered essential workers, it is still unclear where educators will fall in the state’s priority ranking, which will be decided in the coming weeks; and

WHEREAS, European countries like France have prioritized keeping schools open citing their commitments to minimize the academic harm of school closures, while the United States has prioritized reopening bars and retail establishments as schools have remained closed; and

WHEREAS, Education is the cornerstone of our democracy, and at a time when our democratic institutions are under attack, we have a moral obligation to protect the integrity of our educational institutions by ensuring that they are well resourced and equipped to overcome the current and future challenges presented by the COVID-19 health crisis;

NOW, THEREFORE, BE IT RESOLVED, that the Contra Costa County Board of Supervisors urges Governor Newsom, the California Department of Public Health, and all other state health officials to prioritize the recovery of our public education system by providing teachers and school support staff with vaccines immediately after health care professionals so that we can safely reopen schools and get students back into the classroom as soon as possible with a priority for teachers in school districts that have submitted reopening plans; and FURTHER RESOLVED, That the Contra Costa County Board of Supervisors urges Governor Newsom, the California Department of Public Health, and all other state health officials to ensure that the costs of COVID-19 vaccines for all educators and school support staff be subsidized by our state and federal government to ensure equitable and timely access to these vaccines; and FURTHER RESOLVED, That the Contra Costa County Board of Supervisors hereby directs the Clerk of the Board to transmit copies to the Honorable Governor Gavin Newsom and to the California Department of Public Health with a request to take all actions necessary to achieve the objectives of this Resolution.

\_\_\_\_\_  
**CANDACE ANDERSEN**  
Chair, District II Supervisor

\_\_\_\_\_  
**JOHN GIOIA**  
District I Supervisor

\_\_\_\_\_  
**DIANE BURGIS**  
District III Supervisor

\_\_\_\_\_  
**KAREN MITCHOFF**  
District IV Supervisor

\_\_\_\_\_  
**FEDERAL D. GLOVER**  
District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa,

By: \_\_\_\_\_, Deputy



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Update on Investigation of Radioactive Waste Allegedly Sent to Keller Canyon Landfill

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**RECOMMENDATION(S):**

ACCEPT the Keller Canyon Landfill Forensic Audit Technical Memorandum prepared by TRC Solutions, Inc. and Staff Report prepared by Contra Costa Environmental Health staff detailing the investigation of alleged radioactive waste sent to Keller Canyon Landfill from the former Hunters Point Naval Shipyard.

**FISCAL IMPACT:**

Acceptance of this report is not expected to impact the General Fund.

**BACKGROUND:**

Contra Costa Health Services (CCHS) is providing this update to the Board of Supervisors (Board) to formally present the Keller Canyon Landfill Forensic Audit Technical Memorandum (Exhibit A) prepared by TRC Solutions, Inc (TRC). The goal of the Forensic Audit was to investigate the potential presence of radioactive and hazardous landfill waste at the Keller canyon landfill, which was reported to originate from the Hunters Point Naval Shipyard (Hunters Point), see newspaper article attached as Exhibit B. TRC concluded that it is very unlikely that radiological materials originating from Hunters Point were disposed at Keller Canyon.

On November 9, 2020, CCHS staff and TRC conducted a virtual community meeting to present TRC's findings to the local community and to provide the Board with feedback on the community's response to these findings. The complete audio for the November 9, 2020 Keller Canyon Community Meeting can be found at

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jocelyn Stortz  
925-692-2540

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



BACKGROUND: (CONT'D)

<https://cchealth.org/z/video/eh-solid-waste-keller-110920.mp4> and is included as Exhibit C. The CCHS Staff Report (Exhibit D) summarizes the investigation.

CONSEQUENCE OF NEGATIVE ACTION:

If the recommendations are not approved, this update would not be accepted.

ATTACHMENTS

Exhibit D- Staff Report\_TRC KCL Report Findings



**ENVIRONMENTAL HEALTH  
STAFF REPORT**

**Update on Keller Canyon Landfill  
Forensic Audit Investigation**

December 15, 2020

## **BACKGROUND**

On April 21, 2018, the San Francisco Chronicle published an article (see Exhibit B) regarding material that may have been sent to Keller Canyon Landfill (KCL) back in 2010-2011. The article alleged falsified documentation associated with radiological waste from the former Hunters Point Naval Shipyard (HPNS) was sent to one or more landfills across the state, including KCL. Initially, Contra Costa Health Services (CCHS) and the Department of Conservation and Development worked with several state and federal agencies in coordination with the landfill operator to investigate if any of the waste material in question was disposed of at KCL. Very early on in the investigation it became clear to staff that the knowledge and skillset required to properly investigate these allegations was not present with CCHS so it was determined that it would be in the County's best interest to hire an independent consultant to investigate the likelihood of radiological materials being disposed of at KCL from HPNS.

Following the Board of Supervisors' direction at the May 1, 2018 Board meeting, staff put out a Request for Qualifications towards the end of month in order to contract with an independent consultant to evaluate the potential for unauthorized disposal of radioactive waste at KCL originating from HPNS. In addition, the District V Supervisor's Office requested a community meeting be held for residents of Pittsburg and Bay Point, with representatives from applicable federal, state, and local agencies to discuss the on-going investigation and potential impact of radiological waste to local communities. Staff organized a community meeting held on June 21, 2018, at the Ambrose Community Center in Bay Point. Experts from the Radiologic Health Branch of the California Department of Public Health, US Navy, San Francisco Regional Water Quality Control Board (RWQCB), and other state and local agencies were in attendance to speak and/or answer questions regarding the pending investigation.

Over the course of six weeks, between the end of July through early September, the County conducted a solicitation process. This involved staff collaborating with the City of Pittsburg, the landfill operator, and a representative of the local community to review the RFQs received by CCHS and interviewing the qualified consultants. TRC Solutions, Inc. (TRC) was ultimately selected. The County entered into a contract with TRC following Board approval on September 25, 2018.

TRC's forensic audit began in October 2018 and concluded in May 2019. Documents reviewed by TRC included special waste authorizations, soil analytical data reports, Hunters Point work plans and reports, Standard Operating Procedures, portal monitor calibration records, and landfill data to ascertain whether radiologically contaminated materials were received at KCL from HPNS. In addition, site visits were performed at both KCL and HPNS in April 2019.

TRC concluded, in their Forensic Audit Technical Memorandum (see Exhibit A), that it was very unlikely that radiological materials from HPNS were disposed of at KCL. The Forensic Audit Technical Memorandum was published on the CCHS website in September 2019.



Shortly after the Forensic Audit Technical Memorandum was published staff and TRC began discussions about staging a community meeting for the report findings to be formally presented to the local community. In October 2019, TRC's contract had lapsed. Staff spent the remaining months of 2019 and early 2020 renewing TRC's contract. Once TRC's contract was renewed and approved by the Board on February 25, 2020, staff and TRC recommenced discussions to hold a community meeting for TRC to review the findings of their report in a public forum. This process was ultimately postponed when staff were reassigned to assist with the County's response to the COVID-19 pandemic in mid-March 2020. Community meeting preparations took substantially longer amidst the pandemic resulting in a remote meeting occurring on November 9, 2020 (see Exhibit C).

### **STAFF RECOMMENDATIONS**

The conclusions and recommendations in Section 4.0 of the TRC Forensic Audit Technical Memorandum states:

“Based on this review of data, reports, logs, interviews, and site visits, it is concluded that it is very unlikely that radiological materials of concern (i.e., radionuclides specific to Hunters Point contamination and in exceedance of background) were disposed of at Keller Canyon. To obtain greater certainty that no radiologically contaminated material from Hunters Point was received at Keller Canyon, limited environmental field sampling could be performed at Keller Canyon.”

Based on TRC's analysis and conclusion that it is very unlikely that radiological materials of concern were disposed of at Keller Canyon, it is staff's recommendation to not conduct environmental field sampling for the purposes of obtaining greater certainty that no radiologically contaminated material from Hunters Point was received at Keller Canyon.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: AUTHORIZE ISSUANCE OF LEASE REVENUE BONDS, 2021 SERIES A & B

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**RECOMMENDATION(S):**

1. OPEN PUBLIC HEARING, pursuant to Section 6586.5 of the Government Code, to consider adopting Resolution No. 2020/341, approving the issuance by the Contra Costa Public Financing Authority of Lease Revenue Bonds, 2021 Series A and Series B, in an aggregate principal amount not to exceed \$150 million to finance various capital projects and a refunding of outstanding bonds for savings;
2. RECEIVE Public testimony;
3. CLOSE Public Hearing;
4. ACKNOWLEDGE and reaffirm previous approvals of projects;
5. ADOPT Resolution No. 2020/341, approving the issuance by the Contra Costa Public Financing Authority of Lease Revenue Bonds, 2021 Series A and Series B, in a principal amount not to exceed \$150 million to finance various capital projects and a refunding of outstanding bonds for savings;
6. APPROVE and AUTHORIZE the forms of and directing the execution and delivery of a Trust Agreement, Site Lease, Facilities Lease, Preliminary Official Statement, Continuing Disclosure Agreement, Installment Sale Agreement and related financing documents;

- 
- APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Timothy Ewell,  
925-655-2043

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Hon. Robert R. Campbell, Auditor-Controller, Hon. Russell V. Watts, Treasurer-Tax Collector, Lewis Broschard III, Fire Chief-CCCFPD, Keith Freitas, Director of Airports, Eric Angstadt, Chief Assistant County Administrator

## RECOMMENDATION(S): (CONTD)

>

7. APPROVE and AUTHORIZE the taking of necessary actions and the execution of necessary documents in connection therewith.

### FISCAL IMPACT:

Issuance of up to \$150 million of Lease Revenue Bonds to fund new capital projects and refunding existing debt obligations for savings. Based on current market conditions, the County anticipates a True Interest Cost (TIC) on the bonds of 2.16% and refunding savings of \$11,071,651 over the remaining life of the bonds. The Net Present Value (NPV) of the savings is estimated at \$6,792,317 (this is the refunding savings amount converted to today's dollars), or 20.42% of refunding bonds.

### BACKGROUND:

On January 31, 2017, the Board of Supervisors accepted a capital projects report, which included a recommendation to replace the existing County Administration and Emergency Operations Center buildings located in Martinez, CA (Agenda Item D.4). Earlier this year, the new County Administration and Emergency Operations Center projects were completed and the 651 Pine Street, Martinez complex was vacated. On November 10, 2020, the Board adopted Resolution No. 2020/304 declaring its official intent to reimburse certain costs for the capital projects to be financed by the bonds to be issued at a future date, including 1) replacement of the 651 Pine Street, Martinez complex, 2) construction of a new Aviation Terminal at the Buchanan Field Airport, and 3) the replacement of Fire Stations No. 9 (Pacheco) and 86 (Bay Point) (collectively the "2021 Projects").

### 2021 Series A Capital Projects

In the current market, the Authority could issue approximately \$100 million for the new capital projects, at a blended Total Interest Cost (TIC) of 2.16% equating to approximately \$6.3 million in annual debt service payments over the next 20 years until the bonds mature. The Contra Costa County Fire Protection District and the County Airport are not funded by the County General Fund and will be responsible for paying the respective debt service amounts apportioned to their capital projects. A summary of each capital project is summarized below:

*Airport Improvements.* This component of the 2021 Project consists of the construction of an approximately 21,000 square foot, one-story multi-function facility to be located at Buchanan Field Airport, a public airport located in Concord. This component of the 2021 Project will replace an existing terminal facility and will include an approximately 12,525 square foot aircraft rescue and firefighting facility (an "ARFF") with up to three apparatus bays, offices, restrooms, meeting space, and ARFF support function spaces (such as for turnouts, self-contained breathing apparatus, and operations areas) for airport personnel; approximately 2,750 square feet of administrative office space; and an approximately 5,460 square foot general aviation terminal. This facility will also include a hold room, restrooms, public meeting space and rentable office spaces in the general aviation terminal section, visitor parking spaces, charging stations, a generator, and a public viewing area. The estimated construction cost for this component of the 2021 Project is \$11.7 million; however, the portion to be funded by the 2021 Bonds is \$6 million. Construction is expected to commence in June 2021 and be completed in October 2022.

*Construction of County Offices at 651 Pine.* This component of the 2021 Project consists of the demolition of the former County Administration complex at 651 Pine Street, Martinez including remediation and demolition of approximately 72,000 square feet in the 12 story tower and approximately 50,000 square feet in the adjacent five story North Wing building. This component also includes the

relocation of telecommunications infrastructure located in and on the Tower, including microwave and radio antennas serving the public safety communication system as well as telephone and fiberoptic communications equipment serving multiple County facilities in the downtown Martinez area. Following demolition the County proposes to construct an approximately 20,000 square foot, two-story County office building above approximately 80 new parking spaces (with the first story consisting of parking and the second story consisting of office space) where the previous Tower and North Wing buildings stood. In addition, there will be public plaza and amenity space constructed across from the existing 651 Pine Street complex to serve both the New Administration Building, located at 1025 Escobar Street, Martinez and the new County office building, located on a portion of the current 651 Pine Street complex. The estimated construction cost for this component of the 2021 Project is \$64 million. Construction is expected to commence December of 2021 and be completed by June of 2024, subject to final review and approval by the Board of Supervisors at the January 2021 Board Retreat. The bonds will not be issued until the Board formally approves the 651 Pine Street replacement project.

*Fire Station No. 9.* This component of the 2021 Project consists of the construction of an approximately 10,000 square foot one-story fire station to be located on an approximately 1 acre site at Center Avenue and Willow Street in Pacheco, California. This fire station will contain approximately 5,000 square feet of living area, including four firefighter dorm rooms, three gender-neutral restrooms, and living quarters for a Battalion Chief, with adjacent office space; approximately 5,000 square feet containing three apparatus bays, a separate support area for turnout, self-contained breathing apparatus (“SCBA”), and cleanup spaces; and visitor parking spaces, secured firefighter parking, and a generator and an emergency fuel tank. The estimated construction cost for this component of the 2021 Project is \$17.5 million, including contingency. Construction is expected to commence on October 2021 and be completed in January 2023.

*Fire Station No. 86.* This component of the 2021 Project consists of the construction of an approximately 10,000 square foot one-story fire station to be located on an approximately 2 acre site at Willow Pass Road and Goble Drive in Bay Point, California. This fire station will contain approximately 5,000 square feet of living area, including seven firefighter dorm rooms and three gender-neutral restrooms; approximately 5,000 square feet containing three apparatus bays, a separate support area on for turnout, SCBA, and cleanup spaces; and visitor parking spaces, secured firefighter parking, and a generator and an emergency fuel tank. The estimated construction cost for this component of the 2021 Project is \$12.5 million, including contingency. Construction is expected to commence on May 2021 and be completed in October 2022.

## 2021 Series B Refunding

In addition to funding new capital projects, the County plans to refund its 2010 Series A, 2010 Series B and 2012 lease revenue bonds for an estimated, blended True Interest Cost (TIC) of 2.16% resulting in a cost savings of \$11,071,651 over the remaining life of the bonds. The Net Present Value (NPV) of the savings is estimated at \$6,792,317 (this is the refunding savings amount converted to today's dollars), or 20.42% of refunding bonds. Since the majority of the original bond proceeds were borrowed for capital projects in the Health Services department, the majority of the cost savings from the proposed refunding will result in budgetary cost savings in that department.

All of the above results are subject to market conditions at the time of financing and will likely change between the time of this writing and the pricing of the bonds.

## Financing Documents

Various documents are necessary to complete the financing, including a Trust Agreement, Site Lease, Facilities Lease, Preliminary Official Statement and Continuing Disclosure Agreement (collectively, the “Financing Documents”). Through the Site Lease, the County leases certain facilities to the Authority. The County then leases those facilities back from the Authority creating a series of lease payments to the Authority under the Facilities Lease. Based on that lease payment revenue, and pursuant to the terms of the Trust Agreement, the Authority issues bonds to fund the new capital projects and refunding of current bonds as summarized above. The lease payment revenue to the Authority serves as the stream of revenue to pay the annual debt service payments on the bonds. The terms of the Continuing Disclosure Agreement set forth the obligations of the Authority to disclose certain financial and other information to the financial markets over the life of the bonds.

CONSEQUENCE OF NEGATIVE ACTION:

The Authority will be unable to issue the bonds.

CHILDREN'S IMPACT STATEMENT:

No impact.

ATTACHMENTS

Resolution 2020/341

Resolution No. 2020/341 - Exhibit A

Resolution No. 2020/341 - Clerk's Certificate

Trust Agreement

Facilities Lease

Site Lease

Preliminary Official Statement

Continuing Disclosure Agreement

Installment Sale Agreement

Proof of Notice - Public Hearing

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 12/15/2020 by the following vote:

**AYE:**

**NO:**

**ABSENT:**

**ABSTAIN:**

**RECUSE:**



**Resolution No. 2020/341**

**RESOLUTION APPROVING THE ISSUANCE AND SALE OF CONTRA COSTA PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, 2021 SERIES A AND 2021 SERIES B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$150,000,000 TO FINANCE VARIOUS CAPITAL PROJECTS AND REFUND VARIOUS OUTSTANDING LEASE REVENUE BONDS AND LEASE REVENUE OBLIGATIONS OF THE AUTHORITY, AUTHORIZING THE FORMS OF AND DIRECTING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, A SITE LEASE, A FACILITIES LEASE, A BOND PURCHASE AGREEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT, AND RELATED FINANCING DOCUMENTS; AND AUTHORIZING TAKING OF NECESSARY ACTIONS AND EXECUTION OF NECESSARY DOCUMENTS IN CONNECTION THEREWITH**

WHEREAS, the County of Contra Costa (the "County") and the Contra Costa County Flood Control and Water Conservation District have entered into an Amended and Restated Joint Exercise of Powers Agreement, dated June 16, 2015 pursuant to an amendment of the Joint Exercise of Powers Agreement, dated as of April 7, 1992 (as amended, the "Joint Powers Agreement"), between the County and the Contra Costa County Redevelopment Agency which Joint Powers Agreement creates and establishes the County of Contra Costa Public Financing Authority (the "Authority");

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") and the Joint Powers Agreement, the Authority is authorized to issue bonds to finance and refinance public capital improvements;

WHEREAS, this Board of Supervisors of the County (the "Board") hereby requests the Authority to assist the County in financing all or a portion of the costs of various capital projects, including but not limited to, (i) demolition and construction of certain County Offices; (ii) expansion and improvement of Buchanan Field Airport; and (iii) the construction of certain fire stations (the "Fire Station Project") (collectively, the "2021 Project");

WHEREAS, pursuant to a Trust Agreement, dated as of November 1, 2010 (the "2010 Trust Agreement"), between the Authority and Wells Fargo Bank, National Association, as trustee, the Authority previously issued its Lease Revenue Bonds, consisting of \$13,130,000 2010 Series A-2 (Capital Project I – Taxable Build America Bonds) (the "Series A-2 Bonds"), \$20,700,000 2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds) (the "Series A-3 Bonds"), and \$17,435,000 2010 Series B (Refunding) (the "Series B Bonds") in order to finance and refinance capital projects for the County;

WHEREAS, pursuant to a Trust Agreement, dated as of October 1, 2012 (the "2012 Trust Agreement," and together with the 2010 Trust Agreement, the "Prior Trust Agreements") the Authority previously issued its \$13,102,304 Lease Revenue Obligations, 2012 Series A (the "2012 Series A Obligations," collectively with the Series A-2 Bonds, the Series A-3 Bonds and the Series B Bonds, the "Prior Obligations") in order to finance capital projects for the County;

WHEREAS, this Board hereby requests the Authority to assist the County in the refunding and defeasance of the Prior Obligations in order to produce debt service savings;

WHEREAS, the County desires to request and approve the Authority's issuance of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding) 2021 Series A (Capital Projects) and 2021 Series B (Refunding) (the "Bonds") in an amount sufficient to finance the 2021 Project and refund the Prior Obligations and pay related costs of issuance;

WHEREAS, pursuant to Section 23004 of the Government Code of the State of California, the County is authorized to acquire

and dispose of its property as the Board determines is in the best interests of the County;

WHEREAS, the Contra Costa County Fire Protection District (the "District") has requested the County use a portion of the proceeds of the Bonds to assist the District in the financing the Fire Station Project;

WHEREAS, in accordance with the requirements of Section 6586.5 of the Act, a public hearing regarding the financing of the 2021 Project proposed herein was heretofore conducted by the County on December 15, 2020;

WHEREAS, notice of such hearing was published at least five days prior to such hearing in a newspaper of general circulation in the County;

WHEREAS, the County has determined that the financing of the 2021 Project by the issuance of the Bonds by the Authority will result in significant public benefits to the County, including demonstrable savings in effective interest rate, bond preparation, or bond issuance costs;

WHEREAS, it is proposed that the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee") enter into a trust agreement (the "Trust Agreement"), acknowledged by the County, and, pursuant to the Trust Agreement, the Authority will issue the Bonds in an aggregate principal amount not to exceed \$150,000,000;

WHEREAS, it is proposed that the County enter into a site lease (the "Site Lease") pursuant to which it will lease certain real property, including, the improvements thereon (collectively the "Facilities"), to the Authority;

WHEREAS, it is proposed that the County enter into a facilities lease (the "Facilities Lease") pursuant to which it will lease the Facilities back from the Authority and the County will be obligated to make base rental payments to the Authority which the Authority will cause to be used to pay debt service on the Bonds;

WHEREAS, it is further proposed that the County and the District enter into an Installment Sale Agreement (the "Installment Agreement") pursuant to which the County will provide funds to construct the Fire Station Project and sell such Fire Station Project to the District in consideration of the payment by the District of installments of principal and interest set forth in the Installment Agreement;

WHEREAS, the County deems it necessary and desirable to authorize the sale of the Bonds by negotiated sale to Barclays Capital Inc. (the "Underwriter") pursuant to a Bond Purchase Agreement among the County, the Authority, and the Underwriter (the "Bond Purchase Agreement") and has found and determined the following reasons therefor: (1) provide more flexibility in the timing of the sale of the Bonds; (2) provide more flexibility in the debt structure; and (3) increase the opportunity to pre-market the Bonds;

WHEREAS, Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) ("SB 450") requires that the County obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds;

WHEREAS, in compliance with SB 450, the County has obtained from Montague DeRose and Associates, LLC, as the County's municipal advisor (the "Municipal Advisor"), and the Underwriter, the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto;

WHEREAS, Senate Bill 1029 ("SB 1029") was signed by the California Governor on September 12, 2016, and places additional responsibilities on any issuer of public debt including the adoption of debt management policies that meet certain criteria;

WHEREAS, the County has represented that it is in compliance with the applicable SB 1029 pre-issuance requirements and that it expects to comply with all post-issuance requirements of SB 1029 applicable to the Bonds;

WHEREAS, a form of Official Statement describing the Bonds (the "Official Statement") has been prepared, which will be distributed by the Underwriter in preliminary form (the "Preliminary Official Statement") to potential purchasers of the Bonds and in final form to the actual purchasers of the Bonds;

WHEREAS, a form of Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") among the Authority, the County, and Digital Assurance Certificate L.L.C. as dissemination agent, has been prepared;

WHEREAS, Montague DeRose and Associates, LLC, is serving as municipal advisor (the "Municipal Advisor") to the County

and the Authority, Schiff Hardin LLP is serving as disclosure counsel to the County and the Authority, and Nixon Peabody LLP is serving as bond counsel to the County and the Authority in connection with the transaction;

WHEREAS, this Board has been presented with the substantially final form of each document referred to herein relating to the Bonds, and the Board has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing;

WHEREAS, the County has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions hereinafter authorized; and

WHEREAS, the County expects to finance the 2021 Project and to refund the Prior Obligations on a tax-exempt basis;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of the County of Contra Costa, as follows:

**Section 1.** The foregoing recitals are true and correct and this Board so finds and determines.

**Section 2.** The County hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the County and that the statements, findings and determinations of the County set forth above are true and correct and that the issuance of the Bonds by the Authority for the financing of the 2021 Project and the refunding of the Prior Obligations will result in (i) demonstrable savings in effective interest rate, bond preparation, bond underwriting or bond issuance costs and (ii) more efficient delivery of County services to residential and commercial development, producing significant public benefits and the refunding of the Prior Obligations will result in savings to the County.

**Section 3.** The Board of Supervisors hereby requests and approves the issuance of the Bonds by the Authority, in a principal amount of not to exceed \$150,000,000 for the financing of the 2021 Project, the refunding of the Prior Obligations and the payment of related transaction costs.

**Section 4.** The form of Site Lease on file with the Clerk of the Board of Supervisors is hereby approved and the Chair of the Board of Supervisors, the Vice Chair of the Board of Supervisors, the County Administrator of the County, the County Finance Director or any designee of any such official (the "Authorized Signatories") and the Clerk of the Board of Supervisors or any assistant clerk of the Board of Supervisors (the "Clerk"), each acting alone, are hereby authorized and directed to execute and deliver, and the Clerk to attest, the Site Lease in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term thereof shall end on the date on which all Base Rental Payments and Additional Payments due and owing under the Facilities Lease are paid in full, not to exceed a term of 31 years.

**Section 5.** The form of Facilities Lease on file with the Clerk is hereby approved and any one of the Authorized Signatories, each acting alone, is hereby authorized and directed to execute and deliver, and the Clerk to attest, the Facilities Lease in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the maximum annual base rental payments payable under the Facilities Lease shall not exceed \$15,000,000 and the term of the Facilities Lease (including any extensions) shall end on the date on which all of the Base Rental Payments and Additional Payments have been paid in full; provided that in the event the obligation of the County to pay Base Rental Payments or Additional Payments is abated for any period under the Facilities Lease, the term of the Facilities Lease shall extend until such time as all Base Rental Payments and Additional Payments set forth in the Facilities Lease have been paid in full, *provided* that the term of the Facilities Lease shall not extend more than ten years following the last Base Rental Payment date set forth in the Facilities Lease.

**Section 6.** The form of Trust Agreement on file with the Clerk is hereby approved. Any one of the Authorized Signatories, each acting alone, is hereby authorized and directed to acknowledge the execution and delivery of the Trust Agreement in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the acknowledgement thereof.

**Section 7.** The form of Bond Purchase Agreement is on file with the Clerk is hereby approved. Any one of the Authorized Signatories, acting alone, is hereby authorized and directed to execute and deliver said Bond Purchase Agreement in substantially the form on file with the Clerk, with such additions, deletions, changes and corrections therein as such officer shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however that (i) the interest rate on the Bonds shall not exceed a true interest cost of four percent (4.0%) per annum, (ii) the underwriting discount (excluding any original issue discount) shall not exceed three-tenths percent (0.3%) of the aggregate principal amount of the Bonds, and (iii) the refunding of the Prior Obligations shall result in cost savings in accordance with the County's Debt Management Policy.

**Section 8.** The form of Official Statement describing the Bonds is hereby approved, along with the form of Continuing Disclosure Agreement attached as an appendix item therein, and any of the Authorized Signatories is hereby authorized and



directed to execute and deliver a Final Official Statement in substantially said form with such additions, deletions, changes and corrections therein as such officer determines are necessary or appropriate and are approved by such officer, such approval to be conclusively evidenced by the execution thereof. The Underwriter is hereby directed to distribute copies of the Official Statement to all actual purchasers of the Bonds. Distribution by the Underwriter of the Preliminary Official Statement to potential purchasers is hereby approved and any of the Authorized Signatories is hereby authorized and directed to execute a certificate confirming that the Preliminary Official Statement has been “deemed final” by the County for purposes of Securities and Exchange Commission Rule 15c2-12, as amended (“Rule 15c2-12”).

**Section 9.** The form of Continuing Disclosure Agreement on file with the Clerk, to be dated the date of issuance of the Bonds, is hereby approved. Any of the Authorized Signatories is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 10.** The form of Installment Agreement on file with the Clerk is hereby approved. Any one of the Authorized Signatories, each acting alone, is hereby authorized and directed to acknowledge the execution and delivery of the Installment Agreement in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the acknowledgement thereof

**Section 11.** The Authorized Signatories are each hereby authorized to enter into or to instruct the Authority or the Trustee to enter into one or more investment agreements, float contracts, other hedging products that are authorized under the County’s Debt Management Policy from time to time (hereinafter collectively referred to as the “Investment Agreement”) providing for the investment of moneys in any of the funds and accounts created under the Trust Agreement, on such terms as the Authorized Signatories shall deem appropriate including providing investments with terms up to the final maturity date of the Bonds. Pursuant to Section 5922 of the California Government Code, this Board hereby finds and determines that the Investment Agreement is designed to reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreement and is designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Bonds or enhance the relationship between risk and return with respect to investments.

**Section 12.** The Authorized Signatories and other officers of the County are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, but not limited to, preparation of title reports and/or a title insurance policy, and execution and delivery of signature certificates, no-litigation certificates, tax and rebate certificates, and execution of any escrow instructions, escrow agreements and documents or agreements in connection with the refunding and defeasance of the Prior Obligations, documents or agreements in connection with financing of the 2021 Project and documents or agreements in connection with the Installment Agreement, the certificates concerning the contents of the Official Statement distributed in connection with the sale of the Bonds, closing certificates and opinions. The Authorized Signatories and other appropriate officers of the County before and after the issuance of the Bonds are hereby authorized and directed to execute and deliver any and all documents related to transfers of real property, lease termination agreements, property acceptances, title clarification documents, certificates, instructions as to investments, written requests and other certificates necessary or desirable to finance the 2021 Project, refund the Prior Obligations or execute the Installment Agreement, administer the Bonds or leases, pay costs of issuance or to accomplish the transactions contemplated herein. Any one of the Authorized Signatories is hereby authorized and directed, for and in the name of and on behalf of the County, to evaluate and select one or more municipal bond insurers for all or any portion of the Bonds and to execute and deliver such contracts and agreements with such bond insurers as may be approved by the Authorized Signatories executing the same, subject to the provisions of this Resolution, such approval to be conclusively evidenced by such execution and delivery.

**Section 13.** All actions heretofore taken by the officers and agents of the County with respect to the issuance and sale of the Bonds are hereby approved and confirmed.

**Section 14.** All of the agreements contemplated by this Resolution may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the County) and sent by e-mail shall be deemed original signatures, unless stated otherwise in the agreement.

**Section 15.** This Resolution shall take effect from and after its date of adoption.

**Contact: Timothy Ewell, 925-655-2043**

**ATTESTED: December 15, 2020**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

**cc:** Hon. Robert R. Campbell, Auditor-Controller, Hon. Russell V. Watts, Treasurer-Tax Collector, Lewis Broschard III, Fire Chief-CCCFPD, Keith Freitas, Director of Airports, Eric Angstadt, Chief Assistant County Administrator

## EXHIBIT A

### GOOD FAITH ESTIMATES

The following information was obtained from the County's Municipal Advisor and the Underwriter, and is provided in compliance with Section 5852.1 of the California Government Code with respect to the base rental payments evidenced by the Bonds:

1. *Principal Amount.* The Municipal Advisor has determined that, based on the County's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is \$111,445,000 (the "Estimated Principal Amount").

2. *True Interest Cost of the Base Rental Payments Evidenced by the Bonds.* Assuming the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the base rental payments evidenced by the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 2.16%.

2. *Finance Charge of the Bonds.* Assuming the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the County's finance charge of the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$741,830.

3. *Amount of Proceeds to be Received.* Assuming the Estimated Principal Amount of the Bonds, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the County following the Authority's sale of the Bonds, less the finance charge of the Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$141,101,633.

4. *Total Payment Amount.* Assuming the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the County will make to pay base rental payments evidenced by the Bonds plus the finance charge of the Bonds described in paragraph 2 above not paid with the proceeds of the Bonds, calculated to the final base rental payment evidenced by the Bonds, is \$173,199,178.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from those presently estimated due to variations from these estimates in the timing of the sale of the Bonds, the actual principal amount of Bonds sold, the amortization of the Bonds sold and market interest rates at the time of sale. The date of sale and the amount of Bonds sold will be determined by the County based on need for improvement funds and other factors. The actual interest rates at which the Bonds will be sold will depend on the bond market at the time of sale. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale. Market interest rates are affected by economic and other factors beyond

the County's control. The County has approved the execution and delivery of the Facilities Lease including the base rental payments evidenced by the Bonds with a present value savings with respect to the Series B Bonds refunding of the related refunded obligations in the aggregate of at least 4% of the principal amount of the related refunded obligations in the aggregate using the yield on the Bonds as the discount rate.

CLERK'S CERTIFICATE

The undersigned, Chief Assistant Clerk of the Board of Supervisors of the County of Contra Costa, hereby certifies as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Supervisors of said County duly and regularly held at the regular meeting place thereof on the 15<sup>th</sup> day of December, of which meeting all of the members of said Board of Supervisors had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

AYES: [ \_\_\_\_\_ ]

NOES: [ \_\_\_\_\_ ]

An agenda of said meeting was posted at least 96 hours before said meeting at the [Chambers of the Board of Supervisors of the County located at 1025 Escobar Street in the City of Martinez, California], a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

The foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting; said resolution has not been amended, modified or rescinded since the date of its adoption; and the same is now in full force and effect.

WITNESS my hand and the seal of the County of Contra Costa this 15<sup>th</sup> day of December, 2021.



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Chief Assistant Clerk of the Board of  
Supervisors of the County of Contra Costa,  
State of California

## EXHIBIT A

### GOOD FAITH ESTIMATES

The following information was obtained from the County's Municipal Advisor and the Underwriter, and is provided in compliance with Section 5852.1 of the California Government Code with respect to the base rental payments evidenced by the Bonds:

1. *True Interest Cost of the Base Rental Payments Evidenced by the Bonds.* Assuming the estimated aggregate principal amount of the Bonds authorized to be issued by the Authority (\$[\_\_\_\_]) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the base rental payments evidenced by the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is [\_\_\_\_] %.

2. *Finance Charge of the Bonds.* Assuming the estimated aggregate principal amount of the Bonds authorized to be issued by the Authority (\$[\_\_\_\_]) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the County's finance charge of the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$[\_\_\_\_\_].

3. *Amount of Proceeds to be Received.* Assuming the estimated aggregate principal amount of the Bonds authorized to be issued by the Authority (\$[\_\_\_\_]) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the County following the Authority's sale of the Bonds, less the finance charge of the Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$[\_\_\_\_\_].

4. *Total Payment Amount.* Assuming the estimated aggregate principal amount of the Bonds authorized to be issued by the Authority (\$[\_\_\_\_]) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the County will make to pay base rental payments evidenced by the Bonds plus the finance charge of the Bonds described in paragraph 2 above not paid with the proceeds of the Bonds, calculated to the final base rental payment evidenced by the Bonds, is \$[\_\_\_\_\_].

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from those presently estimated due to variations from these estimates in the timing of the sale of the Bonds, the actual principal amount of Bonds sold, the amortization of the Bonds sold and market interest rates at the time of sale. The date of sale and the amount of Bonds sold will be determined by the County based on need for improvement funds and other factors. The actual interest rates at which the Bonds will be sold will depend on the bond market at the time of sale. The actual amortization of the Bonds will also depend, in part, on market

interest rates at the time of sale. Market interest rates are affected by economic and other factors beyond the County's control. The County has approved the execution and delivery of the Facilities Lease including the base rental payments evidenced by the Bonds with a present value savings with respect to the refunding of the related refunded obligations in the aggregate of at least [ ]% of the principal amount of the related refunded obligations in the aggregate using the yield on the Bonds as the discount rate.

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TRUST AGREEMENT

by and between the

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY

and

WELLS FARGO BANK, NATIONAL ASSOCIATION  
as Trustee

Dated as of \_\_\_\_\_ 1, 2021

\$\_\_\_\_\_

County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding),  
2021 Series A (Capital Project) and 2021 Series B (Refunding)

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THIS TRUST AGREEMENT dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”), by and between the COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY (the “Authority”), a joint exercise of powers authority duly organized and existing pursuant to an agreement entitled “Amended and Restated Joint Exercise of Powers Agreement” by and between the County of Contra Costa (the “County”) and the Contra Costa County Flood Control and Water Conservation District, and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America and qualified to accept and administer the trusts hereby created, as trustee (the “Trustee”);

W I T N E S S E T H:

**WHEREAS**, the Authority is a joint exercise of powers authority duly organized and operating pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (hereinafter, the “Act”);

**WHEREAS**, Article 4 of the Act authorizes and empowers the Authority to issue bonds to assist local agencies in financing projects and programs consisting of certain public improvements or working capital or liability and other insurance needs whenever a local agency determines that there are significant public benefits from so doing;

**WHEREAS**, the County has determined to finance various capital projects as set forth in Exhibit D to the Facilities Lease (as amended from time to time, the “Capital Projects”);

**WHEREAS**, the Authority has previously issued its Lease Revenue Bonds, consisting of \$13,130,000 2010 Series A-2 (Capital Project I – Taxable Build America Bonds) (the “Series A-2 Bonds”), \$20,700,000 2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds) (the “Series A-3 Bonds”), and \$17,435,000 2010 Series B (Refunding) (the “Series B Bonds” and together with the Series A-2 Bonds and the Series A-3 Bonds, the “2010 Bonds”) pursuant to a Trust Agreement, dated as of November 1, 2010 (the “2010 Trust Agreement”), between the Authority and Wells Fargo Bank, National Association, as prior trustee (the “2010 Trustee”);

**WHEREAS**, the Authority has previously issued its \$13,102,304 Lease Revenue Obligations 2012 Series A (the “2012 Series A Obligations,” collectively with the 2010 Bonds, the “Refunded Bonds”) pursuant to a Trust Agreement, dated as of October 1, 2012 (the “2012 Trust Agreement,” and together with the 2010 Trust Agreement, the “Prior Trust Agreements”), between the Authority and Wells Fargo Bank, National Association, as prior trustee (the “2012 Trustee”);

**WHEREAS**, the County and the Authority have executed and entered into a Site Lease (the “Site Lease”) dated as of \_\_\_\_\_ 1, 2021, whereby the County has agreed to lease to the Authority the real property more particularly described in Exhibit A attached thereto, which together with the improvements thereon is referred to as the “Facilities;”

**WHEREAS**, the County and the Authority have executed and entered into a Facilities Lease (the “Facilities Lease”) dated as of \_\_\_\_\_ 1, 2021, whereby the County has agreed to sublease back the Facilities from the Authority;

**WHEREAS**, under and pursuant to the Facilities Lease, the County is obligated to make rental payments to the Authority;

**WHEREAS**, the Authority has assigned without recourse all its rights to receive the Base Rental Payments scheduled to be paid by the County under and pursuant to the Facilities Lease, and certain other rights to the Trustee pursuant to the Facilities Lease;

**WHEREAS**, in consideration of the assignments pursuant to the Facilities Lease and the execution and delivery of this Trust Agreement, the Authority has agreed to issue the County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) and 2021 Series B (Refunding) (the "Bonds");

**WHEREAS**, to provide for the authentication and delivery of the Bonds (as hereinafter defined), to establish and declare the terms and conditions upon which the Bonds are to be issued and to secure the full and timely payment of the principal thereof and premium, if any, and interest thereon, the Authority has authorized the execution and delivery of this Trust Agreement; and

**WHEREAS**, the Authority has determined that all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority and authenticated and delivered by the Trustee, duly issued and the valid, binding and legal obligations of the Authority payable in accordance with their terms, and to constitute this Trust Agreement a valid and binding agreement of the parties hereto for the uses and purposes herein set forth, have been done and taken, and have been in all respects duly authorized;

**NOW, THEREFORE, THIS TRUST AGREEMENT WITNESSETH**, that in order to secure the full and timely payment of the principal of, premium, if any, and the interest on all Bonds at any time issued and outstanding under this Trust Agreement, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the holders thereof, and for other valuable consideration, the receipt whereof is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective holders from time to time of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS; EQUAL SECURITY

**SECTION 1.01**      Definitions.      Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any Supplemental Trust Agreement and of any certificate, opinion, request or other document herein or therein mentioned have the meanings herein specified, unless otherwise defined in such other document. Capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Facilities Lease.

“**Act**” means the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the Government Code of the State, as amended) and all laws amendatory thereof or supplemental thereto.

“**Authority**” means the County of Contra Costa Public Financing Authority created pursuant to the Act and its successors and assigns in accordance herewith.

“**Authorized Denominations**” means, with respect to the Bonds, \$100,000 and increments of \$5,000 above that amount.

“**Bond Counsel**” means counsel of recognized national standing in the field of law relating to municipal bonds, appointed by the Authority.

“**Bond Year**” means the twelve (12)-month period ending on June 1 of each year to which reference is made.

“**Bondholder**” or “**Owner**” means any person who shall be the registered owner of any Outstanding Bond.

“**Bonds**” means the Authority’s Lease Revenue Bonds, 2021 Series A (Capital Projects) and 2021 Series B (Refunding) executed, issued and delivered in accordance with Section 2.02(a) and Section 3.01.

“**Business Day**” means a day that is not a Saturday, Sunday or legal holiday on which banking institutions in the State of New York or California or in any state in which the office of the Trustee is located are authorized to remain closed or a day on which the Federal Reserve system is closed.

“**Capital Projects**” means the various public capital improvements and projects, including, but not limited to the acquisition, installation, implementation and construction of the Project, as described in the Facilities Lease, as the same may be amended from time to time by a Certificate of the County delivered to the Trustee, to be financed by a portion of the proceeds of the Series 2021 A Bonds.

“**Certificate of the Authority**” means an instrument in writing signed by any of the following officials of the Authority: Chair, Vice-Chair, Executive Director, Assistant Executive Director or Deputy Executive Director or a designee of any such officer, or by any other person (whether or not an officer of the Authority) who is specifically authorized by resolution of the Authority for that purpose.

“**Certificate of the County**” means an instrument in writing signed by any of the following County officials: the Chair of the Board of Supervisors, the County Administrator of the County, the Treasurer-Tax Collector of the County or the County Finance Director or by any such officials’ duly appointed designee, or by any other officer of the County duly authorized by the Board of Supervisors of the County for that purpose.

“**Code**” means the Internal Revenue Code of 1986, as amended.

**“Continuing Disclosure Agreement”** means the Continuing Disclosure Agreement dated as of \_\_\_\_\_ 1, 2021, among the Authority, the County, and \_\_\_\_\_, as dissemination agent, as originally executed and as it may from time to time be amended, supplemented, modified or restated in accordance with the terms thereof.

**“Costs of Issuance”** means all items of expense directly or indirectly payable by or reimbursable to the County or the Authority and related to the authorization, execution and delivery of the Facilities Lease, the Site Lease, this Trust Agreement and the issuance and sale of the Bonds, including, but not limited to, costs of preparation and reproduction of documents, costs of rating agencies and costs to provide information required by rating agencies, filing and recording fees, fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, fees and charges for preparation, execution and safekeeping of the Bonds, title search and title insurance fees, fees of the Authority and any other authorized cost, charge or fee in connection with the issuance of the Bonds.

**“Costs of Issuance Fund”** means the fund by that name established pursuant to Section 3.01.

**“County”** means the County of Contra Costa, a County organized and validly existing under the Constitution and general laws of the State.

**“Debt Service”** means, for any Fiscal Year or other period, the sum of (1) the interest accruing during such Fiscal Year or other period on all Outstanding Bonds, assuming that all Outstanding Serial Bond are retired as scheduled and that all Outstanding Term Bonds are redeemed or paid from sinking fund payments as scheduled (except to the extent that such interest is to be paid from the proceeds of sale of any Bonds so long as such funded interest is in an amount equal to the gross amount necessary to pay such interest on the Bonds and is invested in Permitted Investments which mature no later than the related Interest Payment Date) and (2) the principal amount of all Outstanding Serial Bonds maturing during such Fiscal year or other period, and (3) the principal amount of all Outstanding Term Bonds required to be redeemed or paid (together with the redemption premiums, if any, thereon) during such Fiscal Year or other period.

**“Depository”** means DTC or another recognized security depository selected by the Authority which maintains a book-entry system for the Bonds.

**“Designated Office”** refers to the office of the Trustee noted in Section 11.09 and such other offices as the Trustee may designate from time to time.

**“DTC”** means The Depository Trust Company, New York, New York, its successors and their assigns or, if DTC or its successor or assign resigns from its functions as Depository for the Bonds, any other Depository which agrees to follow the procedures required to be followed by a Depository in connection with the Bonds and which is selected by the Authority.

**“Dissemination Agent”** means Digital Assurance Certification, L.L.C. or any successor appointed under the Continuing Disclosure Agreement.

“**Event of Default**” shall have the meaning specified in Section 7.01.

“**Facilities**” shall mean the real property and the improvements thereon, as set forth in Exhibit A to the Facilities Lease, or any County buildings, other improvements and facilities added thereto or substituted therefor, or any portion thereof, in accordance with the Facilities Lease and this Trust Agreement.

“**Facilities Lease**” means that certain lease, entitled “Facilities Lease,” by and between the County and the Authority, dated as of \_\_\_\_\_ 1, 2021, as originally executed and recorded or as it may from time to time be supplemented, modified or amended pursuant to the provisions hereof and thereof.

“**Fiscal Year**” means the twelve (12)-month period ending on June 30 of each year, or any other annual accounting period hereafter selected and designated by the Authority as its Fiscal Year in accordance with applicable law.

“**Government Securities**” means (1) cash; (2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – “SLGS”); (3) direct obligations of the U.S. Treasury which have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities; (4) Resolution Funding Corp. (REFCORP) strips (interest component only) which have been stripped by request to the Federal Reserve Bank of New York in book entry form; (5) pre-refunded municipal bonds rated the same rating as U.S. Treasury securities, or if not rated, then pre-refunded bonds that have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations; and (6) obligations issued by the following agencies which are backed by the full faith and credit of the U.S.: (a) U.S. Export-Import Bank direct obligations or fully guaranteed certificates of beneficial ownership, (b) Farmers Home Administration (FmHA) certificates of beneficial ownership, (c) Federal Financing Bank, (d) General Services Administration participation certificates, (e) U.S. Maritime Administration Guaranteed Title XI financing, (f) U.S. Department of Housing and Urban Development (HUD) Project Notes, Local Authority Bonds, New Communities Debentures – U.S. government guaranteed debentures, and U.S. Public Housing Notes and Bonds – U.S. government guaranteed public housing notes and bonds.

“**Independent Certified Public Accountant**” means any certified public accountant or firm of such accountants duly licensed and entitled to practice and practicing as such under the laws of the State or another state of the United States of America or a comparable successor, appointed and paid by the Authority, and who, or each of whom:

(1) is in fact independent according to the Statement of Auditing Standards No. 1 and not under the domination of the Authority or the County;

(2) does not have a substantial financial interest, direct or indirect, in the operations of the Authority or the County; and

(3) is not connected with the Authority or the County as a member, officer or employee of the Authority or the County, but who



may be regularly retained to audit the accounting records of and make reports thereon to the Authority or the County.

**“Interest Payment Date”** means, with respect to the Bonds, June 1 and December 1 in each year, commencing [December 1, 2021].

**“Interest Payment Period”** means the period from and including each Interest Payment Date (or, for the first Interest Payment Period, from and including the date of the Bonds) to and including the day immediately preceding the next succeeding Interest Payment Date.

**“Moody’s”** means Moody’s Investors Service a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the County.

**“Nominee”** means the nominee of the Securities Depository (currently Cede & Co.), which may be the Securities Depository, or any nominee substituted by the Securities Depository pursuant to Section 2.09

**“Opinion of Counsel”** means a written opinion of Bond Counsel.

**“Outstanding,”** when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.02) all Bonds except

- (1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;
- (2) Bonds paid or deemed to have been paid within the meaning of Section 10.01;
- (3) Bonds deemed tendered but not yet presented for purchase; and
- (4) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the Authority pursuant hereto.

**“Permitted Encumbrances”** means (1) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the County may, pursuant to the Facilities Lease, permit to remain unpaid; (2) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the date of recordation of the Facilities Lease in the office of the County Recorder of the County of Contra Costa and which the County certifies in writing will not materially impair the use of the Facilities; (3) the Site Lease, as it may be amended from time to time, and the Facilities Lease, as it may be amended from time to time; (4) this Trust Agreement, as it may be amended from time to time; (5) any right or claim of any mechanic, laborer, materialman, supplier or vendor not

filed or perfected in the manner prescribed by law; (6) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions to which the Authority and the County consent in writing and certify to the Trustee will not materially impair the ownership interests of the Authority or use of the Facilities by the County; and (7) subleases and assignments of the County which, as provided in an Opinion of Counsel, will not adversely affect the exclusion from gross income of interest on the Bonds.

[**“Permitted Investments”** means any of the following:

- (1) Government Securities;
- (2) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America;
- (3) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (a) Farmers Home Administration (FmHA) certificates of beneficial ownership, (b) Federal Housing Administration (FHA) debentures, (c) General Services Administration participation certificates, (d) Government National Mortgage Association (GNMA or “Ginnie Mae”) guaranteed mortgage-backed bonds and guaranteed pass-through obligations (participation certificates), (e) U.S. Maritime Administration guaranteed Title XI financing, and (f) U.S. Department of Housing and Urban Development (HUD) Project Notes and Local Authority Bonds;
- (4) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself): (a) Federal Home Loan Bank System senior debt obligations (consolidated debt obligations), (b) Federal Home Loan Mortgage Corporation (FHLMC or “Freddie Mac”) participation certificates (mortgage-backed securities) and senior debt obligations, (c) Federal National Mortgage Association (FNMA or “Fannie Mae”) mortgage-backed securities and senior debt obligations (excluded are stripped mortgage securities which are valued greater than par on the portion of unpaid principal), (d) Resolution Funding Corp. (REFCORP) strips (interest component only) which have been stripped by request to the Federal Reserve Bank of New York in book entry form, and (e) Farm Credit System Consolidated systemwide bonds and notes;

(5) money market funds registered under the Federal Investment Company Act of 1940, the shares of which are registered under the Federal Securities Act of 1933, and which have a rating at the time of purchase by S&P of AAAm-G, AAAm, or AA-m and, if rated by Moody's, rated Aaa, Aa1 or Aa2, and which funds may include funds which the Trustee, its affiliates, or subsidiaries provide investment advisory or other management services;

(6) certificates of deposit secured at all times by collateral described in (2) and/or (3) above (which collateral must be held by a third party and subject to a perfected first security interest held by the Trustee) with a maturity of one year or less and issued by commercial banks, savings and loan associations or mutual savings banks whose short term obligations at the time of purchase are rated "A-1" or better by S&P and "Prime-1" by Moody's;

(7) certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF;

(8) investment agreements, including guaranteed investment contracts;

(9) commercial paper rated at the time of purchase "Prime-1" by Moody's and "A-1" or better by S&P;

(10) bonds or notes issued by any state or municipality which is rated by Moody's and S&P in one of the two highest long-term rating categories assigned by such agencies at the time of purchase;

(11) federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1" or better by S&P at the time of purchase;

(12) repurchase agreements that provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee (buyer/lender) and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date and that satisfy the following criteria:

(a) repurchase agreements must be between the municipal entity and dealer banks or securities firms that are (i) on the Federal Reserve reporting dealer list which fall under the jurisdiction of the SIPC and which, at the time of purchase, are rated A or better by S&P and Moody's, or (ii) banks rated

“A” or above by S&P and Moody’s, at the time of purchase, and

(b) repurchase agreements must include the following: (i) securities that are acceptable for transfer, including those describe in clauses (2) and (3) above, (ii) terms of not more than 30 days, (iii) collateral must be delivered to the Trustee (if Trustee is not supplying the collateral) or third party acting as agent for the Trustee (if the Trustee is supplying the collateral) before or simultaneously with payment (perfection by possession of certificated securities), (iv) the Trustee must have a perfected first priority security interest in the collateral, (v) collateral must be free and clear of third-party liens and, in the case of an SIPC broker, must not have been acquired pursuant to a repurchase agreement or reverse repurchase agreement, (vi) failure to maintain the requisite collateral percentage, after a two day restoration period, requires the Trustee to liquidate collateral, (vii) securities must be valued weekly and marked-to-market at current market price plus accrued interest, and (viii) the value of collateral must be equal to 104% or, if the securities used as collateral are FNMA or FHLMC securities, 105%, of the amount of cash transferred to the dealer bank or security firm under the repurchase agreement plus accrued interest and, if the value of securities held as collateral slips below such amount, then additional cash and/or acceptable securities must be transferred;

(13) pre-refunded municipal bonds rated the same rating as U.S. Treasury securities or, if there is no rating, then pre-refunded bonds pre-refunded with cash, direct U.S. or U.S. guaranteed obligations;

(14) the County of Contra Costa Investment Pool;

(15) shares of beneficial interest issued by the Investment Trust of California (CaITRUST) pursuant to California Government Code Section 6509.7 and authorized for local agency investment pursuant to California Government Code Section 53601(o); and

(16) the Local Agency Investment Fund of the State of California. The Trustee may conclusively rely on the written instructions of the Authority and the County that such investment is a Permitted Investment.][**Confirm**]

“**Person**” means a corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“**Principal Payment Date**” means any date on which principal of the Bonds is required to be paid (whether by reason of maturity, redemption or acceleration).

[“**Project**” means the (i) demolition and construction of certain County Offices; (ii) expansion and improvement of Buchanan Field Airport; and (iii) financing the acquisition and construction of fire districts, and payment of any costs associated with financing of said projects, as set forth in Exhibit D to the Facilities Lease as the same may be changed from time to time, in accordance with Section 3.07 of the Facilities Lease, by the County by filing a Certificate of the County with the Trustee.][to be confirmed]

“**Project Fund**” means the fund by that name established pursuant to Section 3.02.

“**Record Date**” means the close of business on the fifteenth (15th) calendar day (whether or not a Business Day) of the month preceding any Interest Payment Date.

“**Redemption Date**” shall mean the date fixed for redemption of any Bonds.

“**Redemption Price**” means, with respect to any Bond (or portion thereof), the principal amount of such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and this Trust Agreement.

“**Representation Letter**” means the blanket letter of representation of the Authority to DTC or any similar letter to a substitute depository.

“**Responsible Officer**” means any officer of the Trustee assigned to administer its duties under this Trust Agreement.

“**Revenue Fund**” means the fund by that name created pursuant to Section 5.02 hereof.

“**Revenues**” means (i) all Base Rental Payments and other payments paid by the County and received by the Authority pursuant to the Facilities Lease (but not Additional Payments), and (ii) all interest or other income from any investment, pursuant to Section 5.05, of any money in any fund or account (other than the Rebate Fund) established pursuant to this Trust Agreement or the Facilities Lease.

“**S&P**” means S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term S&P shall be deemed to refer to any other nationally recognized securities rating agency selected by the County.

“**Securities Depository**” means DTC or any successor securities depository appointed pursuant to Section 2.09.

“**Securities Depository Participants**” means those financial institutions for which the Securities Depository effects book entry transfers and pledges of securities deposited

with the Securities Depository, as such listing of Securities Depository Participants exists at the time of such reference.

**“Serial Bonds”** means Bonds for which no sinking fund payments are provided.

**“Series,”** whenever used herein with respect to Bonds, means all of the Bonds designated as being of the same series, authenticated and delivered in a simultaneous transaction, regardless of variations in maturity, interest rate, redemption and other provisions, and any Bonds thereafter authenticated and delivered upon transfer or exchange of or in lieu of or in substitution for (but not to refund) such Bonds as herein provided.

**“Site Lease”** means that certain lease, entitled “Site Lease,” by and between the County and the Authority, dated as of \_\_\_\_\_ 1, 2021, as originally executed and recorded or as it may from time to time be supplemented, modified or amended pursuant to the provisions hereof and thereof.

**“State”** means the State of California.

**“Supplemental Trust Agreement”** means any trust agreement then in full force and effect which has been duly executed and delivered by the Authority and the Trustee amendatory hereof or supplemental hereto; but only if and to the extent that such Supplemental Trust Agreement is executed and delivered pursuant to the provisions hereof.

**“Tax Certificate”** means the Tax Certificate and Agreement delivered by the Authority and the County at the time of the issuance and delivery of the Bonds, as the same may be amended or supplemented in accordance with its terms.

**“Term Bonds”** means Bonds which are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

**“Trust Agreement”** means this Trust Agreement, dated as of \_\_\_\_\_ 1, 2021, between the Authority and the Trustee, as originally executed and as it may from time to time be amended or supplemented by all Supplemental Trust Agreements executed pursuant to the provisions hereof.

**“Trustee”** means Wells Fargo Bank, National Association, or any other association or corporation which may at any time be substituted in its place as provided in Section 8.01.

**“Written Request of the Authority”** means an instrument in writing signed by or on behalf of the Authority by its Chair, Vice-Chair, Executive Director, Assistant Executive Director or Deputy Executive Director or a designee of any such officer or by any other person (whether or not an officer of the Authority) who is specifically authorized by resolution of the Board of Directors of the Authority to sign or execute such a document on its behalf.

**“Written Request of the County”** means an instrument in writing signed by the County Administrator of the County or his designee, or by the County Finance Director of the

County, or by any other officer of the County duly authorized by the Board of Supervisors of the County in writing to the Trustee for that purpose.

“**2021 Series A Bonds**” means the Bonds of such Series issued pursuant to Section 2.02(a) hereof.

“**2021 Series B Bonds**” means the Bonds of such Series issued pursuant to Section 2.02(a) hereof.

SECTION 1.02 Equal Security. In consideration of the acceptance of the Bonds by the Bondholders thereof, this Trust Agreement shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the Bondholders from time to time of all Bonds authorized, executed, issued and delivered hereunder and then Outstanding to secure the full, timely and final payment of the interest on and principal of and redemption premiums, if any, on all Bonds which may from time to time be authorized, executed, issued and delivered hereunder, subject to the agreements, conditions, covenants and provisions contained herein; and all agreements and covenants set forth herein to be performed by or on behalf of the Authority shall be for the equal and proportionate benefit, protection and security of all Bondholders of the Bonds without distinction, preference or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number or date thereof or the time of authorization, sale, execution, issuance or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

SECTION 1.03 Interpretation. Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean or include the neuter, masculine or feminine gender, as appropriate. Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

## ARTICLE II

### THE BONDS

SECTION 2.01 Authorization of Bonds. (a) The Bonds are hereby created and designated “County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) and 2021 Series B (Refunding).” The aggregate principal amount of 2021 Series A Bonds which may be issued and Outstanding under this Trust Agreement shall not exceed [\_\_\_\_\_] (\$[\_\_\_\_\_]) and the aggregate principal amount of 2021 Series B Bonds which may be issued and Outstanding under this Trust Agreement shall not exceed [\_\_\_\_\_] (\$[\_\_\_\_\_]).

(b) The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds do exist, have happened and have been

performed in due time, form and manner as required by law, and that the Authority is now duly authorized, pursuant to each and every requirement of the Act, to issue the Bonds in the form and manner provided herein for the purpose of providing funds to finance the Capital Projects and refund the Refunded Bonds and that the Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

(c) From and after the issuance of the Bonds, the findings and determinations of the County and the Authority respecting the Bonds shall be conclusive evidence of (i) the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the Bonds shall be required to see to the existence of any fact, or (ii) to the performance of any condition or to the taking of any proceeding required prior to such issuance, or (iii) to the application of the proceeds of sale of the Bonds.

(d) The validity of the issuance of the 2021 Series A Bonds shall not be dependent on or affected in any way by the proceedings taken by the County or the Authority for the financing of the Capital Projects or by any contracts made by the County or the Authority or its agents in connection therewith. The recital contained in the 2021 Series A Bonds that the same are issued pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Bonds shall be incontestable from and after their issuance. The 2021 Series A Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive 2021 Series A Bonds (or any temporary 2021 Series A Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

SECTION 2.02 Terms of the Bonds. (a) The 2021 Series A Bonds shall be issued in the aggregate principal amount of [\_\_\_\_\_] (\$[\_\_\_\_\_]). The 2021 Series B Bonds shall be issued in the aggregate principal amount of [\_\_\_\_\_] (\$[\_\_\_\_\_]). The Bonds, shall be issued as fixed rate bonds, shall be dated the date of issuance thereof, shall be issued only in fully registered form in Authorized Denominations, and shall mature in the years and in the principal amounts and bear interest at the rates as set forth in the following schedules, subject to prior redemption as described in Article IV hereof:

County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding),  
2021 Series A (Capital Projects)

Payment Date [(June 1)]	Principal Amount	Rate of Interest
[2022]	\$	
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		



2032  
 2033  
 2034  
 2035  
 2036  
 2037  
 2038  
 2039  
 2040\*

County of Contra Costa Public Financing Authority  
 Lease Revenue Bonds (Capital Projects and Refunding),  
 2021 Series B (Refunding)

<u>Payment Date</u> <u>[(June 1)]</u>	<u>Principal</u> <u>Amount</u>	<u>Rate of</u> <u>Interest</u>
[2022]	\$	
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040*		

The Bonds shall bear interest at the rate set forth above, be payable commencing [December 1, 2021] and semiannually thereafter on June 1 and December 1 in each year. The Bonds shall pay interest to the registered owner thereof from the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication is after the Record Date for an Interest Payment Date, in which event they shall pay interest from such Interest Payment Date, or unless such date of authentication is on or prior to the Record Date for the first Interest Payment Date, in which event they shall pay interest from their dated date. The

amount of interest so payable on any Interest Payment Date shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

(a) Payment of interest on the Bonds due on or before the maturity or prior redemption thereof shall be paid by check mailed by first class mail on each Interest Payment Date to the person in whose name the Bond is registered as of the applicable Record Date for such Interest Payment Date at the address shown on the registration books maintained by the Trustee pursuant to Section 2.07; provided, however, that interest on the Bonds shall be paid by wire transfer or other means to provide immediately available funds to any Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, at its option, according to wire instructions for an account within the United States of America given to the Trustee in writing for such purpose and on file as of the applicable Record Date preceding the Interest Payment Date.

(b) Interest on any Bond shall cease to accrue (i) on the maturity date thereof, provided that there has been irrevocably deposited with the Trustee an amount sufficient to pay the principal amount thereof, plus interest accrued thereon to such date; or (ii) on the redemption date thereof, provided there has been irrevocably deposited with the Trustee an amount sufficient to pay the Redemption Price thereof plus interest accrued thereon to such date. The Owner of such Bond shall not be entitled to any other payment, and such Bond shall no longer be Outstanding and entitled to the benefits of this Trust Agreement, except for the payment of the principal amount or Redemption Price of, plus accrued interest, if any, on such Bond, as appropriate, from moneys held by the Trustee for such payment.

(c) The principal of the Bonds shall be payable by check in lawful money of the United States of America at the Designated Office of the Trustee. No payment of principal shall be made on any Bond unless and until such Bond is surrendered to the Trustee for cancellation.

SECTION 2.03 Form of Bonds. The Bonds and the authentication and registration endorsement and assignment to appear thereon shall be substantially in the form set forth in Exhibit A attached hereto and by this reference is herein incorporated.

SECTION 2.04 Execution of Bonds. The Chair or the Executive Director of the Authority is hereby authorized and directed to execute each of the Bonds on behalf of the Authority and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to countersign each of the Bonds on behalf of the Authority. The signatures of such

officers may be by printed, lithographed or engraved by facsimile reproduction. In case any officer whose signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Bonds.

Only those Bonds bearing thereon a certificate of authentication in the form hereinbefore recited, executed manually and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

SECTION 2.05 Transfer and Payment of Bonds. (a) Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 2.07 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds for a like aggregate principal amount of Authorized Denominations. The Trustee shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege.

The Authority and the Trustee may, except as otherwise provided herein, deem and treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment thereof and for all other purposes, whether such Bond shall be overdue or not, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of and redemption premium, if any, on such Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on such Bond to the extent of the sum or sums so paid.

The Trustee shall not be required to register the transfer of or exchange any Bonds which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 4.04 or during the period established by the Trustee for selection of Bonds for redemption.

SECTION 2.06 Exchange of Bonds. Bonds may be exchanged at the Designated Office of the Trustee for a like aggregate principal amount of Bonds of the same maturity in Authorized Denominations. The Trustee shall require the payment by the Bondholder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The Trustee shall not be required to exchange any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 4.04 or during the period established by the Trustee for selection of Bonds for redemption.

SECTION 2.07 Bond Registration Books. The Trustee will keep at its office sufficient books for the registration and transfer of the Bonds, which during normal business hours shall be open to inspection by the Authority upon reasonable notice, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Bonds in such books as hereinabove provided.

SECTION 2.08 Mutilated, Destroyed, Stolen or Lost Bonds; Temporary Bonds. If any Bond shall become mutilated, the Trustee, at the expense of the Bondholder, shall thereupon authenticate and deliver a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled.

If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Bondholder, shall thereupon authenticate and deliver a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen.

The Trustee may require payment of a reasonable sum for each new Bond issued under this Section 2.08 and of the expenses which may be incurred by the Authority and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Trust Agreement with all other Bonds secured by this Trust Agreement. Neither the Authority nor the Trustee shall be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and replacement Bond shall be treated as one and the same.

The Bonds issued under this Trust Agreement may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Authority, shall be in fully registered form and may contain such reference to any of the provisions of this Trust Agreement as may be appropriate. Every temporary Bond shall be executed and authenticated as authorized by the Authority, in accordance with the terms of the Act. If the Authority issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Designated Office of the Trustee, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Trust Agreement as definitive Bonds delivered hereunder.

SECTION 2.09 Special Covenants as to Book-Entry Only System for Bonds.

- (a) Except as otherwise provided in subsections (b) and (c) of this Section 2.09, all of the Bonds initially issued shall be registered in the name of Cede & Co., as nominee for

DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. Payment of the interest on any Bond registered in the name of Cede & Co. shall be made on each Interest Payment Date for such Bonds to the account, in the manner and at the address indicated in or pursuant to the Representation Letter.

(b) The Bonds initially shall be issued in the form of a single authenticated fully registered bond for each stated maturity of such Bonds, representing the aggregate principal amount of the Bonds of such maturity. Upon initial issuance, the ownership of all such Bonds shall be registered in the registration records maintained by the Trustee pursuant to Section 2.07 in the name of Cede & Co., as Nominee of DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. The Trustee, the Authority and any paying agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of and interest on such Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders hereunder, registering the transfer of Bonds, obtaining any consent or other action to be taken by Bondholders of the Bonds and for all other purposes whatsoever; and neither the Trustee nor the Authority or any paying agent shall be affected by any notice to the contrary. Neither the Trustee nor the Authority or any paying agent shall have any responsibility or obligation to any "Participant" (which shall mean, for purposes of this Section 2.09, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being a Bondholder, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (iii) any notice which is permitted or required to be given to Bondholders of Bonds hereunder, (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or (v) any consent given or other action taken by DTC as Bondholder of Bonds. The Trustee shall pay all principal of and premium, if any, and interest on the Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter, and all such

payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to the payment of the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Bonds will be transferable to such new nominee in accordance with subsection (e) of this Section 2.09.

(c) In the event that the Authority determines that the Bonds should not be maintained in book-entry form, the Trustee shall, upon the written instruction of the Authority, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of bond certificates. In such event, the Bonds will be transferable in accordance with subsection (e) of this Section 2.09. DTC may determine to discontinue providing its services with respect to the Bonds or a portion thereof, at any time by giving written notice of such discontinuance to the Authority or the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Bonds will be transferable in accordance with subsection (e) of this Section 2.09. If at any time DTC shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the Authority within 90 days after the Authority receives notice or becomes aware of such condition, as the case may be, then this Section 2.09 shall no longer be applicable and the Authority shall execute and the Trustee shall authenticate and deliver certificates representing the Bonds as provided below. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another Depository to maintain custody of all certificates evidencing the Bonds then Outstanding. In such event, the Bonds will be transferable to such Depository in accordance with subsection (e) of this Section 2.09, and thereafter, all references in this Trust Agreement to DTC or its nominee shall be deemed to refer to such successor Depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as all Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on each such Bond and all notices with respect

to each such Bond shall be made and given, respectively, to DTC as provided in or pursuant to the Representation Letter.

(e) In the event that any transfer or exchange of Bonds is authorized under subsection (b) or (c) of this Section 2.09, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Sections 2.05 and 2.06. In the event Bond certificates are issued to Bondholders other than Cede & Co., its successor as nominee for DTC as holder of all the Bonds, another Depository as holder of all the Bonds, or the nominee of such successor Depository, the provisions of Sections 2.05 and 2.06 shall also apply to, among other things, the registration, exchange and transfer of the Bonds and the method of payment of principal of, premium, if any, and interest on the Bonds.

### ARTICLE III

#### ISSUANCE OF BONDS

SECTION 3.01 Procedure for the Issuance of Bonds. At any time after the sale of the Bonds in accordance with the Act, the Authority shall execute the Bonds for issuance hereunder and shall deliver them to the Trustee, and thereupon the Bonds shall be authenticated and delivered by the Trustee to the Underwriter thereof upon the Written Request of the Authority and upon receipt of payment therefor from the purchaser thereof. Upon receipt of payment for the Bonds from the purchaser thereof, the Trustee shall, unless otherwise instructed by the Authority, apply the proceeds received from such sale to the following respective parties or to the following respective accounts, in the following order of priority: **[to discuss the flow of funds for the fire district portion]**

(i) deposit the amount of \$[\_\_\_\_\_] in the 2021 Series A Project Account within the Project Fund;

(ii) transfer the amount of \$[\_\_\_\_\_] to the Contra Costa County Fire Protection District;

(iii) transfer the amount of \$[\_\_\_\_\_] (which includes amounts held in funds and accounts established under the 2010 Trust Agreement) to the 2010 Trustee to refund the 2010 Bonds;

(iv) transfer the amount of \$[\_\_\_\_\_] (which includes amounts held in funds and accounts established under the 2012 Trust Agreement) to the 2012 Trustee to refund the 2012 Series A Obligations; and

(v) deposit the sum of \$[\_\_\_\_\_] to the Costs of Issuance Fund, which fund is hereby created and which fund the Trustee hereby covenants and agrees to maintain. All money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance of the Bonds upon receipt of a Written Request of the Authority, in substantially the form attached hereto as Exhibit D, filed with the Trustee, each of which shall be sequentially numbered and shall state the person(s) to whom payment is to be made, the amount(s) to be paid, the purpose(s) for which the obligation(s) was incurred and that such payment is a proper charge against said fund. On December 1, 2021, or upon the earlier Written Request of the Authority, any remaining balance in the Costs of Issuance Fund shall be transferred to the Revenue Fund and the Costs of Issuance Fund shall be closed.

SECTION 3.02 Project Fund. The Trustee hereby agrees to establish and maintain so long as any Series 2021 A Bonds are Outstanding the Project Fund (the initial payment into which is provided for in Section 3.01). The moneys in the Project Fund shall be disbursed by the Trustee upon the Written Request of the County in substantially the form of Exhibit C hereto filed with the Trustee, for the payment of Project Costs relating to the Project.

Before any payment is made from the Project Fund, there shall be filed with the Trustee a Written Request of the County showing with respect to each payment to be made:

- (i) the item number of the payment;
- (ii) the name of the person to whom payment is due;
- (iii) the amount to be paid; and
- (iv) the purpose for which the obligation to be paid was incurred.

Each such Written Request shall be sufficient evidence to the Trustee and shall state:

(a) that obligations in the stated amounts have been incurred by the County, and that each item thereof is a proper charge against the Project Fund and has not been the subject of a prior requisition; and

(b) that there has not been filed with or served upon the County notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in such Written Request, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.



Upon receipt of each such Written Request, the Trustee will pay the amount set forth in such Written Request as directed by the terms thereof. The Trustee need not make any such payment if it has received notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys to be so paid, which has not been released or will not be released simultaneously with such payment.

All interest earnings on amounts on deposit in the Project Fund shall be deposited therein. Upon the completion of the Project, any amounts remaining in the 2021 Series A Project Account shall be expended on Capital Projects as specified by the County, subject to the receipt by the Authority of an Opinion of Counsel that such expenditures will not cause the interest on the Bonds to be included in gross income for purposes of federal income taxation or shall be transferred to the Revenue Fund to pay interest and principal on the Bonds next coming due until fully used for such purpose.

**[NO additional bond provisions under this agreement]**

## ARTICLE IV

### REDEMPTION OF BONDS

SECTION 4.01 Extraordinary Redemption. The Bonds are subject to redemption by the Authority on any date prior to their stated maturities, upon notice as hereinafter provided, as a whole or in part by lot within each stated maturities in integral multiples of Authorized Denominations, from prepayments made by the County pursuant to Section 7.02(a) of the Facilities Lease, at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the Redemption Date. Whenever less than all of the Outstanding Bonds are to be redeemed on any one date, the Trustee shall select, in accordance with written directions from the Authority, the mandatory sinking account payments against which shall be credited the Bonds to be redeemed so that the aggregate annual principal amount of and interest on Bonds which shall be payable after such Redemption Date shall be reduced pro rata over the remaining years of the lease terms (as set forth in Exhibit C to the Facilities Lease) for the Facilities which generated the insurance or eminent domain proceeds.

SECTION 4.02 Optional Redemption. [Except in the case of extraordinary redemption under section 4.01 hereof, the Bonds maturing on or prior to June 1, 20\_\_ are not subject to optional redemption. The Bonds maturing on or after June 1, 20\_\_ are subject to redemption prior to their stated maturities at the option of the Authority, at the direction of the County, in whole or in part, on any Business Day (in such amounts as may be specified by the Authority), by lot, at the Redemption Price thereof, plus accrued interest to the Redemption Date.]

SECTION 4.03 Mandatory Sinking Fund Redemption. [The Bonds shall be subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account

payments set forth below, at a Redemption Price equal to the sum of the principal amount thereof plus accrued interest thereon to the Redemption Date, without premium:]

<u>Mandatory Sinking Account Payment Date (June 1)</u>	<u>Mandatory Sinking Account Payment</u>
	\$

\*

\*Maturity

SECTION 4.04 Selection of Bonds for Redemption. The Authority shall designate which maturities of Bonds and the principal amount of Bonds which are to be redeemed. If less than all Outstanding Bonds maturing by their terms on any one date are to be redeemed at any one time, the Trustee shall select the Bonds of such maturity date to be redeemed by lot and shall promptly notify the Authority in writing of the numbers of the Bonds so selected for redemption. For purposes of such selection, Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event Term Bonds are designated for redemption, the Authority may designate which sinking account payments are allocated to such redemption.

SECTION 4.05 Notice of Redemption; Cancellation; Effect of Redemption. The Authority shall notify the Trustee of an optional redemption at least forty-five (45) days prior to the date fixed for optional redemption (unless the Trustee shall agree to some lesser number of days for notice of optional redemption), and each notice of redemption shall be mailed by first-class mail by the Trustee, not less than twenty (20) nor more than sixty (60) days prior to the redemption date to the respective Bondholders of the Bonds designated for redemption at their addresses appearing on the registration books of the Trustee. Each notice of redemption shall state the date of such notice, the date of issue of the Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address of the Trustee), the CUSIP number (if any) of the maturity date or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the Bonds of such maturity, to be redeemed and, in the case of Bonds to be redeemed in part only, the respective

portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said Bonds the Redemption Price thereof, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address of the Trustee specified in the redemption notice. Failure to receive such notice shall not invalidate any of the proceedings taken in connection with such redemption.

The Trustee may give a conditional notice of redemption prior to the receipt of all funds or satisfaction of all conditions necessary to effect the redemption, provided that redemption shall not occur unless and until all conditions have been satisfied and the Trustee has on deposit and available or, if applicable, has received, all of the funds necessary to effect the redemption; otherwise, such redemption shall be cancelled by the Trustee and the Trustee shall mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

The Authority may, at its option, on or prior to the date fixed for the redemption in any notice of optional redemption, rescind and cancel such notice of redemption by Written Request to the Trustee, and the Trustee shall mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

If notice of redemption has been duly given as aforesaid and money for the payment of the Redemption Price of the Bonds called for redemption plus accrued interest to the redemption date is held by the Trustee, then on the redemption date designated in such notice Bonds so called for redemption shall become due and payable, and from and after the date so designated interest on such Bonds shall cease to accrue, and the Bondholders of such Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof plus accrued interest to the Redemption Date.

All Bonds redeemed pursuant to the provisions of this Article shall be cancelled by the Trustee and disposed of in a manner deemed appropriate by the Trustee and shall not be reissued.

## ARTICLE V

### REVENUES

#### SECTION 5.01 Pledge of Revenues and Assignment.

(a) All Revenues, any other amounts (including proceeds of the sale of the Bonds) held by the Trustee in any fund or account established hereunder (other than amounts on deposit in the Rebate Fund created pursuant to Section 6.03) and any other amounts (excluding Additional Payments) received by the Authority in respect of the Facilities are hereby irrevocably pledged and assigned to the payment of the interest and premium, if any, on and principal of the Bonds as provided herein, and the Revenues and other amounts pledged hereunder

shall not be used for any other purpose while any of the Bonds remain Outstanding; provided, however, that out of the Revenues and other moneys there may be applied such sums for such purposes as are permitted hereunder. This pledge shall constitute a pledge of and charge and first lien upon the Revenues, all other amounts pledged hereunder and all other moneys on deposit in the funds and accounts established hereunder (excluding amounts on deposit in the Rebate Fund created pursuant to Section 6.03) for the payment of the interest on and principal of the Bonds in accordance with the terms hereof and thereof.

(b) At least three (3) Business Days prior to each date on which a Base Rental Payment is due, pursuant to the Facilities Lease, the Trustee shall notify the County of the amount of the installment of Base Rental Payment needed to pay the principal of and interest on the Bonds due on the next following Interest Payment Date. Any failure to send such notice shall not affect the County's obligation to make timely payments of installments of Base Rental Payments.

(c) The Authority hereby transfers in trust, grants a security interest in and assigns to the Trustee, for the benefit of the Bondholders, all of the Revenues and other assets pledged in subsection (a) of this Section and all of the right, title and interest of the Authority in the Facilities Lease (except for (i) the right to receive any Additional Payments to the extent payable to the Authority under the Facilities Lease, (ii) any rights of the Authority to indemnification and rights of inspection and consent, and (iii) the obligations of the County to make deposits pursuant to the Tax Certificate). The Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. Subject to the provisions of Section 7.06 with respect to the control of remedial proceedings, the Trustee shall also be entitled to and shall take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority that have been assigned to the Trustee and all of the obligations of the County under the Facilities Lease other than those items excepted in the parenthetical contained in the first sentence of this subsection. All Revenues deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in the Trust Agreement.

(d) If on the second Business Day prior to the day of any month in which a Base Rental payment is requirement to be made, the Trustee has not received the full amount of such Base Rental Payments, the Trustee shall immediately notify the County of such insufficiency by Electronic Means and confirm such notification as soon as possible thereafter by written notice.

SECTION 5.02      Receipt and Deposit of Revenues in the Revenue Fund. In order to carry out and effectuate the pledge, assignment, charge and lien contained herein, the Authority agrees and covenants that all Revenues and all other amounts pledged hereunder when and as received shall be received by the Authority in trust hereunder for the benefit of the Bondholders and shall be transferred when and as received by the Authority to the Trustee for deposit in the Revenue Fund (the "Revenue Fund"), which fund is hereby created and which fund the Trustee hereby agrees and covenants to maintain in trust for Bondholders so long as any Bonds shall be Outstanding hereunder. The County has been directed to pay all Base Rental Payments directly to the Trustee. If the Authority receives any Base Rental Payments, it shall hold the same in trust as agent of the Trustee and shall immediately transfer such Base Rental Payments to the Trustee. All Revenues and all other amounts pledged and assigned hereunder shall be accounted for through and held in trust in the Revenue Fund, and the Trustee shall have no beneficial right or interest in any of the Revenues except only as herein provided. All Revenues and all other amounts pledged and assigned hereunder, whether received by the Authority in trust or deposited with the Trustee as herein provided, shall nevertheless be allocated, applied and disbursed solely to the purposes and uses hereinafter in this Article set forth, and shall be accounted for separately and apart from all other accounts, funds, money or other resources of the Trustee.

SECTION 5.03      Establishment and Maintenance of Accounts for Use of Money in the Revenue Fund.

(a) Revenue Fund. Subject to Section 6.03, all money in the Revenue Fund shall be set aside by the Trustee in the following respective special accounts or funds within the Revenue Fund (each of which is hereby created and each of which the Trustee hereby covenants and agrees to cause to be maintained) in the following order of priority:

- (1) Interest Account, and
- (2) Principal Account.

All money in each of such accounts shall be held in trust by the Trustee and shall be applied, used and withdrawn only for the purposes hereinafter authorized in this Section.

(a) Interest Account. On or before each Interest Payment Date, the Trustee shall set aside from the Revenue Fund and deposit in the Interest Account that amount of money which is equal to the amount of interest becoming due and

payable on all Outstanding Bonds on such Interest Payment Date.

No deposit need be made in the Interest Account if the amount contained therein and available to pay interest on the Bonds is at least equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date.

All money in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(b) Principal Account. On or before each June 1, commencing June 1, 20[21], the Trustee shall set aside from the Revenue Fund and deposit in the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such June 1 into the [respective] sinking fund accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such June 1. On or before each Redemption Date, the Trustee shall set aside from the Revenue Fund and deposit in the Principal Account an amount of money equal to the Redemption Price required to be paid on such Redemption Date.

No deposit need be made in the Principal Account if the amount contained therein and available to pay principal of the Bonds is at least equal to the aggregate amount of the principal of all Outstanding Series Bonds maturing by their terms on such June 1 plus the aggregate amount of all sinking fund payments required to be made on such June 1 for all Outstanding Term Bonds.

The Trustee shall establish and maintain within the Principal Account a separate subaccount for the Term Bonds [of each Series and maturity], designated as the “Sinking Account” (the “Sinking Account”), inserting therein the Series and maturity (if more than one such account is established for such Series) designation of such Bonds. With respect to each Sinking Account, on each mandatory sinking account payment date established for each Sinking Account, the Trustee shall apply the mandatory sinking account payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds [of the Series and maturity for which such Sinking Account was established] upon the notice and in the manner provided in Article IV.

All money in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal or Redemption Price of the Bonds as it shall become due and payable, whether at maturity or redemption, except that any money in the Sinking Account shall be used and withdrawn by the Trustee only to redeem or to pay Term Bonds for which such Sinking Account was created pursuant to Section 4.03 hereof.

SECTION 5.04      Application of Insurance Proceeds. In the event of any damage to or destruction of any part of the Facilities covered by insurance, the Authority, shall subject to Section 3.08 of the Facilities Lease, cause the proceeds of such insurance to be utilized for the repair, reconstruction or replacement of the damaged or destroyed portion of the Facilities, and the Trustee shall hold said proceeds in a fund established by the Trustee for such purpose separate and apart from all other funds designated the “Insurance and Condemnation Fund”, to the end that such proceeds shall be applied to the repair, reconstruction or replacement of the Facilities to at least the same good order, repair and condition as it was in prior to the damage or destruction, insofar as the same may be accomplished by the use of said proceeds. The Authority shall file a Certificate of the Authority with the Trustee that sufficient funds from insurance proceeds or from any funds legally available to the County, or from any combination thereof, are available in the event it elects to repair, reconstruct or replace the Facilities. The Trustee shall invest said proceeds in Permitted Investments pursuant to the Written Request of the Authority under the Facilities Lease, and withdrawals of said proceeds shall be made from time to time upon the filing with the Trustee of a Written Request of the Authority, stating that the Authority has expended moneys or incurred liabilities in an amount equal to the amount therein stated for the purpose of the repair, reconstruction or replacement of the Facilities, and specifying the items for which such moneys were expended, or such liabilities were incurred, in reasonable detail. Any balance of such proceeds not required for such repair, reconstruction or replacement and the proceeds of use and occupancy insurance shall be paid to the Trustee as Base Rental Payments and applied in the manner provided by Section 5.01. Alternatively, the Authority, if the proceeds of such insurance together with any other moneys then available for such purpose are sufficient to prepay all, in case of damage or destruction in whole of the Facilities, or that portion, in the case of partial damage or destruction of the Facilities, of the Base Rental Payments, Additional Payments and all other amounts relating to the damaged or destroyed portion of the Facilities, may elect subject to Section 3.08 of the Facilities Lease, not to repair, reconstruct or replace the damaged or destroyed portion of the Facilities and thereupon shall cause said proceeds to be used for the redemption of Outstanding Bonds pursuant to the applicable provisions of Section 4.01. The Authority shall not apply the proceeds of insurance as set forth in this Section 5.04 to redeem the Bonds in part due to damage or destruction of a portion of the Facilities unless the Base Rental Payments on the undamaged portion of the Facilities will be sufficient to pay the scheduled principal and interest on the Bonds remaining unpaid after such redemption.

SECTION 5.05      Deposit and Investments of Money in Accounts and Funds. Subject to Section 6.03, all money held by the Trustee in any of the accounts or funds established pursuant hereto shall be invested in Permitted Investments at the Written Request of the Authority or, if no instructions are received, in the [Wells Fargo Government Money Market Fund]. Such investments shall, as nearly as practicable, mature on or before the dates on which such money is anticipated to be needed for disbursement hereunder. For purposes of this restriction, Permitted Investments containing a repurchase option or put option by the investor shall be treated as having a maturity of no longer than such option. Unless otherwise instructed by the Authority, all interest or profits received on any money so invested shall be deposited in the Revenue Fund; provided that with respect to the Project Fund, earnings on amounts in such fund shall be credited to such fund until completion of the respective Projects. The Trustee and its affiliates may act as principal, agent, sponsor or advisor with respect to any investments. The Trustee shall not be liable for any losses on investments made in accordance with the Written Request of the Authority or the terms and provisions of this Trust Agreement.

Investments purchased with funds on deposit in the Revenue Fund shall mature not later than the payment date or redemption date, as appropriate, immediately succeeding the investment.

Subject to Section 6.03, investments in any and all funds and accounts except for the Rebate Fund may be commingled for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in particular funds and accounts amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Trust Agreement.

The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

## ARTICLE VI

### COVENANTS OF THE AUTHORITY

SECTION 6.01 Punctual Payment and Performance. The Authority will punctually pay out of the Revenues the interest on and principal of and redemption premiums, if any, to become due on every Bond issued hereunder in strict conformity with the terms hereof and of the Bonds, and will faithfully observe and perform all the agreements and covenants to be observed or performed by the Authority contained herein and in the Bonds.

SECTION 6.02 Against Encumbrances. The Authority will not make any pledge or assignment of or place any charge or lien upon the Revenues except as provided in Section 5.01, and will not issue any bonds, notes or obligations payable from the Revenues or secured by a pledge of or charge or lien upon the Revenues.

SECTION 6.03 Rebate Fund.

(a) In addition to the accounts created pursuant to Section 5.03, the Trustee shall establish and maintain a fund separate from any other fund or account established and maintained hereunder designated as the Rebate Fund. There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement (as defined in the Tax Certificate), for payment to the United States of America. Notwithstanding the provisions of Sections 5.01, 5.02, 5.05, 9.01 and 10.01 relating to the pledge of Revenues, the allocation of money in the



Revenue Fund, the investments of money in any fund or account, the application of funds upon acceleration and the defeasance of Outstanding Bonds, all amounts required to be deposited into or on deposit in the Rebate Fund shall be governed exclusively by this Section 6.03 and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with such provisions if it follows the written directions of the Authority, and shall have no liability or responsibility to enforce compliance by the Authority with the terms of the Tax Certificate.

(b) Any funds remaining in the Rebate Fund with respect to the Bonds after redemption and payment of all Bonds and all other amounts due hereunder or under the Facilities Lease, or provision made therefor satisfactory to the Trustee, including accrued interest and payment of any applicable fees and expenses of the Trustee and satisfaction of the Rebate Requirement (as defined in the Tax Certificate), shall be withdrawn by the Trustee and remitted to or upon the Written Request of the Authority.

#### SECTION 6.04

#### Tax Covenants.

(a) The Authority hereby covenants that it shall not take any action or inaction, or fail to take any action, or permit any action to be taken on behalf of the Authority or cause or permit any circumstances within its control to arise or continue, if such action or inaction would cause any of the Bonds to be treated as an obligation not described in Section 103(a) of the Code. This covenant shall survive the payment in full of the Bonds.

(b) In the event that at any time the Authority is of the opinion that for purposes of this Section it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under this Trust Agreement, the Authority shall so instruct the Trustee in a Request of the Authority accompanied by a supporting Opinion of Bond Counsel, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provisions of this Section, if the Authority shall provide to the Trustee an Opinion of Counsel that any specified action required under this Section or the Tax Certificate is no longer required or that some further or different action is required to maintain the exclusion from

federal income tax of interest on the Bonds, the Authority and the Trustee may conclusively rely on such opinion in complying with the requirements of this Section and the Tax Certificate, and, notwithstanding Article IX hereof, the covenants hereunder shall be deemed to be modified to that extent.

SECTION 6.05      Accounting Records and Reports. The Trustee will keep or cause to be kept proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of the Revenues, and such books shall be available for inspection by the Authority at reasonable hours and under reasonable conditions. The Trustee shall provide to the Authority monthly statements covering the funds and accounts held pursuant to the Trust Agreement. Not more than one hundred eighty (180) days after the close of each Fiscal Year, the Trustee shall furnish or cause to be furnished to the Authority a complete financial statement (which may be in the form of the Trustee's customary account statements) covering receipts, disbursements, allocation and application of Revenues for such Fiscal Year. The Authority shall keep or cause to be kept such information as is required under the Tax Certificate.

SECTION 6.06      Prosecution and Defense of Suits. The Authority will defend against every suit, action or proceeding at any time brought against the Trustee upon any claim to the extent arising out of the receipt, application or disbursement of any of the Revenues or to the extent involving the failure of the Authority to fulfill its obligations hereunder; provided, that the Trustee or any affected Bondholder at its election may appear in and defend any such suit, action or proceeding. The Authority will indemnify and hold harmless the Trustee against any and all liability claimed or asserted by any person to the extent arising out of such failure by the Authority, and will indemnify and hold harmless the Trustee against any reasonable attorney's fees or other reasonable expenses which it may incur in connection with any litigation to which it may become a party by reason of its actions hereunder, except for any loss, cost, damage or expense resulting from the negligence or willful misconduct by the Trustee. Notwithstanding any contrary provision hereof, this covenant shall remain in full force and effect even though all Bonds secured hereby may have been fully paid and satisfied.

SECTION 6.07      Further Assurances. The Authority will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments, and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Bondholders all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them hereby.

SECTION 6.08      Maintenance of Revenues. The Authority will promptly collect all rents and charges due for the occupancy or use of the Facilities as the same become due, and will promptly and vigorously enforce its rights against any tenant or other person who does not pay such rents or charges as they become due. Pursuant to Section 5.02 and the Facilities Lease, the County is to pay all Base Rental Payments directly to the Trustee. The Authority will at all times maintain and vigorously enforce all of its rights under the Facilities Lease.

(a) The Authority shall not supplement, amend, modify or terminate any of the terms of the Facilities Lease, or consent to any such supplement, amendment, modification or termination, without the prior written consent of the Trustee. The Trustee shall give such written consent if such supplement, amendment, modification or termination (a) will not materially adversely affect the interests of the Bondholders or result in any material impairment of the security hereby given for the payment of the Bonds (provided that such supplement, amendment or modification shall not be deemed to have such adverse effect or to cause such material impairment solely by reason of addition, substitution or release of real property pursuant to Section 2.03 of the Facilities Lease), (b) is to add to the agreements, conditions, covenants and terms required to be observed or performed thereunder by any party thereto, or to surrender any right or power therein reserved to the Authority or the County, (c) is to cure, correct or supplement any ambiguous or defective provision contained therein, (d) is to accommodate any addition, substitution or release of property in accordance with Section 2.03 of the Facilities Lease or prepayment in accordance with Section 7.02 of the Facilities Lease, (e) is to modify the legal description of the Facilities to conform to the requirements of title insurance or otherwise to add or delete property descriptions to reflect accurately the description of the parcels intended or preferred to be included therein, or substituted for the Facilities pursuant to the provisions of Section 2.03 of the Facilities Lease, or deleted due to prepayment pursuant to the provisions of Section 7.02 of the Facilities Lease, or (f) if the Trustee first obtains the written consent of the Bondholders of a majority in principal amount of the Bonds then Outstanding to such supplement, amendment, modification or termination; provided, that no such supplement, amendment, modification or termination shall reduce the amount of Base Rental Payments to be made to the Authority or the Trustee by the County pursuant to the Facilities Lease to an amount less than the scheduled principal and interest payments on the Outstanding Bonds, or extend the time for making such payments, or permit the creation of any lien prior to or on a parity with the lien created by this Trust Agreement on the Base Rental Payments (except as expressly provided in the Facilities Lease), in each case without the written consent of all of the Bondholders of the Bonds then Outstanding.

(b) The Authority shall not supplement, amend, modify or terminate any of the terms of the Site Lease, or consent to any such supplement, amendment, modification or termination, without the prior written consent of the Trustee. The Trustee shall give such written consent if such supplement, amendment, modification or termination (a) will not materially adversely affect the interests of the Bondholders or result in any material impairment of the security hereby given for the payment of the Bonds, (b) is to add to the agreements, conditions, covenants and terms required to be observed or performed thereunder by any party thereto, or to surrender any right or power therein reserved to the Authority or the County, (c) is to cure, correct or supplement any ambiguous or defective provision contained therein, (d) is to modify the legal description of the Facilities to conform to the requirements of title insurance or otherwise to add or delete property descriptions to reflect accurately the description of the parcels intended or preferred to be included therein, or substituted for the Facilities pursuant to the provisions of Section 2.03 of the Facilities Lease, or deleted due to prepayment pursuant to the provisions of Section 7.02 of the Facilities Lease; or (e) if the Trustee first obtains the written consent of the Bondholders of a majority in principal amount of the Bonds then Outstanding to such supplement, amendment, modification or termination.

(c) No supplement, amendment, modification or termination of the Facilities Lease or Site Lease shall be entered into unless an Opinion of Counsel is delivered to the effect that such amendment, modification or termination is (a) authorized and permitted by the Trust Agreement, Facilities Lease or Site Lease, as applicable, (b) is enforceable against the Authority and the County, as applicable, (c) will not materially adversely affect the interests of the Bondholders or result in any material impairment of the security hereby given for the payment of the Bonds, and (d) does not adversely impact the tax-exempt status of the interest on the Bonds.

(d) The Trustee shall not be obligated to consent to any amendment that adversely impacts its rights.

**SECTION 6.10**      Leasehold Estate.      The Authority will be, on the date of the delivery of the Bonds, the owner and lawfully possessed of the leasehold estate described in the Site Lease, and the Facilities Lease will be, on the date of delivery of the Bonds, a valid subsisting demise for the term therein set forth of the property which it purports to demise. At the time of the delivery of the Bonds, the County will be the owner in fee simple of the premises described in the Site Lease, the Site Lease will be lawfully made by the County and the covenants contained in the Site Lease on the part of the County will be valid and binding. At the

time of the delivery of the Bonds, the Authority will have good right, full power and lawful authority to lease said leasehold estate, in the manner and form provided in the Facilities Lease, and the Facilities Lease will be duly and regularly executed.

Without allowance for any days of grace which may or might exist or be allowed by law or granted pursuant to any terms or conditions of the Facilities Lease, the Authority will in all respects promptly and faithfully keep, perform and comply with all the terms, provisions, covenants, conditions and agreements of the Facilities Lease to be kept, performed and complied with by it. The Authority will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for declaring a forfeiture of the Facilities Lease, or would or might be a ground for cancellation or termination of the Facilities Lease by the lessee thereunder. The Authority will promptly deposit with the Trustee (to be held by the Trustee until the title and rights of the Trustee under this Trust Agreement shall be released or reconvened) any and all documentary evidence received by it showing compliance with the provisions of the Facilities Lease to be performed by the Authority. The Authority, immediately upon its receiving or giving any notice, communication or other document in any way relating to or affecting the Facilities Lease, or the leasehold estate thereby created, which may or can in any manner affect the estate of the lessor or of the Authority in or under the Facilities Lease, will deliver the same, or a copy thereof, to the Trustee.

SECTION 6.11 Compliance With Continuing Disclosure Agreement. Pursuant to Section 8.09 of the Facilities Lease, the County has undertaken all responsibility for compliance with continuing disclosure requirements, and the Authority and the Trustee shall have no liability to the Owners of the Bonds or any other person with respect to S.E.C. Rule 15c2-12. Notwithstanding any other provision of this Trust Agreement, failure of the County to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any Bondholder or Beneficial Owner may, and the Trustee at the request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the Holders of at least 25% aggregate principal amount of Bonds Outstanding and provided satisfactory indemnification is provided to the Trustee, shall, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under Section 8.09 of the Facilities Lease or under this Section 6.11. For purposes of this Section, "Beneficial Owner" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries)."

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

SECTION 7.01 Events of Default and Acceleration of Maturities. If one or more of the following events (herein called "events of default") shall happen, that is to say:

(a) if default shall be made by the Authority in the due and punctual payment of the interest on any Bond when and as the same shall become due and payable;

(b) if default shall be made by the Authority in the due and punctual payment of the principal or premium, if any, of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed or by proceedings for mandatory redemption;

(c) if default shall be made by the Authority in the performance of any of the other agreements or covenants required herein to be performed by the Authority, and such default shall have continued for a period of sixty (60) days or (or if the Authority notifies the Trustee that in its reasonable opinion the failure stated in the notice can be corrected, but not within such 60 day period, the failure will not constitute an event of default if the Authority commences to cure the failure within such 60 day period and thereafter diligently and in good faith cures such failure in a reasonable period of time);

(d) if the Authority shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the Authority seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the Authority or of the whole or any substantial part of its property; or

(e) if an Event of Default has occurred under Section 6.01 of the Facilities Lease.

SECTION 7.02 Actions on Default. In each and every case during the continuance of an Event of Default, the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding (subject to the provisions of Section 9.02 hereof) shall be entitled, upon notice in writing to the County and the Authority to exercise any of the remedies granted to the Authority under the Facilities Lease, and in addition, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or the Owners by this Indenture or by the Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or

for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in Section 7.03 hereof.

SECTION 7.03 Institution of Legal Proceedings by Trustee. If one or more of the events of default shall happen and be continuing, the Trustee may, and upon the written request of the Bondholders of a majority in principal amount of the Bonds then Outstanding, and in each case upon being indemnified to its reasonable satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Bondholders of Bonds under this Trust Agreement and under Article VI of the Facilities Lease by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trustee shall deem most effectual in support of any of its rights and duties hereunder.

SECTION 7.04 Non-Waiver. Nothing in this Article or in any other provision hereof or in the Bonds shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay the interest on and principal of and redemption premiums, if any, on the Bonds to the respective Bondholders of the Bonds at the respective dates of maturity or upon prior redemption as provided herein from the Revenues as provided herein pledged for such payment, or shall affect or impair the right of such Bondholders, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein and in the Bonds.

A waiver of any default or breach of duty or contract by the Trustee or any Bondholder shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee or any Bondholder to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Bondholders by the Act or by this Article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Bondholders.

If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned, the Authority, the Trustee and any Bondholder shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

SECTION 7.05 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by the Act or any other law.

SECTION 7.06 Limitation on Bondholders' Right to Sue. No Bondholder of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or equity, for any remedy under or upon this Trust Agreement, unless (a) such Bondholder shall

have previously given to the Trustee written notice of the occurrence of an event of default as defined in Section 7.01; (b) the Bondholders of at least a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) said Bondholders shall have tendered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Bondholder of Bonds of any remedy hereunder; it being understood and intended that no one or more Bondholders of Bonds shall have any right in any manner whatever by his or their action to enforce any right under this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Trust Agreement shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Bondholders of the Outstanding Bonds.

## ARTICLE VIII

### THE TRUSTEE

SECTION 8.01 The Trustee. Wells Fargo Bank, National Association shall serve as the initial Trustee for the Bonds for the purpose of receiving all money which the Authority is required to deposit with the Trustee hereunder and for the purpose of allocating, applying and using such money as provided herein and for the purpose of paying the interest on and principal of and redemption premiums, if any, on the Bonds presented for payment, with the rights and obligations provided herein. Any such corporation or association into which the Trustee may be merged or converted, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or in part, or any corporation or association resulting from any such merger, conversion, sale, transfer or consolidation to which it shall be a party, shall be and become successor Trustee without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties.

The Authority, unless there exists any Event of Default as defined in Section 7.01, may at any time remove the Trustee initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing; provided, that any such successor shall be a bank, banking institution, or trust company, having (or whose parent holding company has) a combined capital (exclusive of borrowed capital) and surplus of at least five hundred million dollars (\$500,000,000) and subject to supervision or examination by federal or state authority. If such bank, banking institution, or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this Section the combined capital and surplus of such bank, banking institution, or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may at any time resign by giving a (30) day written notice of such resignation to the



Authority, and by mailing by first class mail to the Bondholders notice of such resignation. Upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee by an instrument in writing. Any removal or resignation of a Trustee and appointment of a successor Trustee shall become effective only upon the acceptance of appointment by the successor Trustee. The successor Trustee shall send notice of its acceptance by first class mail to the Bondholders. If, within thirty (30) days after notice of the removal or resignation of the Trustee no successor Trustee shall have been appointed and shall have accepted such appointment, the removed or resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Trustee having the qualifications required hereby.

The Trustee is hereby authorized to pay or redeem the Bonds when duly presented for payment at maturity or on redemption prior to maturity. The Trustee shall cancel all Bonds upon payment thereof or upon the surrender thereof by the Authority and shall dispose of such Bonds in a manner deemed appropriate by it. The Trustee shall keep accurate records of all Bonds paid and discharged and cancelled by it.

The Trustee shall, prior to an event of default, and after the curing or waiver of all Events of Default that may have occurred, perform such duties and only such duties as are specifically set forth in this Trust Agreement and no implied duties or obligations shall be read into this Trust Agreement. The Trustee shall, during the existence of any Event of Default (that has not been cured or waived), exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

SECTION 8.02      Liability of Trustee.      The recitals of facts, agreements and covenants herein and in the Bonds shall be taken as recitals of facts, agreements and covenants of the Authority, and the Trustee assumes no responsibility for the correctness of the same or makes any representation as to the sufficiency or validity hereof or of the Bonds, or shall incur any responsibility in respect thereof other than in connection with the rights or obligations assigned to or imposed upon it herein, in the Bonds or in law or equity. The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct as finally determined by a court of competent jurisdiction.

The Trustee shall not be bound to recognize any person as the Bondholder of a Bond unless and until such Bond is submitted for inspection, if required, and such Bondholder's title thereto satisfactorily established, if disputed.

The Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Bondholders of not less than a majority (or any lesser amount that may direct the Trustee in accordance with this Agreement) in aggregate principal amount of the Bonds at the time Outstanding, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising

any trust or power conferred upon the Trustee under this Trust Agreement. The Trustee may refuse to follow any direction that conflicts with law or the Trust Agreement, is unduly prejudicial to the rights of other Bondholders, or would involve the Trustee in personal liability.

The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request, order or direction of any of the Bondholders pursuant to the provisions of this Trust Agreement unless such Bondholders shall have offered to the Trustee reasonable security or indemnity against the reasonable costs, expenses and liabilities that may be incurred therein or thereby. The Trustee has no obligation or liability to the Bondholders for the payment of the interest on, principal of or redemption premium, if any, with respect to the Bonds from its own funds; but rather the Trustee's obligations shall be limited to the performance of its duties hereunder.

Any action taken, or omitted to be taken, by the Trustee in good faith pursuant to the Trust Agreement upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent, is the Bondholder of any Bond shall be conclusive and binding upon all future Bondholders and upon Bonds executed and delivered in exchange therefore or in place thereof.

The Trustee shall not be deemed to have knowledge of any event of default (except payment defaults) unless and until a Responsible Officer shall have actual knowledge thereof or a Responsible Officer of the Trustee shall have received written notice thereof at its Designated Office. The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of a default or event of default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through attorneys-in-fact, agents or receivers and shall not be answerable for the negligence or misconduct of any such attorney-in-fact, agent or receiver selected by it with due care. The Trustee shall be entitled to advice of counsel and other professionals concerning all matters of trust and its duty hereunder, but the Trustee shall not be answerable for the professional malpractice of any attorney-in-law or certified public accountant in connection with the rendering of his professional advice in accordance with the terms of this Trust Agreement, if such attorney-in-law or certified public accountant was selected by the Trustee with due care.

The Trustee shall not be concerned with or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

Whether or not therein expressly so provided, every provision of this Trust Agreement, the Facilities Lease, the Site Lease or related documents relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article.

The Trustee makes no representation or warranty, express or implied, as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose for the use contemplated by the Authority or County of the Facilities or the Project. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from the Facilities Lease, the Site Lease or this Trust Agreement for the existence, furnishing or use of the Facilities or the Project.

The Trustee shall be protected in acting upon any notice, resolution, requisition, request (including any Written Request of the Authority or the County), consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Before the Trustee acts or refrains from acting, the Trustee may consult with counsel, who may be counsel of or to the Authority, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Before taking any action or refraining from taking any action, the Trustee may require that indemnity satisfactory to it be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, including costs incurred in defending itself against any and all charges claims, complaints, allegations, assertions or demands of any nature whatsoever, except liability which is adjudicated to be a direct result of the Trustee's negligence or willful misconduct in connection with any such action.

Whenever in the administration of its rights and obligations hereunder the Trustee shall deem it necessary or desirable that a matter be established or proved prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a Certificate of the Authority or a Certificate of the County, which certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

No provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

The Trustee is not responsible for the content of the official statement or any disclosure material prepared in connection with the Bonds.

The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence.

SECTION 8.03      Compensation and Indemnification of Trustee.      The Authority covenants to pay (but solely from Additional Payments) to the Trustee from time to time, and the Trustee shall be entitled to, compensation for all services rendered by it in the exercise and performance of any of the powers and duties hereunder of the Trustee, and the Authority will pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee, in accordance with any of the provisions of this Trust Agreement (including the reasonable compensation and the reasonable expenses and disbursements of their counsel (including the allocated reasonable fees and disbursements of in-house counsel) and of all persons not regularly in their employ) except any such expense, disbursement or advance as may arise from the Trustee's negligence or willful misconduct. The Authority, to the extent permitted by law, shall indemnify, defend and hold harmless the Trustee against any loss, damage, liability or expense incurred without negligence or willful misconduct on the part of the Trustee arising out of or in connection with the acceptance or administration of the trusts created hereby, including reasonable costs and expenses (including reasonable attorneys' fees and disbursements) of defending itself against or investigating any claim or liability in connection with the exercise or performance of any of its powers hereunder. The rights of the Trustee and the obligations of the Authority under this Section 8.03 shall survive the discharge of the Bonds and this Trust Agreement and the resignation or removal of the Trustee.

## ARTICLE IX

### AMENDMENT OF THE TRUST AGREEMENT

SECTION 9.01      Amendment of the Trust Agreement.

(a) This Trust Agreement and the rights and obligations of the Authority and of the Bondholders may be amended at any time by a Supplemental Trust Agreement which shall become binding when the written consent of the Bondholders of a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided herein, are filed with the Trustee; provided that if such modification or amendment will, by its terms, not take effect so long as any Bonds remain Outstanding, the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be outstanding for the purpose of any calculation of Bonds Outstanding under this Section. No such amendment shall (1) extend the maturity of or reduce the interest rate on or amount of interest on or principal of or redemption premium, if any, on any Bond without the express written consent of the Bondholder of such Bond, or (2) permit the creation by the Authority of any pledge of or charge or lien upon the Revenues as provided herein superior to or on a parity with the pledge, charge and lien created hereby for the benefit of the Bonds, or (3) reduce the percentage of Bonds required for the written consent to any such amendment, or (4) modify any rights or obligations of the Trustee, the Authority, or the

County without their prior written assent thereto, respectively. It shall not be necessary for the consent of the Bondholders to approve the particular form of any Supplemental Trust Agreement, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution by the Authority and the Trustee of any Supplemental Trust Agreement pursuant to this subsection (a), the Trustee shall mail a notice on behalf of the Authority, setting forth in general terms the substance of such Supplemental Trust Agreement to the Bondholders at the addresses shown on the registration books maintained by the Trustee. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Trust Agreement.

(b) The Trust Agreement and the rights and obligations of the Authority and of the Bondholders may also be amended at any time by a Supplemental Trust Agreement which shall become binding upon adoption but without the consent of any Bondholders, for any purpose that will not materially adversely affect the interests of the Bondholders, including (without limitation) for any one or more of the following purposes:

(i) to add to the agreements and covenants required herein to be performed by the Authority other agreements and covenants thereafter to be performed by the Authority, or to surrender any right or power reserved herein to or conferred herein on the Authority;

(ii) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Authority may deem desirable or necessary; and

(iii) to add to the agreements and covenants required herein, such agreements and covenants as may be necessary to qualify the Trust Agreement under the Trust Indenture Act of 1939.

(a) The Trustee shall not be obligated to enter into any Amendment that adversely impacts its rights.

(b) No amendment shall be entered into unless an Opinion of Counsel is delivered to the effect that such amendment (a) is authorized and permitted by the Trust Agreement, (b) is enforceable against the Authority and the County, (c) will not materially adversely affect the interests of the Bondholders or result in any material impairment of the

security hereby given for the payment of the Bonds, and (d) does not adversely impact the tax-exempt status of the interest on the Bonds.

SECTION 9.02 Disqualified Bonds. Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in this Article, and shall not be entitled to consent to or take any other action provided in this Article.

SECTION 9.03 Endorsement or Replacement of Bonds After Amendment. After the effective date of any action taken as hereinabove provided, the Authority may determine that the Bonds may bear a notation by endorsement in form approved by the Authority as to such action, and in that case upon demand of the Bondholder of any Outstanding Bonds and presentation of his Bond for such purpose at the office of the Trustee a suitable notation as to such action shall be made on such Bond. If the Authority shall so determine, new Bonds so modified as, in the opinion of the Authority, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Bondholder of any Outstanding Bond a new Bond or Bonds shall be exchanged at the office of the Trustee without cost to each Bondholder for its Bond or Bonds then Outstanding upon surrender of such Outstanding Bonds.

SECTION 9.04 Notice to and Consent of Bondholders. If consent of the Bondholders is required under the terms of this Trust Agreement for the amendment of this Trust Agreement or for any other similar purpose, the Authority shall cause notice of the proposed amendment to be given by first-class mail to the Owners of the Outstanding Bonds then shown on the registration books for the Bonds. Such notice shall briefly set forth the nature of the proposed amendment or other action and shall state that copies of any such amendment are on file at the office of the Authority and the Designated Office of the Trustee for inspection by all Bondholders. If, within sixty (60) days or such longer period as shall be prescribed by the Authority following the mailing of such notice, the Owners of the requisite principal amount of the Bonds Outstanding by instruments filed with the Authority shall have consented to the amendment or other proposed action, then the Authority may adopt or execute, as appropriate, such amendment or take such proposed action and the consent of the Bondholders shall thereby be conclusively presumed. Such instruments filed with the Authority may include documents, including Certificates of the Authority, stating that Owners of Bonds have consented to an amendment by purchasing such Bonds if the official statement or disclosure document related to such purchase disclosed that the purchase of the Bonds was deemed to mean that the Owners consented to the amendment.

SECTION 9.05 Amendment by Mutual Consent. The provisions of this Article shall not prevent any Bondholder from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

## ARTICLE X

### DEFEASANCE

#### SECTION 10.01 Discharge of Bonds.

(a) If the Authority shall pay or cause to be paid or there shall otherwise be paid to the Bondholders of all or any portion of the Outstanding Bonds the interest thereon and principal thereof and redemption premiums, if any, thereon at the times and in the manner stipulated herein and therein, and the Authority shall pay in full all other amounts due hereunder and under the Facilities Lease, then the Bondholders of such Bonds shall cease to be entitled to the pledge of and charge and lien upon the Revenues as provided herein, and all agreements, covenants and other obligations of the Authority to the Bondholders of such Bonds hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, the Trustee shall pay over or deliver to the Authority all money or securities held by it pursuant hereto which are not required for the payment of the interest on and principal of and redemption premiums, if any, on such Bonds and for the payment of all other amounts due hereunder and under the Facilities Lease.

(b) Any Outstanding Bonds shall prior to the maturity date or redemption date thereof be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this Section if (1) in case any of such Bonds are to be redeemed on any date prior to their maturity date, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to provide notice in accordance with Section 4.05, (2) there shall have been deposited with the Trustee (A) cash in an amount which shall be sufficient and/or (B) noncallable Government Securities, the interest on and principal of which when paid will provide cash which, together with the cash, if any, deposited with the Trustee at the same time, shall be sufficient, in the opinion of an Independent Certified Public Accountant, to pay when due the interest to become due on such Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and the principal of and redemption premiums, if any, on such Bonds, and (3) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee in form

satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the Bondholders of such Bonds that the deposit required by clause (2) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating the maturity date or redemption date upon which money is to be available for the payment of the principal of and redemption premiums, if any, on such Bonds.

(c) [In the event of an advance refunding (i) the Authority shall cause to be delivered, on the deposit date and upon any reinvestment of the defeasance amount, a report of an Independent Certified Public Accountant verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity date or redemption date (“Verification”) (which Verification shall verify the mathematical accuracy of the computations relating to the adequacy of cash plus Government Securities to be held in escrow to pay debt service requirements (principal, interest and redemption price, including premium, to the applicable redemption or maturity dates) when due on the Bonds to be refunded), (ii) the escrow agreement shall provide that no (A) substitution of a Government Security shall be permitted except with another Government Security and upon delivery of a new Verification and (B) reinvestment of a Government Security shall be permitted except as contemplated by the original Verification or upon delivery of a new Verification and (iii) there shall be delivered an Opinion of Bond Counsel to the effect that the Bonds are no longer “Outstanding” under the Trust Agreement; each Verification and opinion shall be addressed to the Authority and the Trustee.]

SECTION 10.02 Unclaimed Money. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Bonds or interest thereon which remains unclaimed for two (2) years after the date when such Bonds or interest thereon have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when such Bonds have become due and payable, shall be repaid by the Trustee to the Authority as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bondholders shall not look to the Trustee for the payment of such Bonds.



## ARTICLE XI

### MISCELLANEOUS

SECTION 11.01 Liability of Authority Limited to Revenues. Notwithstanding anything contained herein, the Authority shall not be required to advance any money derived from any source other than the Revenues as provided herein for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds or for the performance of any agreements or covenants herein contained. The Authority may, however, advance funds for any such purpose so long as such funds are derived from a source legally available for such purpose.

The Bonds are limited obligations of the Authority and are payable, as to interest thereon, principal thereof and any premiums upon the redemption of any thereof, solely from the Revenues as provided herein, and the Authority is not obligated to pay them except from the Revenues. All the Bonds are equally secured by a pledge of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest on and principal of and redemption premiums, if any, on the Bonds as provided herein. The Bonds are not a debt of the County, the State or any of its political subdivisions, and neither the County, the State nor any of its political subdivisions is liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than those of the Authority as provided herein. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory limitation or restriction.

SECTION 11.02 Benefits of this Trust Agreement Limited to Parties and Third Party Beneficiaries. Nothing contained herein, expressed or implied, is intended to give to any person other than the Authority, the Trustee, and the Bondholders any right, remedy or claim under or by reason hereof. Any agreement or covenant required herein to be performed by or on behalf of the Authority or any member, officer or employee thereof shall be for the sole and exclusive benefit of the Authority, the Trustee and the Bondholders.

SECTION 11.03 Successor Is Deemed Included in All References to Predecessor. Whenever herein either the Authority or any member, officer or employee thereof or of the State is named or referred to, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Authority or such member, officer or employee, and all agreements and covenants required hereby to be performed by or on behalf of the Authority or any member, officer or employee thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 11.04 Execution of Documents by Bondholders. Any declaration, request or other instrument which is permitted or required herein to be executed by Bondholders may be in one or more instruments of similar tenor and may be executed by Bondholders in person or by their attorneys appointed in writing. The fact and date of the execution by any Bondholder or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to make acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution

duly sworn to before such notary public or other officer. The ownership of any Bonds and the amount, maturity, number and date of holding the same may be proved by the registration books relating to the Bonds at the Designated Office of the Trustee.

Any declaration, request, consent or other instrument or writing of the Bondholder of any Bond shall bind all future Bondholders of such Bond with respect to anything done or suffered to be done by the Trustee or the Authority in good faith and in accordance therewith.

SECTION 11.05 Waiver of Personal Liability. No member, officer or employee of the Authority or the County shall be individually or personally liable for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds by reason of their issuance, but nothing herein contained shall relieve any such member, officer or employee from the performance of any official duty provided by the Act or any other applicable provisions of law or hereby.

SECTION 11.06 Cancelled Bonds. The Trustee shall cancel and destroy the Bonds it has received in accordance with its retention policy then in effect.

SECTION 11.07 Accounts and Funds. Any account or fund required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such accounts and funds shall at all times be maintained in accordance with the applicable policies and procedures of the Trustee and with due regard for the protection of the security of the Bonds and the rights of the Bondholders.

SECTION 11.08 Business Day. When any action is provided for herein to be done on a day named or within a specified time period, and the day or the last day of the period falls on a day which is not a Business Day, such action may be performed on the next ensuing Business Day with the same effect as though performed on the appointed day or within the specified period.

SECTION 11.09 Notices. All written notices to be given hereunder shall be given by mail to the party entitled thereto at the addresses set forth below, or at such other addresses as such parties may provide to the other party in writing from time to time, namely:

If to the Authority:	County of Contra Costa Public Financing Authority c/o County Administrator County of Contra Costa County Administration Building 651 Pine Street Martinez, California 94553
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If to the Trustee: Wells Fargo Bank, National Association  
333 S. Grand Ave., 5<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attention: Corporate Trust Services

If to the County: County of Contra Costa  
c/o Clerk of the Board of Supervisors  
County of Contra Costa  
County Administration Building  
651 Pine Street  
Martinez, California 94553

SECTION 11.10 Article and Section Headings and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to “Articles,” “Sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith,” “hereunder” and other words of similar import refer to this Trust Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

SECTION 11.11 Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the Authority or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of the Bonds, and the Bondholders shall retain all the benefit, protection and security afforded to them under the Act or any other applicable provisions of law. The Authority and the Trustee hereby declare that they would have executed and delivered this Trust Agreement and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

SECTION 11.12 Governing Law. This Trust Agreement shall be governed exclusively by the provisions hereof and by the laws of the State as the same from time to time exist.

SECTION 11.13 Execution in Several Counterparts. This Trust Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY has caused this Trust Agreement to be signed in its name by its Chair and attested by its Secretary, and WELLS FARGO BANK, NATIONAL ASSOCIATION., in token of its acceptance of the trusts created hereunder, has caused this Trust Agreement to be signed by one of the officers thereunder duly authorized, all as of the day and year first above written.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Directors

Attest:

By: \_\_\_\_\_  
Lisa Driscoll  
Deputy Executive Director and Assistant  
Secretary of the Board of Directors

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

Acknowledged

COUNTY OF CONTRA COSTA

By: \_\_\_\_\_  
Jami Napier  
Chief Assistant Clerk of the Board of  
Supervisors



principal amount of Bonds of the Series of which this Bond is a part received by the Trustee (defined hereinafter) prior to the applicable record date, interest shall be paid by wire transfer in immediately available funds to an account within the United States of America. The principal hereof is payable in lawful money of the United States of America by check mailed by first-class mail to the registered owner hereof; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate principal amount of Bonds of the Series of which this Bond is a part received by the Trustee (defined hereinafter) prior to the applicable record date, principal shall be paid by wire transfer in immediately available funds to an account within the United States of America. Final Payment of principal at maturity, will be made upon presentation of this Bond at the Designated Office of the Trustee. Capitalized terms used herein and not otherwise defined herein have the meanings ascribed thereto in the Trust Agreement.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its "County of Contra Costa Public Financing Authority Lease Revenue Bonds 2021 Series A" (the "Bonds") unlimited as to principal amount and is the bond of a duly authorized series of such Bonds known as "2021 Series A" (the "Bonds") issued in a principal amount of [\_\_\_\_\_] dollars (\$[\_\_\_\_]), and is issued under and pursuant to the provisions of the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended) and all laws amendatory thereof or supplemental thereto (the "Act") and under and pursuant to the provisions of a trust agreement, dated as of \_\_\_\_\_ 1, 2021 (as amended, supplemented or modified from time to time, the "Trust Agreement"), by and between the Authority and Wells Fargo Bank, National Association, as trustee (together with any successor as trustee under the Trust Agreement, the "Trustee") (copies of the Trust Agreement are on file at the Designated Office of the Trustee in Los Angeles, California).

The Bonds are issued to provide funds to refund certain outstanding revenue bonds of the Authority. The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from certain proceeds of the Bonds held in certain funds and accounts pursuant to the Trust Agreement and the revenues (as more fully defined in the Trust Agreement, the "Revenues") derived from Base Rental Payments and other payments made by the County of Contra Costa (the "County"), and all interest or other investment income thereon, pursuant to the Facilities Lease, dated as of \_\_\_\_\_ 1, 2021 (as amended from time to time, the "Facilities Lease"), by and between the Authority and the County, and the Authority is not obligated to pay the interest or premium, if any, on and principal of the Bonds except from the Revenues. All Bonds are equally and ratably secured in accordance with the terms and conditions of the Trust Agreement by a pledge and assignment of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest or premium, if any, on and principal of the Bonds as provided in the Trust Agreement. The full faith and credit of the Authority and the County are not pledged for the payment of the interest or premium, if any, on or principal of the Bonds. No tax shall ever be levied to pay the interest on or principal of the Bonds. The Bonds are not secured by a legal or equitable pledge of or charge or lien upon any property of the Authority or any of its income or receipts except the Revenues, and neither the payment of the interest on nor principal (or premium, if any) of the Bonds is a debt, liability or general obligation of the Authority, the County or any member of the Authority for which such entity is obligated to levy or pledge any form of taxation. Reference is hereby made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued, the provisions

with regard to the nature and extent of the Revenues, the rights of the registered owners of the Bonds, security for payment of the Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Bonds); and all the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the Authority and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents.

[The Bonds are subject to redemption prior to maturity on the dates, at the redemption prices, and upon such notice as set forth in the Trust Agreement.]

The Bonds, upon notice as provided in the Trust Agreement, shall also be subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account payments set forth below, at a redemption price equal to the sum of the principal amount thereof plus accrued interest thereon to the redemption date, without premium:

Mandatory Sinking Account Payment Date (June 1) <hr style="width: 100%;"/>	Mandatory Sinking Account Payment <hr style="width: 100%;"/> \$
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\*  


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 \*Maturity

If an Event of Default (as defined in the Trust Agreement) shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Trust Agreement. The Trust Agreement provides that in certain events such declaration and its consequences may be rescinded by the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding or by the Trustee.

This Bond is transferable only on a register to be kept for that purpose at the above-mentioned Designated Office of the Trustee by the registered owner hereof in person or by the duly authorized attorney of such owner upon payment of the charges provided in the Trust

Agreement and upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the duly authorized attorney of such owner, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount will be issued to the transferee in exchange therefor. The Authority and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

In the event of any conflict or inconsistency between the terms and provisions of the Bond and the terms and provisions of the Trust Agreement, the terms and provisions of the Trust Agreement shall control.

This Bond shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been executed and dated by the Trustee.

It is hereby certified and recited that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Act, and by the Constitution and laws of the State of California, that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or laws of the State of California and is not in excess of the amount of Bonds permitted to be issued under the Trust Agreement.

IN WITNESS WHEREOF, the County of Contra Costa Public Financing Authority has caused this Bond to be executed in its name and on its behalf by the facsimile signature of the Chair of the Authority and countersigned by the facsimile signature of the Secretary of said Authority, and has caused this Bond to be dated as of the Dated Date specified above.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By: \_\_\_\_\_  
Chair

Countersigned:

\_\_\_\_\_  
Secretary



FORM OF CERTIFICATE OF AUTHENTICATION  
TO APPEAR ON 2021 SERIES A BONDS

This is one of the Bonds described in the within-mentioned Trust Agreement which has been registered and authenticated on [\_\_\_\_\_], 2021.

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

[FORM OF ASSIGNMENT TO  
APPEAR ON 2021 SERIES A BONDS]

For value received the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Taxpayer Identification Number: \_\_\_\_\_) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

NOTE: The signature to this Assignment must correspond with the name as written on the face of the Bond in every particular, without alteration or enlargement or any change whatever.

Dated: \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY NUMBER, TAXPAYER IDENTIFICATION NUMBER OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

Signature Guaranteed: \_\_\_\_\_

NOTE: Signature must be guaranteed by an eligible guarantor institution.

EXHIBIT B

FORM OF 2021 SERIES B BOND

No. R-1

\${\_\_\_\_\_}

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY  
LEASE REVENUE BONDS  
2021 SERIES B

NEITHER THE FULL FAITH AND CREDIT OF THE AUTHORITY NOR THE COUNTY OF CONTRA COSTA IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE BONDS AND NO TAX OR OTHER SOURCE OF FUNDS OTHER THAN THE REVENUES HEREINAFTER REFERRED TO IS PLEDGED TO PAY THE INTEREST ON OR PRINCIPAL OF THE BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF NOR INTEREST ON THE BONDS CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OF CONTRA COSTA OR THE CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, THE PARTIES TO THE AGREEMENT CREATING THE AUTHORITY.

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>
____%	June 1, 20____	____, 2021

REGISTERED OWNER: CEDE & CO

PRINCIPAL SUM: \_\_\_\_\_ DOLLARS

The COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority, duly organized and validly existing under and pursuant to the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues hereinafter referred to) to the registered owner identified above or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter provided for) the principal sum specified above, together with interest on such principal sum from the interest payment date next preceding the date of authentication of this Bond (unless this Bond is registered as of an interest payment date or during the period from the fifteenth calendar day of the month preceding an interest payment date to such interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before [November 15, 2021], in which event it shall bear interest from the Dated Date specified above) until the principal hereof shall have been paid at the interest rate per annum specified above, payable on December 1, 2021, and semiannually thereafter on each June 1 and December 1. Interest due on or before the maturity or prior redemption of this Bond

shall be payable only by check mailed by first-class mail to the registered owner hereof; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate principal amount of Bonds of the Series of which this Bond is a part received by the Trustee (defined hereinafter) prior to the applicable record date, interest shall be paid by wire transfer in immediately available funds to an account within the United States of America. The principal hereof is payable in lawful money of the United States of America by check mailed by first-class mail to the registered owner hereof; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate principal amount of Bonds of the Series of which this Bond is a part received by the Trustee (defined hereinafter) prior to the applicable record date, principal shall be paid by wire transfer in immediately available funds to an account within the United States of America. Final Payment of principal at maturity, will be made upon presentation of this Bond at the Designated Office of the Trustee. Capitalized terms used herein and not otherwise defined herein have the meanings ascribed thereto in the Trust Agreement.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its "County of Contra Costa Public Financing Authority Lease Revenue Bonds 2021 Series B" (the "Bonds") unlimited as to principal amount and is the bond of a duly authorized series of such Bonds known as "2021 Series B" (the "Bonds") issued in a principal amount of [\_\_\_\_\_] dollars (\$[\_\_\_\_]), and is issued under and pursuant to the provisions of the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended) and all laws amendatory thereof or supplemental thereto (the "Act") and under and pursuant to the provisions of a trust agreement, dated as of \_\_\_\_\_ 1, 2021 (as amended, supplemented or modified from time to time, the "Trust Agreement"), by and between the Authority and Wells Fargo Bank, National Association, as trustee (together with any successor as trustee under the Trust Agreement, the "Trustee") (copies of the Trust Agreement are on file at the Designated Office of the Trustee in Los Angeles, California).

The Bonds are issued to provide funds to refund certain outstanding revenue bonds of the Authority. The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from certain proceeds of the Bonds held in certain funds and accounts pursuant to the Trust Agreement and the revenues (as more fully defined in the Trust Agreement, the "Revenues") derived from Base Rental Payments and other payments made by the County of Contra Costa (the "County"), and all interest or other investment income thereon, pursuant to the Facilities Lease, dated as of \_\_\_\_\_ 1, 2021 (as amended from time to time, the "Facilities Lease"), by and between the Authority and the County, and the Authority is not obligated to pay the interest or premium, if any, on and principal of the Bonds except from the Revenues. All Bonds are equally and ratably secured in accordance with the terms and conditions of the Trust Agreement by a pledge and assignment of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest or premium, if any, on and principal of the Bonds as provided in the Trust Agreement. The full faith and credit of the Authority and the County are not pledged for the payment of the interest or premium, if any, on or principal of the Bonds. No tax shall ever be levied to pay the interest on or principal of the Bonds. The Bonds are not secured by a legal or equitable pledge of or charge or lien upon any property of the Authority or any of its income or receipts except the Revenues, and neither the payment of the interest on nor principal (or premium, if any) of the Bonds is a debt, liability or general obligation of the Authority, the County or any member of the Authority for which such entity is obligated to levy or pledge any form of taxation. Reference is hereby

made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, the rights of the registered owners of the Bonds, security for payment of the Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Bonds); and all the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the Authority and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents.

[The Bonds are subject to redemption prior to maturity on the dates, at the redemption prices, and upon such notice as set forth in the Trust Agreement.]

The Bonds, upon notice as provided in the Trust Agreement, shall also be subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account payments set forth below, at a redemption price equal to the sum of the principal amount thereof plus accrued interest thereon to the redemption date, without premium:

Mandatory Sinking Account Payment Date (June 1) <hr style="width: 100%;"/>	Mandatory Sinking Account Payment <hr style="width: 100%;"/> \$
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 \*Maturity

If an Event of Default (as defined in the Trust Agreement) shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Trust Agreement. The Trust Agreement provides that in certain events such declaration and its consequences may be rescinded by the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding or by the Trustee.

This Bond is transferable only on a register to be kept for that purpose at the above-mentioned Designated Office of the Trustee by the registered owner hereof in person or by the duly authorized attorney of such owner upon payment of the charges provided in the Trust Agreement and upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the duly authorized attorney of such owner, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount will be issued to the transferee in exchange therefor. The Authority and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

In the event of any conflict or inconsistency between the terms and provisions of the Bond and the terms and provisions of the Trust Agreement, the terms and provisions of the Trust Agreement shall control.

This Bond shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been executed and dated by the Trustee.

It is hereby certified and recited that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Act, and by the Constitution and laws of the State of California, that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or laws of the State of California and is not in excess of the amount of Bonds permitted to be issued under the Trust Agreement.

IN WITNESS WHEREOF, the County of Contra Costa Public Financing Authority has caused this Bond to be executed in its name and on its behalf by the facsimile signature of the Chair of the Authority and countersigned by the facsimile signature of the Secretary of said Authority, and has caused this Bond to be dated as of the Dated Date specified above.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By: \_\_\_\_\_  
Chair

Countersigned:

\_\_\_\_\_  
Secretary

FORM OF CERTIFICATE OF AUTHENTICATION  
TO APPEAR ON 2021 SERIES B BONDS

This is one of the Bonds described in the within-mentioned Trust Agreement which has been registered and authenticated on [\_\_\_\_\_], 2021.

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Signatory



[FORM OF ASSIGNMENT TO  
APPEAR ON 2021 SERIES B BONDS]

For value received the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Taxpayer Identification Number: \_\_\_\_\_) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

NOTE: The signature to this Assignment must correspond with the name as written on the face of the Bond in every particular, without alteration or enlargement or any change whatever.

Dated: \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY NUMBER, TAXPAYER IDENTIFICATION NUMBER OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

Signature Guaranteed: \_\_\_\_\_

NOTE: Signature must be guaranteed by an eligible guarantor institution.

EXHIBIT C

FORM OF REQUISITION – PROJECT FUND

Date: \_\_\_\_\_, 20\_\_

No. \_\_

Wells Fargo Bank, National Association  
[333 S. Grand Ave., 5<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attention: Corporate Trust Services]

Re: County of Contra Costa Public Financing Authority  
Lease Revenue Bonds 2021 Series A and 2021 Series B  
(Written Request of the County – 2021 Series A Project Account)

Ladies and Gentlemen:

This letter is our authorization to you to disburse from the 2017 Series A Project Account within the Project Fund provided for in Section 3.02 of the Trust Agreement dated as of [\_\_\_\_\_] 1, 2021 (the “Trust Agreement”) between the County of Contra Costa Public Financing Authority (the “Authority”) and Wells Fargo Bank, National Association, as trustee, the amount indicated on Schedule A attached hereto to the therein-named individuals, firms and corporations for the payment of project costs relating to the completion of the Capital Projects (as said term is defined in the Trust Agreement).

The obligations in the stated amount have been incurred by the County, and each item thereof is a proper charge against the 2021 Series A Project Account within the Project Fund. There has not been filed with or served upon the County notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named herein below, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen’s or mechanics’ liens accruing by mere operation of law.

If checked here you are hereby authorized to close the 2021 Series A Project Account within the Project Fund and transfer any remaining balance (after payment of any amounts indicated in Schedule A) to the Revenue Fund.

Very truly yours,

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By \_\_\_\_\_  
Authorized Officer

SCHEDULE A

<u>Item No.</u>	<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>
—	_____	\$ _____	_____

EXHIBIT D

FORM OF REQUISITION – COSTS OF ISSUANCE

Date: \_\_\_\_\_, 20\_\_

No. \_\_\_\_

[Wells Fargo Bank, National Association  
333 S. Grand Ave., 5<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attention: Corporate Trust Services]

Re: County of Contra Costa Public Financing Authority  
Lease Revenue Bonds 2021 Series A and 2021 Series B  
(Written Request of the Authority – Costs of Issuance Fund)

Ladies and Gentlemen:

This letter is our authorization to you to disburse from the Costs of Issuance Fund provided for in Section 3.01 of the Trust Agreement dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”) between the County of Contra Costa Public Financing Authority (the “Authority”) and Wells Fargo Bank, National Association, as trustee, the not to exceed amounts indicated on Schedule A attached hereto to the therein-named individuals, firms and corporations for expenses incident to the issuance of the above-referenced Bonds pursuant to the Trust Agreement.

The obligations in the stated amounts have been incurred by the Authority and each item thereof is a proper charge against the Costs of Issuance Fund and has not been subject of a prior requisition.

If checked here you are hereby authorized to close the Costs of Issuance Fund and transfer any remaining balance (after payment of any amounts indicated in Schedule A) to the Authority for deposit to the Revenue Fund.

Very truly yours,

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By \_\_\_\_\_  
Authorized Officer

SCHEDULE A

<u>Item No.</u>	<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>
—	_____	\$ _____	_____

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

NIXON PEABODY LLP  
300 South Grand Avenue, Suite 4100  
Los Angeles, California 90071  
Attention: Jade Turner-Bond, Esq.

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**FACILITIES LEASE**

by and between

**COUNTY OF CONTRA COSTA  
PUBLIC FINANCING AUTHORITY**

and the

**COUNTY OF CONTRA COSTA**

Related to  
\$[\_\_\_\_\_]  
County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding)  
2021 Series A (Capital Projects) and 2021 Series B (Refunding)

Dated as of \_\_\_\_\_ 1, 2021

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THIS TRANSACTION IS EXEMPT FROM FILING FEES PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 6103 AND TRANSFER TAXES PURSUANT TO CALIFORNIA REVENUE AND TAXATION CODE SECTION 11928

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FACILITIES LEASE

This Facilities Lease, dated as of \_\_\_\_\_ 1, 2021, by and between the COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY (the “Authority”), a joint exercise powers authority duly organized and existing under and by virtue of the laws of the State of California, as sublessor, and the COUNTY OF CONTRA COSTA (the “County”), a body corporate and politic and a political subdivision of the State of California, as sublessee;

WITNESSETH:

**WHEREAS**, the County has determined to finance and refinance the construction, renovation and acquisition of various capital projects of the County as set forth in Exhibit D hereto, as the same may be changed from time to time (the “Capital Projects”);

**WHEREAS**, the Authority, at the request of the County, is refunding all of its outstanding Lease Revenue Bonds, consisting of \$13,130,000 2010 Series A-2 (Capital Project I – Taxable Build America Bonds) (the “Series A-2 Bonds”), \$20,700,000 2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds) (the “Series A-3 Bonds”), \$17,435,000 2010 Series B (Refunding) (the “Series B Bonds”) and its \$13,102,304 Lease Revenue Obligations 2012 Series A (the “2012 Series A Obligations,” collectively with the Series A-2 Bonds, the Series A-3 Bonds and the Series B Bonds, the “Refunded Bonds”);

**WHEREAS**, the Authority intends to assist the County in financing and refinancing the Capital Projects and refunding the Refunded Bonds by issuing the County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) and 2021 Series B (Refunding) (the “Bonds”), pursuant to the Trust Agreement dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”), by and between the Authority and Wells Fargo Bank, National Association, as Trustee;

**WHEREAS**, the County will lease to the Authority the Facilities (as defined herein) of the County pursuant to a Site Lease, dated as of \_\_\_\_\_ 1, 2021 (the “Site Lease”), between County and the Authority;

**WHEREAS**, the County will lease back the Facilities from the Authority pursuant to the terms of this Facilities Lease; and

**WHEREAS**, under this Facilities Lease, the County will be obligated to make Base Rental Payments and Additional Payments (each as defined herein) to the Authority for the lease of the Facilities and such other facilities as may from time to time be leased hereunder;

**WHEREAS**, the County is authorized by law to sublease the Facilities and the Facilities are necessary and proper for public purposes; and

**WHEREAS**, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Facilities Lease do exist, have happened and have been performed in regular and due

time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Facilities Lease;

**NOW, THEREFORE**, in consideration of the mutual covenants herein, the parties hereto agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

SECTION 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Facilities Lease, have the meanings herein specified, which meanings shall be equally applicable to both the singular and plural forms of any of the terms herein defined. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Trust Agreement.

**“Additional Payments”** means all amounts payable to the Authority or the Trustee or any other person from the County as Additional Payments pursuant to Section 3.02 hereof.

**“Authority”** means the County of Contra Costa Public Financing Authority, acting as sublessor hereunder and any surviving, resulting or transferee entity.

**“Base Rental”** and **“Base Rental Payments”** means all amounts payable to the Authority from the County as Base Rental Payments pursuant to Section 3.01 hereof.

**“Base Rental Payment Schedule”** means the schedule of Base Rental Payments payable to the Authority from the County pursuant to Section 3.01 hereof and attached hereto as Exhibit B.

**“Bonds”** has the meaning set forth in the recitals.

**“Capital Projects”** means the various public capital improvements and projects, including, but not limited to the acquisition, installation, implementation and construction of the Project, as set forth in Exhibit D hereto, as the same may be amended from time to time by a Certificate of the County delivered to the Trustee and the Purchaser, to be financed or refinanced by a portion of the proceeds of the Bonds.

**“Code”** means the Internal Revenue Code of 1986, as the same shall be hereafter amended, and any regulations heretofore issued or which shall be hereafter issued by the United States Department of the Treasury thereunder.

**“Continuing Disclosure Agreement”** means the Continuing Disclosure Agreement dated as of the date of issuance of the Bonds, among the County, the Authority, and Digital Assurance Certification L.L.C. as dissemination agent.

**“County”** means the County of Contra Costa, California, a body corporate and politic and a political subdivision of the State of California.

“**Event of Default**” shall have the meaning specified in Section 6.01 hereof.

“**Facilities**” shall mean the real property and the improvements thereon as described in Exhibit A hereto, or any County buildings, other improvements and facilities, added thereto or substituted therefor, or any portion thereof, in accordance with this Facilities Lease and the Trust Agreement.

“**Facilities Lease**” means this Facilities Lease, as originally executed and recorded or as it may from time to time be supplemented, modified or amended pursuant to the provisions hereof and of the Trust Agreement.

“**Insurance Consultant**” means an individual or firm retained by the County as an independent insurance consultant, with experience in the field of risk management.]

“**Net Proceeds**” means amounts derived from any policy of casualty insurance or title insurance with respect to the Facilities, or the proceeds of any taking of the Facilities or any portion thereof in eminent domain proceedings (including sale under threat of such proceedings), to the extent remaining after payment therefrom of all expenses incurred in the collection and administration thereof.

“**Project**” means the (i) demolition and construction of certain County Offices; (ii) expansion and improvement of Buchanan Field Airport; and (iii) financing the acquisition and construction of certain fire districts, and payment of any costs associated with financing of said projects, as set forth in Exhibit D to this Facilities Lease as the same may be changed from time to time, in accordance with Section 3.07 of this Facilities Lease, by the County by filing a Certificate of the County with the Trustee

“**Refunded Bonds**” means, collectively, the Authority’s previously issued its Lease Revenue Bonds, consisting of \$13,130,000 2010 Series A-2 (Capital Project I – Taxable Build America Bonds), \$20,700,000 2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds), and \$17,435,000 2010 Series B (Refunding) and its \$13,102,304 Lease Revenue Obligations, 2012 Series A.

“**Rental Payment Period**” means the twelve-month period commencing June 1 of each year and ending the following May 31, and the initial period commencing on the effective date hereof and ending the following May 31.

“**Trust Agreement**” means the Trust Agreement, dated as of \_\_\_\_\_ 1, 2021, by and between the Trustee and the Authority and acknowledged by the County, as originally executed or as it may from time to time be supplemented, modified or amended by a Supplemental Trust Agreement entered into pursuant to the provisions thereof.

## ARTICLE II

### LEASE OF FACILITIES; TERM

SECTION 2.01. Lease of Facilities. The Authority hereby leases to the County and the County hereby leases from the Authority the Facilities, subject, however, to all easements,

encumbrances, and restrictions that exist at the time of the commencement of the term of this Facilities Lease, as defined in Section 2.02 hereof. The County hereby agrees and covenants during the term of this Facilities Lease that, except as hereinafter provided, it will use the Facilities for public and County purposes so as to afford the public the benefits contemplated by this Facilities Lease.

SECTION 2.02. Term; Occupancy; and Release of Existing Facilities. The term of this Facilities Lease shall commence on the date of recordation of this Facilities Lease in the office of the County Recorder of Contra Costa County, State of California, on \_\_\_\_\_, 2021, and shall end for the respective Facilities on the dates specified in Exhibit C hereto, unless such term is extended or sooner terminated as hereinafter provided. If on such dates, the Base Rental Payments and Additional Payments attributable to the related Facility and all other amounts then due hereunder with respect to such Facility, or any amount remains due and owing with respect to the Bonds, shall not be fully paid, or if the rental payable hereunder with respect to such Facility shall have been abated at any time and for any reason, then the term of this Facilities Lease with respect to such Facility shall be extended until the Base Rental Payments and Additional Payments attributable to such Facility and all other amounts then due hereunder with respect to such Facility shall be fully paid, except that the term of this Facilities Lease as to the respective Facility shall in no event be extended beyond ten (10) years after the date identified with respect thereto. If prior to such date, all Base Rental Payments and all Additional Payments attributable to the related Facility and all other amounts then due hereunder with respect to such Facility, and all amounts due and owing with respect to the Bonds, shall be fully paid, or provision therefor made, the term of this Facilities Lease with respect to such Facility shall end ten (10) days thereafter or upon written notice by the County to the Authority, whichever is earlier; provided that with respect to any provision for payment being made whether by defeasance or otherwise, this Facilities Lease shall remain outstanding for federal tax purposes until the actual payment in full of all principal and interest on the Bonds.

Upon the expiration of the term of this Facilities Lease with respect to a particular Facility pursuant to the preceding paragraph, the respective Facility shall be released from this Facilities Lease without compliance with the release requirements set forth in Section 2.03 below; provided that no Facility shall be released from this Facilities Lease (i) if, after giving effect to the release of such Facility, a Default or Event of Default would occur hereunder, under the Trust Agreement, (ii) unless the County has delivered a certificate to the Trustee demonstrating that the fair rental value of the remaining Facilities for each Base Rental Period is at least equal to the maximum Lease Payments to be made under the Facilities Lease in each such Rental Payment Period, (iii) if any material litigation or environmental issues exist with respect to the remaining Facilities and (iv) if any event giving rise to an abatement of Base Rental Payments shall have occurred and be continuing.

SECTION 2.03. Substitution; Release; Addition of Property. The County and the Authority may add, substitute or release real property as part of the Facilities, but only after the County shall have filed with the Authority and the Trustee all of the following:

(a) Executed copies of the Facilities Lease or amendments thereto containing the amended description of the Facilities.

(b) A Certificate of the County with copies of the Facilities Lease or the Site Lease, if needed, or amendments thereto containing the amended description of the Facilities stating that such documents have been duly recorded in the official records of the County Recorder of the County.

(c) A Certificate of the County, supported by expert knowledge (which may be that of the Real Estate Manager of the County) or construction cost information evidencing that the fair market value or the insured value of the Facilities that will constitute the Facilities after such addition, substitution or release will be at least equal to the aggregate outstanding principal amount of the Base Rental Payments and the amount of any Additional Payments then determinable after such addition, substitution or release, the annual fair rental value of the Facilities after such addition, substitution or release will be at least equal to the maximum annual Base Rental Payments coming due and payable hereunder after such addition, substitution or release, and the useful life of such Facilities will at least extend to the final Base Rental Payment date.

(d) In connection with any addition or substitution of property, a leasehold owner's title insurance policy or policies or a commitment for such policy or policies or an amendment or endorsement to an existing title insurance policy or policies subject only to Permitted Encumbrances resulting in title insurance with respect to the Facilities after such addition or substitution in an amount at least equal to the aggregate principal amount of Bonds Outstanding at the time of substitution or addition of Facilities.

(e) A Certificate of the County stating that (i) such addition, substitution or release does not adversely affect the County's use and occupancy of the Facilities (as such term will be defined following the addition, substitution or release) and (ii) no Event of Default has occurred and is continuing hereunder or under the Trust Agreement.

(f) In connection with any substitution or release of property, (i) a Certificate of the County stating that the substitution or release will not cause the County to violate its covenants, representations and warranties hereunder or under the Trust Agreement, (ii) a Certificate of the County that establishes that the fair market value of the property which remains subject to the Facilities Lease and the Site Lease following such substitution or release is at least equal to the aggregate outstanding principal amount of the Base Rental Payments and Additional Payments which are determinable, and the fair rental value of the Facilities which remain subject to this Facilities Lease and the Site Lease following such removal is at least equal to the Base Rental Payments and the amount of any Additional Payments then determinable thereafter coming due and payable under the Facilities Lease, (iii) no Event of Default shall have occurred and be continuing hereunder or under the Trust Agreement and (iv) no event giving rise to an abatement of Base Rental Payments shall have occurred or be continuing with respect to this Facilities Lease or any Facility.

(g) In connection with any substitution of property, a Certificate of the County stating that the Facility to be added is of approximately the same or greater degree of essentiality to the County as the Facility being replaced.

(h) In connection with the addition of property, a Certificate of the County stating that the Facility to be added is an essential facility of the County.

(i) An Opinion of Counsel stating that such amendment or modification of the Site Lease and the Facilities Lease and the substitution, release or addition of property (i) complies with the terms of the Constitution and laws of the State and of the Trust Agreement and this Facilities Lease; (ii) will, upon the execution and delivery thereof, be valid and binding upon the Authority and the County; and (iii) will not cause the interest on the Bonds to be included in gross income for federal income tax purposes.

### **ARTICLE III**

#### **RENTAL PAYMENTS; USE OF PROCEEDS**

SECTION 3.01. Base Rental Payments. The County agrees to pay to the Authority, as Base Rental Payments for the use and occupancy of the Facilities (subject to the provisions of Sections 3.04, 3.06 and 7.01 of this Facilities Lease) annual rental payments with principal and interest components, the interest components being payable semi-annually, in accordance with the Base Rental Payment Schedule attached hereto as Exhibit B and made a part hereof. The County is hereby directed to pay all such Base Rental Payments directly to the Trustee for application as provided in the Trust Agreement. Base Rental Payments shall be calculated on an annual basis, for each Rental Payment Period, and each annual Base Rental Payment shall be divided into two interest components, due on December 1 and June 1, and one principal component, due on June 1, except that the first Rental Payment Period commences on the date of recordation of this Facilities Lease and ends on [May 31, 2021]. Each Base Rental Payment installment shall be payable on the third Business Day immediately preceding its due date. The interest components of the Base Rental Payments shall be paid by the County as and constitute interest paid on the principal components of the Base Rental Payments to be paid by the County hereunder, computed on the basis of a 360-day year composed of twelve 30-day months. Each annual payment of Base Rental (to be payable in installments as aforesaid) shall be for the use of the Facilities.

If the term of this Facilities Lease shall have been extended pursuant to Section 2.02 hereof, Base Rental Payment installments shall continue to be due on December 1 and June 1 in each year, and payable prior thereto as hereinabove described, continuing to and including the date of termination of this Facilities Lease. Upon such extension of this Facilities Lease, the County shall deliver to the Trustee a Certificate setting forth the extended rental payment schedule, which schedule shall establish the principal and interest components of the Base Rental Payments so that the principal components will in the aggregate be sufficient to pay all unpaid principal components with interest components sufficient to pay all unpaid interest components plus interest thereon.

If at any time the Base Rental shall not have been paid by the County when due, for any reason whatsoever, and no other source of funds shall have been available to make the payments of principal and interest on the Bonds, the principal and interest components of the Base Rental shall be recalculated by the County to reflect interest on the unpaid Base Rental Payments as provided in Section 3.04 hereof. Upon request by the Authority or the Trustee, a revised Exhibit

B to this Facilities Lease shall be prepared by the County and supplied to the Authority and the Trustee reflecting such recalculation.

SECTION 3.02. Additional Payments. The County shall also pay such amounts, as Additional Payments hereunder, as shall be required by the Authority for the payment of all costs and expenses incurred by the Authority in connection with the execution, performance or enforcement by the Authority or the County, as applicable, of this Facilities Lease, or any pledge of Base Rental payable hereunder, the Trust Agreement, its interest in the Facilities and the lease of the Facilities to the County, including but not limited to payment of all fees, costs and expenses and all administrative costs of the Authority related to the Facilities, including, without limiting the generality of the foregoing, salaries and wages of employees, all expenses, compensation and indemnification of the Trustee payable by the Authority under the Trust Agreement, fees of auditors, accountants, attorneys or architects, and all other necessary administrative costs of the Authority or charges required to be paid by it in order to maintain its existence or to comply with the terms of the Bonds or of the Trust Agreement; but not including Additional Payments amounts required to pay the principal of or interest Bonds.

Such Additional Payments shall be billed to the County by the Authority or the Trustee from time to time, together, if applicable, with a statement certifying that the amount billed has been paid by the Authority or by the Trustee on behalf of the Authority, for one or more of the items above described, or that such amount is then payable by the Authority or the Trustee for such items. Amounts so billed shall be paid by the County to the billing party within 30 days after receipt of the bill by the County. The County reserves the right to audit billings for Additional Payments although exercise of such right shall in no way affect the duty of the County to make full and timely payment for all Additional Payments.

The Authority has issued and may in the future issue bonds and has entered into and may in the future enter into leases to finance capital improvements other than the Capital Project. The administrative costs of the Authority shall be allocated among the facilities subject to such other lease agreements and the Facilities, as hereinafter in this paragraph provided. The fees of the Trustee under the Trust Agreement, and any other expenses directly attributable to the Facilities shall be included in the Additional Payments payable hereunder. The fees of any trustee or paying agent under any indenture securing bonds of the Authority or any trust agreement other than the Trust Agreement, and any other expenses directly attributable to any facilities other than the Facilities, shall not be included in the administrative costs of the Facilities and shall not be paid from the Additional Payments payable hereunder. Any expenses of the Authority not directly attributable to any particular lease of the Authority shall be equitably allocated among all such leases, including this Facilities Lease, in accordance with sound accounting practice. In the event of any question or dispute as to such allocation, the written opinion of an independent firm of certified public accountants, employed by the Authority to consider the question and render an opinion thereon, shall be a final and conclusive determination as to such allocation. The Trustee may conclusively rely upon the Written Request of the Authority, with the approval of the County Administrator or the County Finance Director, or a duly authorized representative of the County, endorsed thereon, in making any determination that costs are payable as Additional Payments hereunder, and shall not be required to make any investigation as to whether or not the items so requested to be paid are expenses related to the lease of the Facilities.

SECTION 3.03. Fair Rental Value. The payments of Base Rental Payments and Additional Payments for each Rental Payment Period during the term of this Facilities Lease shall constitute the total rental for said Rental Payment Period and shall be paid by the County in each Rental Payment Period for and in consideration of the right of use and occupancy of, and continued quiet use and enjoyment of, the Facilities during each such Rental Payment Period for which said rental is to be paid. The parties hereto have agreed and determined that such total rental payable for each Rental Payment Period does not exceed the fair rental value of the Facilities for each such period.

In making such determination, consideration has been given to the value of the Facilities, costs of acquisition, design, construction and financing of the Facilities, other obligations of the parties under this Facilities Lease, the uses and purposes which may be served by the Facilities and the benefits therefrom which will accrue to the County and the general public.

SECTION 3.04. Payment Provisions. Each installment of rental payable hereunder shall be paid in lawful money of the United States of America in immediately available funds to the Trustee. Any such installment of rent accruing hereunder which shall not be paid when due and payable under the terms of this Facilities Lease shall bear interest at a rate of [\_\_\_% per annum] or such lesser rate of interest as may be permitted by law, from the date when the same is due hereunder until the same shall be paid. Notwithstanding any dispute between the Authority and the County, the County shall make all rental payments when due without deduction or offset of any kind and shall not withhold any rent payments pending the final resolution of such dispute. In the event of a determination that the County was not liable for said Base Rental Payments and Additional Payments or any portion thereof, said payments or excess of payments, as the case may be, shall be credited against subsequent rental payments due hereunder or refunded at the time of such determination. Amounts required to be deposited by the County with the Trustee pursuant to this Section on any date shall be reduced to the extent that amounts on deposit in the Revenue Fund, the Interest Account or the Principal Account are available therefor.

All payments received shall be applied first to the interest components of the Base Rental Payments due hereunder, then to the principal components of the Base Rental Payments due hereunder and thereafter to all Additional Payments due hereunder, but no such application of any payments which are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

Rental is subject to abatement as provided in Section 3.06.

Nothing contained in this Facilities Lease shall prevent the County from making from time to time contributions or advances to the Authority for any purpose now or hereafter authorized by law, including the making of repairs to, or the restoration of, the Facilities in the event of damage to or the destruction of the Facilities.

SECTION 3.05. Appropriations Covenant. The County covenants to take such action as may be necessary to include all such Base Rental Payments and Additional Payments due hereunder in its annual budgets, to make necessary annual appropriations for all such Base Rental Payments and Additional Payments as shall be required to provide funds in such year for



such Base Rental Payments and Additional Payments. The County will deliver to the Authority and the Trustee within [thirty (30) days] of adoption of the final County budget a Certificate of the County (in the form set forth in Exhibit E attached hereto) stating that the budget as adopted appropriates all moneys necessary for the payment of Base Rental Payments and Additional Payments hereunder. The covenants on the part of the County herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the County to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the County to carry out and perform the covenants and agreements in this Facilities Lease agreed to be carried out and performed by the County.

The County covenants that in the event that any rent paid by the County hereunder are insufficient to pay when due any Base Lease Rentals or Additional Rentals payable hereunder, the County shall take all actions as are necessary to budget and appropriate all such Base Rental Payments and Additional Payments in a supplemental or amendatory budget, in order to make all necessary additional appropriations to pay all such amounts when due. The covenants on the part of the County herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the County to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the County to carry out and perform the covenants and agreements in this Facilities Lease agreed to be carried out and performed by the County.

The Authority and the County understand and intend that the obligation of the County to pay Base Rental Payments and Additional Payments hereunder shall constitute a current expense of the County and shall not in any way be construed to be a debt of the County in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the County, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of the County. Base Rental Payments and Additional Payments due hereunder shall be payable only from current funds which are budgeted and appropriated or otherwise legally available for the purpose of paying Base Rental Payments and Additional Payments or other payments due hereunder as consideration for use of the Facilities. This Facilities Lease shall not create an immediate indebtedness for any aggregate payments which may become due hereunder in the event that the term of the Facilities Lease is continued. The County has not pledged the full faith and credit of the County, the State of California or any agency or department thereof to the payment of the Base Rental Payments and Additional Payments or any other payments due hereunder.

SECTION 3.06. Rental Abatement. The Base Rental Payments and Additional Payments shall be abated during any period in which by reason of any damage or destruction (other than by condemnation which is hereinafter provided for) there is substantial interference with the use and occupancy of the Facilities by the County, to the extent the Base Rental Payments and Additional Payments exceed the fair rental value for the use and occupancy of that portion of the Facilities that has not been rendered unusable as reasonably determined by the County. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial restoration of use or completion of the work of repair or reconstruction. In the event of any such damage or destruction, this Facilities Lease shall continue in full force and effect and the County waives any right to terminate this Facilities

Lease by virtue of any such damage or destruction. Notwithstanding the foregoing, the Base Rental Payments are not subject to abatement to the extent that rental interruption insurance proceeds are available to pay Base Rental Payments which would otherwise be abated under this Section 3.06, it being hereby declared that such amounts constitute special funds for the payment of the Base Rental Payments.

SECTION 3.07. Use of Proceeds. The parties hereto agree that the proceeds of the Bonds will be used to finance the Capital Projects, to refund the Refunded Bonds and to pay the costs of issuing the Bonds and incidental and related expenses.

The County hereby agrees to construct the Capital Projects from the proceeds of the Bonds provided for such purpose to the County by the Authority in consideration for the leasehold interest in the real property comprising the Facilities. The Authority and the County agree that the Capital Projects will be constructed in accordance with the plans and specifications prepared by the designers of the Capital Projects and approved by the County.

The County may alter the Project or issue change orders altering the construction contract plans and specifications during the course of construction, and the Authority agrees to cooperate fully with the County to cause such alterations or change orders to be implemented. Failure of the County to complete the Project shall not cause an abatement of Base Rental or Additional Payments hereunder.

SECTION 3.08. Net Proceeds. If any of the Facilities are taken in eminent domain proceedings at any time during the term of this Facilities Lease, or if any of the Facilities are damaged due to an insured casualty which is covered by insurance, the County shall as soon as practicable after such event, apply the Net Proceeds resulting therefrom to one of the following:

- (a) repair and restore such Facilities to full use in accordance with the provisions of the Trust Agreement;
- (b) replace such Facilities, at the County's sole cost and expense, with property of equal or greater fair rental value to such Facilities immediately prior to the time of such destruction or damage, such replacement Facilities to be subject to Section 2.03 hereof, whereupon such replacement shall be substituted in this Facilities Lease;
- (c) substitute additional property as provided in Section 2.03; or
- (d) prepay the Base Rental Payments and any Additional Rental.

The County will notify the Authority of which course of action it has elected to take within a reasonable time not to exceed 60 days after the occurrence of such eminent domain proceedings or such destruction or damage. Such repair, replacement, substitution or prepayment shall commence not later than 60 days after the occurrence of such taking, destruction or damage and be pursued diligently to completion. The Authority may (but is not required to) in its own name or in the County's name execute and deliver proofs of claim, receive all such moneys, endorse checks and other instruments representing payment of such moneys, and adjust, litigate, compromise or release any claim against the issuer of any such policy, and the County hereby

grants to the Authority a power of attorney coupled with an interest to accomplish all or any of the foregoing.

## ARTICLE IV

### MAINTENANCE; ALTERATIONS AND ADDITIONS

SECTION 4.01. Maintenance and Utilities. During such time as the County is in possession of the Facilities, all maintenance and repair, both ordinary and extraordinary, of the Facilities shall be the responsibility of the County, which shall at all times maintain or otherwise arrange for the maintenance of the Facilities in first class condition, and the County shall pay for or otherwise arrange for the payment of all utility services supplied to the Facilities, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, ventilation, air conditioning, water and all other utility services, and shall pay for or otherwise arrange for payment of the cost of the repair and replacement of the Facilities resulting from ordinary wear and tear or want of care on the part of the County or any assignee or sublessee thereof or any other cause and shall pay for or otherwise arrange for the payment of all insurance policies required to be maintained with respect to the Facilities. In exchange for the rental herein provided, the Authority agrees to provide only the Facilities.

SECTION 4.02. Changes to the Facilities. Subject to Section 8.02 hereof, the County shall, at its own expense, have the right to remodel the Facilities or to make additions, modifications and improvements to the Facilities. All such additions, modifications and improvements shall thereafter comprise part of the Facilities and be subject to the provisions of this Facilities Lease. Such additions, modifications and improvements shall not in any way damage the Facilities or cause them to be used for purposes other than those authorized under the provisions of state and federal law; and the Facilities, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is at least equal to the value of the Facilities immediately prior to the making of such additions, modifications and improvements and the fair rental value of the Facilities in the then current and all succeeding Rental Payment Periods will not be less than Base Rental Payments and Additional Payments due in any such Rental Payment Period.

SECTION 4.03. Installation of County's Equipment. The County and any sublessee may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon the Facilities. All such items shall remain the sole property of such party, in which neither the Authority nor the Trustee shall have any interest, and may be modified or removed by such party at any time provided that such party shall repair and restore any and all damage to the Facilities resulting from the installation, modification or removal of any such items. Nothing in this Facilities Lease shall prevent the County from purchasing items to be installed pursuant to this Section under a conditional sale or lease purchase contract, or subject to a vendor's lien or security agreement as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Facilities.

## ARTICLE V

### INSURANCE

SECTION 5.01. Fire and Extended Coverage Insurance. The County shall procure or cause to be procured and maintain or cause to be maintained, throughout the term of this Facilities Lease, insurance against loss or damage to any structures constituting any part of the Facilities by fire and lightning, with extended coverage insurance, vandalism and malicious mischief insurance and sprinkler system leakage insurance and earthquake insurance, if available on the open market from reputable insurance companies at a reasonable cost. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, flood, riot and riot attending a strike, aircraft, vehicle damage, hail, smoke and such other hazards as are normally covered by such insurance including earthquake coverage if such coverage is available at commercially reasonable cost from a reputable insurer in the reasonable determination of the County. Such insurance shall be in an amount equal to the replacement cost (without deduction for depreciation) of all structures constituting any part of the Facilities, excluding the cost of excavations, of grading and filling, and of the land (except that such insurance may be subject to deductible clauses for any one loss of not to exceed \$250,000 or comparable amount adjusted for inflation or more in the case of earthquake insurance), or, in the alternative, shall be in an amount and in a form sufficient (together with moneys held under the Trust Agreement), in the event of total or partial loss, to enable the County to prepay all or any part of the Base Rental Payments then unpaid, pursuant to Section 7.02 hereof and to redeem all of the outstanding Bonds.

If at any time and for so long as any part of the Facilities is located in a 100 year flood area as shown on a Flood Insurance Rate Map published by the Federal Emergency Management Agency, the policy or policies of casualty insurance provided under this Section 5.01 shall include insurance against loss or damage to the Facilities due to flooding. If the County obtains an exception or waiver from Federal Emergency Management Agency to the designation of the Facilities as being within a 100 year flood area, the County shall not be required to provide such flood insurance.

The Authority and the County shall promptly apply for Federal disaster aid or State of California disaster aid in the event that the Facilities are damaged or destroyed as a result of an earthquake occurring at any time.

As an alternative to providing the insurance required by the first paragraph of this Section, or any portion thereof, the County, may provide a self-insurance method or plan of protection if and to the extent such self-insurance method or plan of protection shall afford reasonable coverage for the risks required to be insured against, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State of California other than the County. So long as such method or plan is being provided to satisfy the requirements of this Facilities Lease, the County shall provide the Authority and the Trustee with a Certificate of the County setting forth the details of such self-insurance method or plan maintained by the County and such self-insurance method or plan shall comply with the following terms:

- (i) the self-insurance program shall be approved by an Insurance Consultant or other qualified person (which may be the Risk Manager of the County);
- (ii) the self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim and any deductible amount required under any insurance policy provided pursuant to this Section 5.01 shall be paid;
- (iii) there shall be filed annually with the Trustee and the Authority a statement of an actuary, Insurance Consultant or other qualified person (which may be the Risk Manager of the County), stating that, in the opinion of the signer, the substitute method or plan of protection is in accordance with the requirements of this Section and, when effective, the reserving methods and practices employed in establishing and maintaining the substitute method or plan are appropriate, and the substitute method or plan affords reasonable coverage for the risks required to be insured against. There shall also be filed a Certificate of the County setting forth the details of such, the reserving methods and practices employed in establishing and maintaining the substitute method or plan and that the substitute method or plan affords reasonable coverage for the risks required to be insured against;
- (iv) the claims reserve fund shall be held in a separate fund by the County;
- (v) in the event of loss covered by any such self-insurance method, the liability of the County hereunder shall be limited to the amounts in the self-insurance reserve fund or funds created under such method; and
- (vi) in the event the self-insurance program shall be discontinued, then the County may not maintain deductibles in excess of the amounts described above.

SECTION 5.02. Liability Insurance. Except as hereinafter provided, the County shall procure or cause to be procured and maintain or cause to be maintained, throughout the term of this Facilities Lease, a standard comprehensive general liability insurance policy or policies in protection of the Authority and its members, directors, officers, agents and employees and the Trustee, indemnifying said parties against all direct or contingent loss or liability for damages for personal injury, death or property damage occasioned by reason of the operation of the Facilities, with minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$200,000 for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance carried by the County.

As an alternative to providing the insurance required by the first paragraph of this Section, or any portion thereof, the County may provide a self-insurance method or plan of

protection if and to the extent such self-insurance method or plan of protection shall afford reasonable protection to the Authority, its members, directors, officers, agents and employees and the Trustee, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State of California other than the County. So long as such method or plan is being provided to satisfy the requirements of this Facilities Lease, the County shall provide the Authority and the Trustee with a Certificate of the County setting forth the details of such self-insurance method or plan maintained by the County and such self-insurance method or plan shall comply with the following terms:

- (i) the self-insurance program shall be approved by an Insurance Consultant or other qualified person (which may be the Risk Manager of the County);
- (ii) the self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim and any deductible amount required under any insurance policy provided pursuant to this Section 5.02 shall be paid;
- (iii) there shall be filed annually with the Trustee and the Authority a statement of an actuary, the Insurance Consultant or other qualified person (which may be the Risk Manager of the County), stating that, in the opinion of the signer, the substitute method or plan of protection is in accordance with the requirements of this Section and, when effective, would afford reasonable protection to the Authority, its members, directors, officers, agents and employees and the Trustee against loss and damage from the hazards and risks covered thereby. There shall also be filed a Certificate of the County setting forth the details of such, the reserving methods and practices employed in establishing and maintaining the substitute method or plan and that the substitute method or plan affords reasonable coverage for the risks required to be insured against;
- (iv) the claims reserve fund shall be held in a separate fund by the County; and
- (v) in the event the self-insurance program shall be discontinued, then the County may not maintain deductibles in excess of the amounts described above.

SECTION 5.03. Rental Interruption or Use and Occupancy Insurance. The County shall procure or cause to be procured and maintain or cause to be maintained, rental interruption or use and occupancy insurance to cover loss, total or partial, of the rental income from or the use of the Facilities as the result of any of the hazards covered by the insurance required by Section 5.01 hereof (provided with respect to earthquake insurance, only if available on the open market from reputable insurance companies at a reasonable cost, as determined by the County), in an amount at least equal to the maximum Base Rental Payments coming due and payable during any future 24 month period (determined by the County), except that such insurance may be subject to a deductible clause of not to exceed two hundred and fifty thousand dollars (\$250,000) or a comparable amount adjusted for inflation (or more in the case of earthquake coverage), and with the additional exception that with respect to coverage for terrorism related

loss, the period may be only one year, provided that the County use its best efforts to obtain such coverage for a period of at least two years assuming it is available on the open market from reputable insurance companies at a reasonable cost, as determined by the County. Any proceeds of such insurance shall be used by the Trustee to reimburse to the County any rental theretofore paid by the County under this Facilities Lease attributable to such structure for a period of time during which the payment of rent under this Facilities Lease is abated, and any proceeds of such insurance not so used shall be applied as provided in Section 3.01 (to the extent required for the payment of Base Rental) and in Section 3.02 (to the extent required for the payment of Additional Payments) and any remainder shall be treated as Revenue under the Trust Agreement. The County shall not be entitled to self-insure for rental interruption insurance.

SECTION 5.04. Worker's Compensation. The County shall also maintain worker's compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure its employees against liability for compensation under the Worker's Compensation Insurance and Safety Act now in force in California, or any act hereafter enacted as an amendment or supplement thereto. As an alternative, such insurance may be maintained as part of or in conjunction with any other insurance carried by the County. Such insurance may be maintained by the County in the form of self-insurance.

SECTION 5.05. Title Insurance. The County shall obtain, for the benefit of the Authority and Trustee, upon the execution and delivery of this Facilities Lease, title insurance on the Facilities insuring (a) the fee interest of the County in Facilities, (b) the Authority's leasehold estate in the Facilities under the Site Lease and (c) the County's sub-leasehold estate hereunder in the Leased Property, naming the Trustee as the insured, in an amount equal to the aggregate principal amount of the Bonds, issued by a company of recognized standing duly authorized to issue the same, subject only to Permitted Encumbrances.

SECTION 5.06. Insurance Proceeds; Form of Policies. All policies of insurance required by Sections 5.01 and 5.03 hereof shall name the County, the Authority and the Trustee each as insured and shall contain a lender's loss payable endorsement in favor of the Trustee substantially in accordance with the form approved by the Insurance Services Office and the California Bankers Association. The Trustee shall, to the extent practicable, collect, adjust and receive all moneys which may become due and payable under any such policies, may compromise any and all claims thereunder and shall apply the proceeds of such insurance as provided in Sections 5.01 and 5.03. All policies of insurance required by this Facilities Lease shall provide that the Trustee shall be given thirty (30) days' notice of each expiration thereof or any intended cancellation thereof or reduction of the coverage provided thereby. The Trustee shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the County. The County shall pay when due the premiums for all insurance policies required by this Facilities Lease.

SECTION 5.07. Annual Certificates. The County will deliver to the Authority and the Trustee on or before September 15 in each year a written Certificate of the County (in the form set forth in Exhibit E attached hereto) stating whether such policies satisfy the requirements of this Facilities Lease, setting forth the insurance policies then in force pursuant to this Article, the names of the insurers which have issued the policies, the amounts thereof and the property and

risks covered thereby, and, if any self-insurance program is being provided, the annual report of an actuary, Insurance Consultant or other qualified person (which may be the Risk Manager of the County) containing the information required for such self-insurance program and described in Sections 5.01, 5.02 and 5.04. Delivery to the Trustee of the certificate under the provisions of this Section shall not confer responsibility upon the Trustee as to the sufficiency of coverage or amounts of such policies. If so requested in writing by the Trustee, the County shall also deliver to the Trustee certificates or duplicate originals or certified copies of each insurance policy described in such schedule.

Any policies of insurance provided by a commercial insurer to satisfy the requirements of Sections 5.01, 5.02 or 5.03 hereof shall be provided by a commercial insurer rated in one of the two highest rating categories by S&P and by Moody's.

## **ARTICLE VI**

### **DEFAULTS AND REMEDIES**

**SECTION 6.01. Defaults and Remedies.** (a) If the County shall fail (i) to pay any Base Rental Payment or Additional Payment payable hereunder when the same becomes due, time being expressly declared to be of the essence of this Facilities Lease or fail to maintain any insurance specified in Article V or (ii) to keep, observe or perform any other term, covenant or condition contained herein to be kept or performed by the County for a period of sixty (60) days after notice of the same has been given to the County by the Authority or the Trustee or for such additional time as is reasonably required, in the sole discretion of the Authority, to correct the same, or (iii) upon the happening of any of the events specified in subsection (b) of this Section (any such case above being an "Event of Default"), the County shall be deemed to be in default hereunder and it shall be lawful for the Authority to exercise any and all remedies available pursuant to law or granted pursuant to this Facilities Lease. Upon any such default, the Authority, in addition to all other rights and remedies it may have at law, shall have the option to do any of the following:

(1) To terminate this Facilities Lease in the manner hereinafter provided on account of default by the County, notwithstanding any re-entry or re-letting of the Facilities as hereinafter provided for in subparagraph (2) hereof, and to re-enter the Facilities and remove all persons in possession thereof and all personal property whatsoever situated upon the Facilities and place such personal property in storage in any warehouse or other suitable place located within the County of Contra Costa, California, at the expense of the County. In the event of such termination, the County agrees to surrender immediately possession of the Facilities, without let or hindrance, and to pay the Authority all damages recoverable at law that the Authority may incur by reason of default by the County, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon the Facilities and removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. Neither notice to pay rent or to deliver up possession of the Facilities given pursuant to law nor any entry or re-entry by the Authority nor any proceeding in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining



possession of the Facilities nor the appointment of a receiver upon initiative of the Authority to protect the Authority's interest under this Facilities Lease shall of itself operate to terminate this Facilities Lease, and no termination of this Facilities Lease on account of default by the County shall be or become effective by operation of law or acts of the parties hereto, or otherwise, unless and until the Authority shall have given written notice to the County of the election on the part of the Authority to terminate this Facilities Lease. The County covenants and agrees that no surrender of the Facilities or of the remainder of the term hereof or any termination of this Facilities Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice.

(2) Without terminating this Facilities Lease, (i) to collect each installment of rent as it becomes due and enforce any other terms or provision hereof to be kept or performed by the County, regardless of whether or not the County has abandoned the Facilities, or (ii) to exercise any and all rights of entry and re-entry upon the Facilities. In the event the Authority does not elect to terminate this Facilities Lease in the manner provided for in subparagraph (1) hereof, the County shall remain liable and agrees to keep or perform all covenants and conditions herein contained to be kept or performed by the County and, if the Facilities are not re-let, to pay the full amount of the rent to the end of the term of this Facilities Lease or, in the event that the Facilities are re-let, to pay any deficiency in rent that results therefrom; and further agrees to pay said rent and/or rent deficiency punctually at the same time and in the same manner as hereinabove provided for the payment of rent hereunder (without acceleration), notwithstanding the fact that the Authority may have received in previous years or may receive thereafter in subsequent years rental in excess of the rental herein specified, and notwithstanding any entry or re-entry by the Authority or suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such entry or re-entry or obtaining possession of the Facilities. Should the Authority elect to enter or re-enter as herein provided, the County hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the County to re-let the Facilities, or any part thereof, from time to time, either in the Authority's name or otherwise, upon such terms and conditions and for such use and period as the Authority may deem advisable, and to remove all persons in possession thereof and all personal property whatsoever situated upon the Facilities and to place such personal property in storage in any warehouse or other suitable place located in the County of Contra Costa, California, for, to the extent permitted by law, the account of and at the expense of the County, and the County, to the extent permitted by law, hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon and re-letting of the Facilities and removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. The County agrees that the terms of this Facilities Lease constitute full and sufficient notice of the right of the Authority to re-let the Facilities and to do all other acts to maintain or preserve the Facilities as the Authority deems necessary or desirable in the event of such re-entry without effecting a surrender of this Facilities Lease, and further agrees that no acts of the Authority in effecting such re-letting shall constitute a surrender or termination of this Facilities Lease irrespective of the use or the term for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that, on

the contrary, in the event of such default by the County the right to terminate this Facilities Lease shall vest in the Authority to be effected in the sole and exclusive manner provided for in sub-paragraph (1) hereof. The County further waives the right to any rental obtained by the Authority in excess of the rental herein specified and hereby conveys and releases such excess to the Authority as compensation to the Authority for its services in re-letting the Facilities or any part thereof. The County further agrees, to the extent permitted by law, to pay the Authority the reasonable cost of any alterations or additions to the Facilities necessary to place the Facilities in condition for re-letting immediately upon notice to the County of the completion and installation of such additions or alterations.

The County hereby waives any and all claims for damages caused or which may be caused by the Authority in re-entering and taking possession of the Facilities as herein provided and all claims for damages that may result from the destruction of or injury to the Facilities and all claims for damages to or loss of any property belonging to the County, or any other person, that may be in or upon the Facilities.

(b) If (1) the County's interest in this Facilities Lease or any part thereof be assigned or transferred, either voluntarily or by operation of law or otherwise, without the written consent of the Authority, as hereinafter provided for, (2) the County or any assignee shall file any petition or institute any proceeding under any act or acts, state or federal, dealing with or relating to the subject or subjects of bankruptcy or insolvency, or under any amendment of such act or acts, either as a bankrupt or as an insolvent, or as a debtor, or in any similar capacity, wherein or whereby the County asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of the County's debts or obligations, or offers to the County's creditors to effect a composition or extension of time to pay the County's debts or asks, seeks or prays for reorganization or to effect a plan of reorganization, or for a readjustment of the County's debts, or for any other similar relief, or if any such petition or any such proceedings of the same or similar kind or character be filed or be instituted or taken against the County, or if a receiver of the business or of the property or assets of the County shall be appointed by any court, except a receiver appointed at the instance or request of the Authority, or if the County shall make a general or any assignment for the benefit of the County's creditors, (3) the County shall abandon or vacate the Facilities, or (4) any representation or warranty made by the County herein proves to have been false, incorrect, misleading or breached in any material respect on the date when made, then the County shall be deemed to be in default hereunder.

(c) The Authority shall in no event be in default in the performance of any of its obligations hereunder or imposed by any statute or rule of law unless and until the Authority shall have failed to perform such obligations within sixty (60) days or such additional time as is reasonably required to correct any such default after notice by the County to the Authority properly specifying wherein the Authority has failed to perform any such obligation. In the event of default by the Authority, the County shall be entitled to pursue any remedy provided by law.

(d) In addition to the other remedies set forth in this Section, upon the occurrence of an Event of Default, the Authority shall be entitled to proceed to protect and enforce the rights vested in the Authority by this Facilities Lease or by law. The provisions of this Facilities Lease and the duties of the County and of its trustees, officers or employees shall

be enforceable by the Authority by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction. Without limiting the generality of the foregoing, the Authority shall have the right to bring the following actions:

(1) Accounting. By action or suit in equity to require the County and its trustees, officers and employees and its assigns to account as the trustee of an express trust.

(2) Injunction. By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Authority.

(3) Mandamus. By mandamus or other suit, action or proceeding at law or in equity to enforce the Authority's rights against the County (and its board, officers and employees) and to compel the County to perform and carry out its duties and obligations under the law and its covenants and agreements with the County as provided herein.

The exercise of any rights or remedies under this Facilities Lease shall not permit acceleration of Base Rental Payments.

Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the single or partial exercise of any right, power or privilege hereunder shall not impair the right of the Authority to other or further exercise thereof or the exercise of any or all other rights, powers or privileges. The term "re-let" or "re-letting" as used in this Section shall include, but not be limited to, re-letting by means of the operation by the Authority of the Facilities. If any statute or rule of law validly shall limit the remedies given to the Authority hereunder, the Authority nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

In the event the Authority shall prevail in any action brought to enforce any of the terms and provisions of this Facilities Lease, the County agrees to pay a reasonable amount as and for attorney's fees incurred by the Authority in attempting to enforce any of the remedies available to the Authority hereunder, whether or not a lawsuit has been filed and whether or not any lawsuit culminates in a judgment. Notwithstanding anything herein to the contrary, the termination of this Facilities Lease by the Authority on account of a default by the County under this Section shall not effect or result in a termination of the lease of the Facilities by the County to the Authority pursuant to the Site Lease.

SECTION 6.02. Waiver. Failure of the Authority to take advantage of any default on the part of the County shall not be, or be construed as, a waiver thereof, nor shall any custom or practice which may grow up between the parties in the course of administering this instrument be construed to waive or to lessen the right of the Authority to insist upon performance by the County of any term, covenant or condition hereof, or to exercise any rights given the Authority on account of such default. A waiver of a particular default shall not be deemed to be a waiver of the same or any subsequent default. The acceptance of rent hereunder shall not be, or be construed to be, a waiver of any term, covenant or condition of this Facilities Lease.

## ARTICLE VII

### EMINENT DOMAIN; PREPAYMENT

SECTION 7.01. Eminent Domain. If the whole of the Facilities or so much thereof as to render the remainder unusable for the purposes for which it was used by the County shall be taken under the power of eminent domain, the term of this Facilities Lease shall cease as of the day that possession shall be so taken. If less than the whole of the Facilities shall be taken under the power of eminent domain and the remainder is usable for the purposes for which it was used by the County at the time of such taking, then this Facilities Lease shall continue in full force and effect as to such remainder, and the parties waive the benefits of any law to the contrary, and in such event there shall be a partial abatement of the rental due hereunder in an amount equivalent to the amount by which the annual payments of principal and interest on the Outstanding Bonds will be reduced by the application of the award in eminent domain to the redemption of outstanding Bonds. So long as any of the Bonds shall be outstanding, any award made in eminent domain proceedings for taking the Facilities or any portion thereof shall be paid to the Trustee and applied in accordance with Section 3.08 hereof. Any such award made after all of the Base Rental Payments and Additional Payments have been fully paid, or provision therefor made, shall be paid to the to the County.

SECTION 7.02. Prepayment. (a) The County shall prepay on any date from insurance (including proceeds of title insurance) and eminent domain proceeds, to the extent provided in Sections 3.08 and 7.01 hereof (provided, however, that in the event of partial damage to or destruction of the Facilities caused by perils covered by insurance, if in the judgment of the Authority the insurance proceeds are sufficient to repair, reconstruct or replace the damaged or destroyed portion of the Facilities, such proceeds shall be held by the Trustee and used to repair, reconstruct or replace the damaged or destroyed portion of the Facilities, pursuant to the procedure set forth in Section 3.08 for proceeds of insurance), all or any part of Base Rental Payments then unpaid so that the aggregate annual amounts of Base Rental Payments which shall be payable after such prepayment date shall be as nearly proportional as practicable to the aggregate annual amounts of Base Rental Payments unpaid prior to the prepayment date (taking into account the reduction in Base Rental allocable to future interest on the Bonds that are redeemed), at a prepayment amount equal to the redemption payment of the maximum amount of Bonds, including the principal thereof and the interest thereon to the date of redemption.

(a) The County may prepay, from any source of available funds, all or any portion of Base Rental Payments by depositing with the Trustee moneys or securities as provided in Article X of the Trust Agreement sufficient to defease Bonds corresponding to such Base Rental Payments when due; provided that the County furnishes the Trustee with an Opinion of Counsel that such deposit will not cause interest on the Bonds to be includable in gross income for federal income tax purposes. The County agrees that if following such prepayment the Facilities are damaged or destroyed or taken by eminent domain, it is not entitled to, and by such prepayment waives the right of, abatement of such prepaid Base Rental Payments and shall not be entitled to any reimbursement of such Base Rental Payments.

(b) Before making any prepayment pursuant to this article, the County shall, within five (5) days following the event creating such right or obligation to prepay, give written

notice to the Authority and the Trustee describing such event and specifying the date on which the prepayment will be made, which date shall be not less than forty-five (45) days from the date such notice is given.

(c) When (1) there shall have been deposited with the Trustee at or prior to the due dates of the Base Rental Payments or date when the County may exercise its option to purchase the Facilities or any portion or item thereof, in trust for the benefit of the Owners of the Bonds and irrevocably appropriated and set aside to the payment of the Base Rental Payments or option price, sufficient moneys and Permitted Investments described in subsection (1) of the definition thereof in the Trust Agreement, not redeemable prior to maturity, the principal of and interest on which when due will provide money sufficient to pay all principal, premium, if any, and interest on the Bonds to the due date of the Bonds; (2) all requirements of Section 10.01 of the Trust Agreement have been satisfied; and (3) an agreement shall have been entered into with the Trustee for the payment of its fees and expenses so long as any of the Bonds shall remain unpaid, then and in that event the right, title and interest of the Authority herein and the obligations of the County hereunder shall thereupon cease, terminate, become void and be completely discharged and satisfied (except for the right of the Authority and the obligation of the County to have such moneys and such Permitted Investments applied to the payment of the Base Rental Payments) and the Authority's interest in and title to the Facilities or applicable portion or item thereof shall be transferred and conveyed to the County. In such event, the Authority shall cause an accounting for such period or periods as may be requested by the County to be prepared and filed with the Authority and evidence such discharge and satisfaction, and the Authority shall pay over to the County as an overpayment of Base Rental Payments all such moneys or Permitted Investments held by it pursuant hereto other than such moneys and such Permitted Investments as are required for the payment or prepayment of the Base Rental Payments or the option price and the fees and expenses of the Trustee, which moneys and Permitted Investments shall continue to be held by the Trustee in trust for the payment of Base Rental Payments or the option price and the fees and expenses of the Trustee, and shall be applied by the Authority to the payment of the Base Rental Payments or the option price and the fees and expenses of the Trustee.

SECTION 7.03. Option to Purchase; Sale of Personal Property. The County shall have the option to purchase the Authority's interest in any part of Facilities upon payment of an option price consisting of moneys or securities of the category specified in clause (1) of the definition of the term Permitted Investments contained in Section 1.01 of the Trust Agreement (not callable by the issuer thereof prior to maturity) in an amount sufficient (together with the increment, earnings and interest on such securities) to provide funds to pay the aggregate amount for the entire remaining term of this Facilities Lease of the part of the total rent hereunder attributable to such part of the Facilities (determined by reference to Exhibit B hereto). Any such payment shall be made to the Trustee and shall be treated as rental payments and shall be applied by the Trustee to pay the principal, premium, if any, of the Bonds and interest on the Bonds and to redeem Bonds if such Bonds are subject to redemption pursuant to the terms of the Trust Agreement. Upon the making of such payment to the Trustee and the satisfaction of all requirements set forth in Section 10.01 of the Trust Agreement, (a) the Base Rental thereafter payable under this Facilities Lease shall be reduced by the amount thereof attributable to such part of the Facilities and theretofore paid pursuant to this Section, (b) Section 3.06 and this Section of this Facilities Lease shall not thereafter be applicable to such part of the Facilities, (c) the insurance required

by Sections 5.01, 5.02 and 5.03 of this Facilities Lease need not be maintained as to such part of the Facilities, and (d) title to such part of the Facilities shall vest in the County and the term of this Facilities Lease shall end as to such Facilities.

The County, in its discretion, may request the Authority to sell or exchange any personal property which may at any time constitute a part of the Facilities, and to release said personal property from this Facilities Lease, if (a) in the opinion of the County the property so sold or exchanged is no longer required or useful in connection with the operation of the Facilities, (b) the consideration to be received from the property is of a value substantially equal to the value of the property to be released, and (c) if the value of any such property shall, in the opinion of the Authority, exceed the amount of \$100,000, the Authority shall have been furnished a certificate of an independent engineer or other qualified independent professional consultant (satisfactory to the Authority) certifying the value thereof and further certifying that such property is no longer required or useful in connection with the operation of the Facilities. In the event of any such sale, the full amount of the money or consideration received for the personal property so sold and released shall be paid to the Authority. Any money so paid to the Authority may, so long as the County is not in default under any of the provisions of this Facilities Lease, be used upon the Written Request of the County to purchase personal property, which property shall become a part of the Facilities leased hereunder. The Authority may require such opinions, certificates and other documents as it may deem necessary before permitting any sale or exchange of personal property subject to this Facilities Lease or before releasing for the purchase of new personal property money received by it for personal property so sold.

## ARTICLE VIII

### COVENANTS

SECTION 8.01. Right of Entry. The Authority and its assignees shall have the right to enter upon and to examine and inspect the Facilities during reasonable business hours (and in emergencies at all times) (a) to inspect the same, (b) for any purpose connected with the Authority's or the County's rights or obligations under this Facilities Lease, and (c) for all other lawful purposes.

SECTION 8.02. Liens. Neither the County nor the Authority shall, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to any portion of the Facilities, other than the respective rights of the Authority as provided herein and Permitted Encumbrances. In the event the County shall at any time during the term of this Facilities Lease cause any changes, alterations, additions, improvements, or other work to be done or performed or materials to be supplied, in or upon the Facilities, the County shall pay, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to or for the County in, upon or about the Facilities and shall keep the Facilities free of any and all mechanics' or materialmen's liens or other liens against the Facilities or the Authority's interest therein. In the event any such lien attaches to or is filed against the Facilities or the Authority's interest therein, the County shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due, except that if the County desires to contest any such lien it

may do so in good faith. If any such lien shall be reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and said stay thereafter expires, the County shall forthwith pay and discharge said judgment. The County agrees to and shall, to the maximum extent permitted by law, indemnify and hold the Authority and the Trustee and their respective members, directors, agents, successors and assigns, harmless from and against, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorney's fees) as a result of any such lien or claim of lien against the Facilities or the Authority's interest therein.

SECTION 8.03. Quiet Enjoyment. The parties hereto mutually covenant that the County, by keeping and performing the covenants and agreements herein contained and not in default hereunder, shall at all times during the term of this Facilities Lease peaceably and quietly have, hold and enjoy the Facilities without suit, trouble or hindrance from the Authority.

SECTION 8.04. Authority Not Liable. The Authority and its members, directors, officers, agents and employees shall not be liable to the County or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Facilities. The County, to the extent permitted by law, shall indemnify and hold the Authority and any assignees and their respective members, directors, officers, agents and employees, harmless from, and defend each of them against, any and all claims, liens and judgments arising from the operation of the Facilities, including, without limitation, death of or injury to any person or damage to property whatsoever occurring in, on or about the Facilities regardless of responsibility for negligence, but excepting the active negligence of the person or entity seeking indemnity.

SECTION 8.05. Assignment by the Authority. The Authority's rights under this Facilities Lease, including the right to receive and enforce payment of the Base Rental Payments to be made by the County hereunder, have been pledged and assigned to the Trustee for the benefit of the Bondholders pursuant to the Trust Agreement, to which pledge and assignment the County hereby consents.

SECTION 8.06. Assignment and Subleasing by the County. Neither this Facilities Lease nor any interest of the County hereunder shall be mortgaged, pledged, assigned, sublet or transferred by the County by voluntary act or by operation of law or otherwise, except with the prior written consent of the Authority, which, in the case of subletting, shall not be unreasonably withheld; provided such subletting shall not affect the tax-exempt status of the interest on the Bonds. No such mortgage, pledge, assignment, sublease or transfer shall in any event affect or reduce the obligation of the County to make the Base Rental Payments and Additional Payments required hereunder.

SECTION 8.07. Title to Facilities. During the term of this Facilities Lease, the Authority shall hold a leasehold estate to the Facilities and any and all additions which comprise fixtures, repairs, replacement or modifications thereof, except for those fixtures, repairs, replacements or modifications which are added thereto by the County and which may be removed without damaging the Facilities, and except for any items added to the Facilities by the County pursuant to Section 4.02 hereof. This provision shall not operate to the benefit of any

insurance company if there is rental interruption covered by insurance pursuant to Section 5.03 hereof.

Upon the termination or expiration of this Facilities Lease upon payment in full of the Base Rental Payments attributed to the Facilities and all amounts owing on the Bonds, the Authority's interest in the title to the Facilities shall vest in the County and the Authority shall execute such conveyances, deeds and other documents as may be necessary to evidence the ownership of the Facilities by the County and to clarify the title of the County on the record thereof.

SECTION 8.08. Tax Covenants. (a) The County and the Authority shall at all times do and perform all acts and things permitted by law which are necessary or desirable in order to assure that the interest on the Bonds will be excluded from gross income for federal income tax purposes under Section 103 of the Code and shall take no action that would result in such interest not being excluded from gross income for federal income tax purposes. Without limiting the generality of the foregoing, the Authority and the County covenant that they will comply with the requirements of the Tax Certificate, which is incorporated herein as if fully set forth herein.

(a) If at any time the County or the Authority is of the opinion that for purposes of this Section it is necessary to restrict or limit the yield on or change in any way the investment of any moneys held by the Trustee or the County or the Authority under this Facilities Lease or the Trust Agreement, the County or the Authority shall so instruct the Trustee or the appropriate officials of the County in writing, and the Trustee or the appropriate officials of the County, as the case may be, shall take such actions as may be necessary in accordance with such instructions.

(b) In furtherance of the covenants of the County and the Authority set forth above, the County will comply with the Tax Certificate. The Trustee and the Authority may conclusively rely on any such written instructions, and the County hereby agrees to hold harmless the Trustee and the Authority for any loss, claim, damage, liability or expense incurred by the Authority and the Trustee for any actions taken by the Authority or the Trustee in accordance with such instructions.

(c) The covenants of the County and the Authority herein shall survive payment in full or defeasance of the Bonds.

SECTION 8.09. Continuing Disclosure. The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Facilities Lease, failure of the County to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default, however, any Bondholder or Beneficial Owner may, and the Trustee at the request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the Holders of at least 25% aggregate principal amount of the Bonds Outstanding and provided satisfactory indemnification is provided to the Trustee, shall take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order to compel the County to comply with its obligations under this Section 8.09.



SECTION 8.10. Taxes. The County shall pay or cause to be paid all taxes and assessments of any type or nature charged to the Authority or affecting the Facilities or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are required to be paid during the term of this Facilities Lease as and when the same become due. The County waives the benefits of subsections 1 and 2 of Section 1932, Section 1933(4) and Sections 1941 and 1942 of the California Civil Code.

The County shall also pay directly such amounts, if any, in each year as shall be required by the Authority for the payment of all license and registration fees and all taxes (including, without limitation, income, excise, license, franchise, capital stock, recording, sales, use, value-added, property, occupational, excess profits and stamp taxes), levies, imposts, duties, charges, withholdings, assessments and governmental charges of any nature whatsoever, together with any additions to tax, penalties, fines or interest thereon, including, without limitation, penalties, fines or interest arising out of any delay or failure by the County to pay any of the foregoing or failure to file or furnish to the Authority or the Trustee for filing in a timely manner any returns, hereinafter levied or imposed against the Authority or the Facilities, the rentals and other payments required hereunder or any parts thereof or interests of the County or the Authority or the Trustee therein by any governmental authority.

The County may, at the County's expense and in its name, in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority or the Trustee shall notify the County that, in the opinion of independent counsel, by nonpayment of any such items, the interest of the Authority in the Facilities will be materially endangered or the Facilities, or any part thereof, will be subject to loss or forfeiture, in which event the County shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority.

SECTION 8.11. Authority's Purpose. The Authority covenants that, prior to the discharge of this Facilities Lease, it will not engage in any activities inconsistent with the purposes for which the Authority is organized.

SECTION 8.12. Purpose of Facilities Lease. The County covenants that during the term of this Facilities Lease, except as hereinafter provided, (a) it will use, or cause the use of, the Facilities for public purposes and for the purposes for which the Facilities are customarily used, (b) it will not vacate or abandon the Facilities or any part thereof, and (c) it will not make any use of the Facilities which would jeopardize in any way the insurance coverage required to be maintained pursuant to Article V hereof

SECTION 8.13. Essential Use. The Facilities are essential to the proper, efficient and economic operation of the County and serve an essential governmental function of the County.

SECTION 8.14. Nondiscrimination. The County herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all person claiming under or through itself, and

this Facilities Lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or groups of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those basis are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the County, or any person claiming under or through the County, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.

## **ARTICLE IX**

### **DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE FACILITIES**

SECTION 9.01. Disclaimer of Warranties. THE AUTHORITY MAKES NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE FACILITIES OR THE PROJECT OR WARRANTY WITH RESPECT THERETO. THE COUNTY ACKNOWLEDGES THAT THE AUTHORITY IS NOT A MANUFACTURER OF THE FACILITIES OR THE PROJECT OR A DEALER THEREIN, THAT THE COUNTY LEASES THE FACILITIES AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE COUNTY. In no event shall the Authority be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Facilities Lease or the Project or the existence, furnishing, functioning or the County's use of any item or products or services provided for in this Facilities Lease.

SECTION 9.02. Vendor's Warranties. The Authority hereby irrevocably appoints the County its agent and attorney-in-fact during the term of this Facilities Lease, so long as the County shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Facilities, which the Authority may have against the manufacturers, vendors and contractors of the Facilities. The County's sole remedy for the breach of such warranty, indemnification or representation shall be against the manufacturer or vendor or contractor of the Facilities, and the Project, as applicable, and not against the Authority, nor shall such matter have any effect whatsoever on the rights and obligations of the Authority with respect to this Facilities Lease, including the right to receive full and timely payments hereunder. The County expressly acknowledges that the Authority makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the manufacturer, vendor or contractor with respect to the Facilities and the Project.

SECTION 9.03. Use of the Facilities. The County will not install, use, operate or maintain the Facilities improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Facilities Lease. The County shall provide all permits and licenses, if any, necessary for the installation and operation of the Facilities. In addition, the County agrees to comply in all respects (including, without limitation, with respect to the use,

maintenance and operation of the Facilities) with all laws of the jurisdictions in which its operations may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Facilities; provided, however, that the County may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Authority, adversely affect the estate of the Authority in and to the Facilities or its interest or rights under this Facilities Lease.

## ARTICLE X

### MISCELLANEOUS

SECTION 10.01. Law Governing. This Facilities Lease shall be governed exclusively by the provisions hereof and by the laws of the State of California as the same from time to time exist.

SECTION 10.02. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests, agreements or promises or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered mail, return receipt requested, postage prepaid [**Will confirm proper contact information**]:

If to the County: County of Contra Costa  
c/o Clerk of the Board of Supervisors  
County Administration Building  
651 Pine Street  
Martinez, CA 94553

a County of Contra Costa  
c/o County Finance Director  
651 Pine Street, 10th Floor  
Martinez, CA 94553

With respect to insurance matters:

County of Contra Costa  
c/o Risk Manager  
Risk Management Department  
2530 Arnold Drive  
Martinez, CA 94553

b County of Contra Costa  
  
General Service Administration  
1220 Morello Avenue, Suite 100  
Martinez, CA 94553

c County of Contra Costa  
c/o County Finance Director

651 Pine Street, 10th Floor  
Martinez, CA 94553

If to the Authority: County of Contra Costa Public  
Financing Authority  
c/o County Administrator  
County Administration Building  
651 Pine Street  
Martinez, CA 94553

If to the Trustee: Wells Fargo Bank, National Association  
Attn: Corporate Trust Services  
333 S. Grand Avenue, 5<sup>th</sup> Floor  
Los Angeles, CA 91071-5004

or to such other addresses as the respective parties may from time to time designate by notice in writing. A copy of any such notice or other document herein referred to shall also be delivered to the Trustee.

SECTION 10.03. Validity and Severability. If for any reason this Facilities Lease shall be held by a court of competent jurisdiction to be void, voidable, or unenforceable by the Authority or by the County, or if for any reason it is held by such a court that any of the covenants and conditions of the County hereunder, including the covenant to pay rentals hereunder, is unenforceable for the full term hereof, then and in such event this Facilities Lease is and shall be deemed to be a lease under which the rentals are to be paid by the County annually in consideration of the right of the County to possess, occupy and use the Facilities, and all of the rental and other terms, provisions and conditions of this Facilities Lease, except to the extent that such terms, provisions and conditions are contrary to or inconsistent with such holding, shall remain in full force and effect.

SECTION 10.04. Net-Net-Net Lease. This Facilities Lease shall be deemed and construed to be a “net-net-net lease” and the County hereby agrees that the rentals provided for herein shall be an absolute net return to the Authority, free and clear of any expenses, charges or set-offs whatsoever.

SECTION 10.05. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Facilities Lease.

SECTION 10.06. Amendment or Termination. The Authority and the County may at any time agree to the amendment, supplement or termination of this Facilities Lease and the Site Lease; provided, however, that the Authority and the County agree and recognize that this Facilities Lease and the Site Lease are entered into in accordance with the terms of the Trust Agreement, and accordingly, that any such amendment or termination shall only be made or effected in accordance with and subject to the terms of the Trust Agreement.

SECTION 10.07. Execution. This Facilities Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Facilities Lease. It is also agreed that separate counterparts of this Facilities Lease may separately be executed by the Authority and the County, all with the same force and effect as though the same counterpart had been executed by both the Authority and the County.

SECTION 10.08. Termination of Prior Lease. [Upon the execution of this Facility Lease: (a) the Sublease, dated as of November 1, 2010, by and between the Authority and the County, and bearing County Recorder document number 2010-0256814-00 (as amended from time to time), , shall [each] thereupon terminate and be of no further force or effect; and (b) the Site Lease dated as of November 1, 2010, by and between the Authority and the County, and bearing County Recorder document number 2010-0256815-00, shall [each] thereupon terminate and be of no further force or effect.][**To be updated**]

IN WITNESS WHEREOF, the Authority and the County have caused this Facilities Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY, as Sublessor

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Directors

Attest:

By: \_\_\_\_\_  
Lisa Driscoll  
Deputy Executive Director and Assistant  
Secretary of the Board of Directors

COUNTY OF CONTRA COSTA,  
as Sublessee

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Supervisors

Attest:

By: \_\_\_\_\_  
Jami Napier  
Chief Assistant Clerk of the Board of  
Supervisors

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public



**EXHIBIT A**

**Description of the Facilities**

**[To Come]**

**EXHIBIT B**

**Base Rental Payment Schedule**

**Aggregate of all Facilities**

**[To Come]**

<u>Base Rental Payment Date*</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Year Total</u>
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<u>                                </u>	<u>                                </u>	<u>                                </u>	<u>                                </u>	<u>                                </u>
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\* Payable three Business Days before due date.

**EXHIBIT C**

**Lease Terms**

**[To Come]**

<u>Facility</u>	<u>Term</u>	<u>Maximum Extension</u>
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**EXHIBIT D**

**Capital Projects**

**EXHIBIT E**

**Form of Budget Certificate**

County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding)  
2021 Series A (Capital Projects) and 2021 Series B (Refunding)

Certificate of Final Annual Budget for the Period \_\_\_/\_\_\_20\_\_ through \_\_\_/\_\_\_20\_\_

The undersigned, as an Authorized Representative of the County of Contra Costa (the "County"), hereby certifies that the following have been budgeted for the above-referenced period with respect to the annual appropriations for all Base Rental Payments and Additional Payments, as required in Section 3.05 of the Facilities Lease, dated as of \_\_\_\_\_ 1, 2021, between the County of Contra Costa Public Financing Authority and the County:

	<u>2021 Series A</u>	<u>2021 Series B</u>	<u>Total Budgeted</u>
Base Rental Payments			
Additional Payments			

COUNTY OF CONTRA COSTA

By: \_\_\_\_\_  
Authorized Representative

**EXHIBIT F**

**Form of Insurance Certificate**

County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding)  
2021 Series A (Capital Projects) and 2021 Series B (Refunding)

Annual Insurance Certificate for the Period \_\_/\_\_/20\_\_ through \_\_/\_\_/20\_\_

The undersigned, as an Authorized Representative of the County of Contra Costa (the “County”), hereby certifies that the insurance requirements as set forth in Section 5.07 of the Facilities Lease, dated as of \_\_\_\_\_ 1, 2021, between the County of Contra Costa Public Financing Authority and the County have been satisfied as evidenced by the attached list of insurance policies, names of insurers issuing such policies, the property covered and the amount of coverage.

COUNTY OF CONTRA COSTA

By: \_\_\_\_\_  
Authorized Representative

[Attach List of Insurance Coverage]

CERTIFICATE OF ACCEPTANCE  
(Government Code Section 27281)

This is to certify that the interest in real property conveyed by the foregoing Facilities Lease from the County of Contra Costa Public Financing Authority to the County of Contra Costa, a political subdivision of the State of California (the "County"), is hereby accepted by order of the Board of Supervisors of the County of Contra Costa on \_\_\_\_\_, 2021, and the County consents to recordation thereof by its duly authorized officer.

COUNTY OF CONTRA COSTA,  
as Sublessee

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Supervisors

Attest:

By: \_\_\_\_\_  
Jami Napier  
Chief Assistant Clerk of the Board of  
Supervisors



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

NIXON PEABODY LLP  
300 South Grand Avenue, Suite 4100  
Los Angeles, California 90071  
Attention: Jade Turner-Bond, Esq.

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**SITE LEASE**

by and between the

**COUNTY OF CONTRA COSTA**

and the

**COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY**

Related to  
\$[\_\_\_\_\_]  
County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding)  
2021 Series A (Capital Projects) and 2021 Series B (Refunding)

Dated as of \_\_\_\_\_ 1, 2021

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THIS TRANSACTION IS EXEMPT FROM FILING FEES PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 6103 AND TRANSFER TAXES PURSUANT TO CALIFORNIA REVENUE AND TAXATION CODE SECTION 11928

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SITE LEASE

This Site Lease, dated as of \_\_\_\_\_ 1, 2021 (this "Site Lease"), by and between the COUNTY OF CONTRA COSTA, a political subdivision organized and existing under and by virtue of the laws of the State of California (the "County"), as lessor, and the COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY, a public entity and agency, duly organized and existing pursuant to an Agreement entitled "Amended and Restated Joint Exercise of Powers Agreement" by and between the County of Contra Costa and the Contra Costa County Flood Control and Water Conservation District (the "District"), as lessee;

W I T N E S S E T H:

**WHEREAS**, the County has determined that it is in its best interests to finance and refinance certain capital improvements for the County;

**WHEREAS**, the Authority has agreed to issue \$[\_\_\_\_\_] principal amount of its Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Project) and 2021 Series B (Refunding) (the "Bonds"), pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the "Trust Agreement") by and between the Authority and Wells Fargo Bank, National Association, as trustee (together with any successor thereto, the "Trustee"), for the purpose of financing and refinancing certain capital improvements for the County (the "Capital Projects") refunding the Refunded Bonds which were issued to finance certain capital improvements for the County and paying certain costs of issuance with respect to the issuance of the Bonds;

**WHEREAS**, concurrently with the execution of this Site Lease, the Authority and the County are entering into a Facilities Lease (the "Facilities Lease"), dated as of \_\_\_\_\_ 1, 2021 (which is recorded concurrently herewith), whereby the Authority will lease certain real property to the County, together with improvements thereon (referred to herein as the "Facilities"); and

**WHEREAS**, concurrently with the execution of this Site Lease, the Authority, the County and Wells Fargo Bank, N.A., as trustee (the "Trustee"), are entering into a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the "Trust Agreement");

**WHEREAS**, the Bonds will be secured by the payments to be made by the County pursuant to the Facilities Lease;

**WHEREAS**, the County is authorized by law to lease the Facilities and the Facilities are necessary and proper for public purposes; and

**WHEREAS**, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Site Lease;

**NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED** as follows:

SECTION 1. Lease of Facilities

The County hereby leases to the Authority and the Authority hereby leases from the County, on the terms and conditions hereinafter set forth, the real property situated in the County of Contra Costa, State of California, together with the improvements thereon, as described in Exhibit A attached hereto and made a part hereof, and any additional real property added thereto by any supplement or amendment hereto, or any real property substituted for all or any portion of such property in accordance with this Site Lease and the Trust Agreement (the "Facilities"); subject, however, to Permitted Encumbrances. No merger shall be effected by the County's lease of the Facilities to the Authority under this Site Lease, and the Authority's sublease of the Facilities back to the County under the Facilities Lease.

SECTION 2. Term

The term of this Site Lease as to the Facilities shall commence on the date of recordation of this Site Lease in the office of the County Recorder of the County of Contra Costa, State of California, on \_\_\_\_\_, 2021 and shall end on the respective dates identified in Exhibit B hereto, as applicable to the related Facilities, unless such term is extended or sooner terminated as hereinafter provided. If on such dates the Base Rental Payments and Additional Payments attributable to the related Facilities and all other amounts then due under the Facilities Lease with respect to such Facilities shall not be fully paid, or if the rental or other amounts payable under the Facilities Lease with respect to such Facilities shall have been abated at any time and for any reason, then the term of this Site Lease with respect to such Facilities shall be extended until ten (10) days after the Base Rental Payments and Additional Payments attributable to such Facilities and all other amounts then due under the Facilities Lease with respect to such Facilities, shall be fully paid except that the term of this Site Lease as to the respective Facilities shall in no event be extended beyond ten (10) years after the date identified with respect thereto. If prior to such date the Base Rental Payments and Additional Payments attributable to the related Facilities and all other amounts then due under the Facilities Lease with respect to such Facility shall be fully paid, the term of this Site Lease with respect to such Facility shall end ten (10) days thereafter or upon written notice by the County to the Authority, whichever is earlier.

SECTION 3. Rental

The Authority shall pay to the County from the proceeds of the Bonds as and for rental hereunder an amount, not less than \$[\_\_\_\_\_], which amount the County finds and determines is full and fair rental for the Facilities on the date hereof and which amount the County further agrees will be deposited as set forth in the Trust Agreement and applied along with other proceeds of the Bonds to finance the Capital Projects and refund the Refunded Bonds.

SECTION 4. Purpose

The Authority shall use the Facilities solely for the purpose of leasing the Facilities to the County pursuant to the Facilities Lease and for such purposes as may be incidental thereto; provided, that in the event of an Event of Default by the County under the Facilities Lease, the Authority may exercise the remedies provided in the Facilities Lease.

## SECTION 5. Environmental Law and Regulations

### (a) Definitions used in this Section 5 and in Section 6.

“Asbestos Containing Materials” shall mean material in friable form containing more than one percent (1%) of the asbestiform varieties of (a) chrysotile (serpentine); (b) crocidolite (riebeckite); (c) amosite (cummington-itegrinerite); (d) anthophyllite; (e) tremolite; and (f) actinolite.

“Asbestos Operations and Maintenance Plan” shall mean that written plan for the Facilities relating to monitoring and maintaining all Asbestos Containing Materials used or located on the Facilities.

“Environmental Regulations” shall mean all Laws and Regulations, now or hereafter in effect, with respect to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.) (together with the regulations promulgated thereunder, “CERCLA”), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) (together with the regulations promulgated thereunder, “RCRA”), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.) (together with the regulations promulgated thereunder, “Title III”), the Clean Water Act, as amended (33 U.S.C. Section 1251, et seq.) (together with the regulations promulgated thereunder, “CWA”), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) (together with the regulations promulgated thereunder, “CAA”), the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et seq.) (together with the regulations promulgated thereunder, “TSCA”), the Occupational Safety and Health Act, as amended (29 U.S.C. Section 651 et seq.) (together with regulations promulgated thereunder, “OSHA”) and any similar federal, state or local laws and regulations and any so-called local, state or federal “superfund” or “superlien” law.

“Hazardous Materials” shall mean any material amount of flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic, or regulated substances or related materials, as characterized, regulated or defined in CERCLA, RCRA, CWA, CAA, TSCA, OSHA and Title III, and the regulations promulgated pursuant thereto, and in any other Environmental Regulations applicable to the County, any of the Facilities or the business operations conducted by the County therein.

“Laws and Regulations” shall mean any applicable law, regulation, code, order, rule, judgment or consent agreement, including, without limitation, those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to the Facilities.

(b) No portion of the Facilities is located in an area of high potential incidence of radon which has an unventilated basement or subsurface portion which is occupied or used for any purpose other than the foundation or support of the improvements to such Facilities.

(c) The County has not received any notice from any insurance company which has issued a policy with respect to the Facilities or from the applicable state or local government agency responsible for insurance standards (or any other body exercising similar functions) requiring the performance of any repairs, alterations or other work, which repairs, alterations or other work have not been completed at the Facilities. The County has not received any notice of default or breach which has not been cured under any covenant, condition, restriction, right-of-way, reciprocal easement agreement or other easement affecting the Facilities which is to be performed or complied with by it.

#### SECTION 6. Environmental Compliance

(a) Neither the County nor the Authority shall use or permit the Facilities or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the Facilities and then, only in compliance with all Environmental Regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the pumping, spilling, leaking, disposing of, emptying, discharging or releasing (hereinafter collectively referred to as "Release") or threat of Release of Hazardous Materials on, from or beneath the Facilities or onto any other real property excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of an office building, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any Release or threat of Release, or presence, of Hazardous Materials, the County shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Trustee or the Authority, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so Released or present, on, from or beneath the Facilities, in compliance with all Environmental Regulations. Notwithstanding anything to the contrary contained herein, underground storage tanks shall only be permitted subject to compliance with subsection (d) and only to the extent necessary to maintain the Facilities.

(b) The County and the Authority shall comply with, and shall cause its tenants, subtenants, licensees, guests, invitees, contractors, employees and agents to comply with, all Environmental Regulations, and shall keep the Facilities free and clear of any liens imposed pursuant thereto (provided, however, that any such liens, if not discharged, may be bonded). The County and the Authority shall cause each tenant, and use its best efforts to cause all of such tenant's subtenants, agents, licensees, employees, contractors, guests and invitees and the guests and invitees of all of the foregoing to comply with all Environmental Regulations with respect to the Facilities; provided, however, that notwithstanding that a portion of this covenant is limited to the County and the Authority's use of its best efforts, the Authority and the County shall remain solely responsible for ensuring such compliance and such limitation shall not diminish or affect in any way the County and the Authority's obligations contained in subsection (c) hereof

as provided in subsection (c) hereof. Upon receipt of any notice from any individual or Person with regard to the presence of, or Release of Hazardous Materials on, from or beneath the Facilities, the County and the Authority shall give prompt written notice thereof to the Trustee (and, in any event, prior to the expiration of any period in which to respond to such notice under any Environmental Regulation).

(c) Irrespective of whether any representation or warranty contained in Section 5 is not true or correct, the County and the Authority shall, to the extent permitted by law, defend, indemnify and hold harmless the Bondholders and the Trustee, its partners, depositors and each of its and their employees, agents, officers, directors, trustees, successors and assigns, from and against any claims, demands, penalties, fines, attorneys' fees (including, without limitation, attorneys' fees incurred to enforce the indemnification contained in this Section 6), consultants' fees, investigation and laboratory fees, liabilities, settlements (five (5) Business Days' prior notice of which the Authority or the Trustee, as appropriate, shall have delivered to the County and the Authority), court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to, (i) the presence, disposal, Release, threat of Release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath the Facilities, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached (five (5) Business Days' prior notice of which the Authority or the Trustee, as appropriate, shall have delivered to the County and the Authority), or governmental order relating to Hazardous Materials on, from or beneath any of the Facilities, (iv) any violation of Environmental Regulations or subsection (a) or (b) hereof by it or any of its agents, tenants, employees, contractors, licensees, guests, subtenants or invitees, and (v) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that the Authority or the County is strictly liable under any Environmental Regulation, its obligation to the Trustee and the Bondholders and the other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part with respect to the violation of any Environmental Regulation which results in liability to any indemnitee. Its obligations and liabilities under this Section 6(c) shall survive any termination of the Facilities Lease or exercise of any remedies thereunder, and the satisfaction of all Bonds.

(d) The County and the Authority shall conform to and carry out a reasonable program of maintenance and inspection of all underground storage tanks, and shall maintain, repair, and replace such tanks only in accordance with Laws and Regulations, including but not limited to Environmental Regulations.

#### SECTION 7. Owner in Fee

The County covenants that it is the owner in fee of the Facilities. The County further covenants and agrees that if for any reason this covenant proves to be incorrect, the County will either institute eminent domain proceedings to condemn the property or institute a quiet title action to clarify the County's title, and will diligently pursue such action to completion. The County further covenants and agrees that it will hold the Authority, the Trustee and the Bondholders harmless from any loss, cost or damages resulting from any breach by the County of the covenants contained in this Section.



SECTION 8. Assignments and Subleases

Unless the County shall be in default under the Facilities Lease, the Authority may not assign its rights under this Site Lease or sublet the Facilities, except pursuant to the Facilities Lease, without the written consent of the County, which consent may be withheld in the County's sole and absolute discretion. Upon the occurrence of a default by the County under the Facilities Lease, the Authority may assign or sell its rights under this Site Lease or sublet the Facilities, without the consent of the County.

SECTION 9. Right of Entry; Easements

The County reserves the right for any of its duly authorized representatives to enter upon the Facilities at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

The County agrees, upon written request from the Authority, to grant to the Authority a nonexclusive easement of ingress and egress for persons, vehicles and utilities, twenty (20) feet wide, from each parcel of the Facilities not having access to a public street, and appurtenant to such parcel, over property owned by the County to a public street. The County may, at any time, satisfy its obligation contained in the preceding sentence as to any such parcel of the Facilities by granting to the Authority an easement complying with the requirements of the preceding sentence from such parcel of the Facilities to a public street.

SECTION 10. Termination

The Authority agrees, upon the termination of this Site Lease, to quit and surrender the Facilities in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and the Authority further agrees that the Facilities and any other permanent improvements and structures existing upon the Facilities at the time of the termination of this Site Lease shall remain thereon and title thereto shall vest in the County.

Upon the exercise of the option to purchase set forth in Section 7.03 of the Facilities Lease and upon payment of the option price required by said section, the term of this Site Lease shall terminate as to the portion of the Facilities being so purchased, including the real property upon which portion is situated.

SECTION 11. Default

In the event the Authority shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for one hundred and eighty (180) days following notice and demand for correction thereof to the Authority and the Trustee, the County may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Facilities Lease shall be deemed to occur as a result thereof; provided, however, that the County shall have no power to terminate this Site Lease by reason of any default on the part of the Authority if such termination would affect or impair any assignment of the Facilities Lease of all or any part of the Facilities then in effect between the Authority and any assignee or subtenant of the Authority (other than the County under the

Facilities Lease) or the rights of the Trustee with respect thereto. So long as any such assignee or subtenant of the Authority (or the Trustee) shall duly perform the terms and conditions of this Site Lease, such assignee or subtenant (or the Trustee) shall be deemed to be and shall become the tenant of the County hereunder and shall be entitled to all of the rights and privileges granted under any such assignment or subrogation; provided, further, that so long as any Bonds are outstanding and unpaid in accordance with the terms thereof, the rentals or any part thereof payable to the Authority or Trustee shall continue to be paid to the Trustee on behalf of the Bondholders.

SECTION 12. Quiet Enjoyment; Liens

(a) The Authority at all times during the term of this Site Lease, shall peaceably and quietly have, hold and enjoy all of the Facilities then leased hereunder.

(b) The Authority shall not, directly or indirectly, create, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Facilities, other than the respective rights of the Authority and the County as herein provided and Permitted Encumbrances.

SECTION 13. Waiver of Personal Liability

All liabilities under this Site Lease on the part of the Authority shall be solely liabilities of the Authority, as a public entity and agency, and the County hereby releases each and every member, director, officer, agent or employee of the Authority of and from any personal or individual liability under this Site Lease. No member, director, officer, agent or employee of the Authority shall at any time or under any circumstances be individually or personally liable under this Site Lease to the County or to any other party whomsoever for anything done or omitted to be done by the Authority hereunder.

The Authority and its members, directors, officers, agents, employees and assignees shall not be liable to the County or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Facilities. The County, to the extent permitted by law, shall indemnify and hold the Authority and its members, directors, officers, agents, employees and assignees, harmless from, and defend each of them against, any and all claims, liens and judgments arising from the operation of the Facilities or the Project, including, without limitation, death of or injury to any person or damage to property whatsoever occurring in, on or about the Facilities of the Project regardless of responsibility for negligence, but excepting the active negligence of the person or entity seeking indemnity.

SECTION 14. Taxes

The County covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Facilities.

SECTION 15. Eminent Domain

In the event the whole or any part of the Facilities is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the amount of the then unpaid or outstanding Bonds and all other amounts due under the Trust Agreement and the Facilities Lease attributable to such part of the Facilities shall be paid to the Trustee, and the balance of the award, if any, shall be paid to the County.

SECTION 16. Further Assurances.

The County covenants and agrees that in the event any lien, encumbrance, asserted encumbrance, claim, dispute or other issue arises with respect to the County's legal title to or valid and marketable, beneficial use and enjoyment of (or the Authority's interest in) the Facilities (each of the foregoing referred to as a "*Facilities Issue*"), the County will take all steps necessary to promptly quiet, resolve and/or eliminate such Facilities Issue and/or provide the Authority with, or as applicable, will take all reasonable steps available to the County to ensure the Authority has, adequate access to and use of the Facilities and the County has beneficial use and enjoyment of the Facilities and the County shall ensure that its fee interest in the Facilities remains free and clear of Facilities Issues. The County covenants and agrees that in the event any legal description, UCC-1 financing statement or fixture filing (or continuations or amendments thereof) filed or recorded with respect to the Authority's interests in the Facilities reflects any incorrect real property legal description, the County shall take all steps necessary (with the Authority's prior written approval) to promptly correct any errors with respect to such legal descriptions, UCC-1 financing statements and fixture filings.

SECTION 17. Nondiscrimination

The Authority herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all person claiming under or through itself, and this Site Lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or groups of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those basis are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the Authority, or any person claiming under or through the Authority, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.

SECTION 18. Partial Invalidity

If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall

be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 19. Notices

All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, and, if to the County, addressed to the County in care of the Clerk of the Board of Supervisors, County Administration Building, 1025 Escobar Street, Martinez, California 94553, or if to the Authority, addressed to the Authority in care of the County Administrator, County Administration Building, 1025 Escobar Street, Martinez, California 94553, in all cases with a copy to the Trustee at the address specified in the Trust Agreement, or to such other addresses as the respective parties may from time to time designate by notice in writing.

SECTION 20. Section Headings

All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

SECTION 21. Amendment

The Authority and the County may at any time agree to the amendment of this Site Lease; provided, however, that the Authority and the County agree and recognize that this Site Lease is entered into as contemplated by the terms of the Trust Agreement, and accordingly, that any such amendment shall only be made or effected in accordance with and subject to the terms of the Trust Agreement.

SECTION 22. Definitions

Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Facilities Lease or, if not defined therein, the Trust Agreement.

SECTION 23. Termination of Prior Leases

[Upon the execution of this Site Lease: (a) the Site Lease dated as of November 1, 2010, by and between the Authority and the County, and bearing County Recorder document number 2010-0256815-00, shall thereupon terminate and be of no further force or effect; and (b) the Sublease, dated as of November 1, 2010, by and between the Authority and the County, and bearing County Recorder document number 2010-0256814-00 (as amended from time to time), shall thereupon terminate and be of no further force or effect.][**to be updated and confirmed**]

SECTION 24. Execution

This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Site Lease. It is

also agreed that separate counterparts of this Site Lease may separately be executed by the County and the Authority, all with the same force and effect as though the same counterpart had been executed by both the County and the Authority.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the County and the Authority have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

COUNTY OF CONTRA COSTA, as Lessor

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Supervisors

Attest:

By: \_\_\_\_\_  
Jami Napier  
Chief Assistant Clerk of the Board of Supervisors

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY, Lessee

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Directors

Attest:

By: \_\_\_\_\_  
Lisa Driscoll  
Deputy Executive Director and Assistant Secretary of the Board of Directors

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

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I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public



**EXHIBIT A**

**Description of Facilities**

**[To Come]**

**EXHIBIT B**

**Lease Terms**

**[To Come]**

<u>Facility</u>	<u>Term</u>	<u>Maximum Extension</u>
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CERTIFICATE OF ACCEPTANCE  
(Government Code Section 27281)

This is to certify that the interest in real property conveyed by the foregoing Site Lease from the County of Contra Costa Public Financing Authority to the County of Contra Costa, a political subdivision of the State of California (the "County"), is hereby accepted by order of the undersigned officer on behalf of the Authority on \_\_\_\_\_, 2021, pursuant to authority conferred by Resolution No. 2021/\_\_\_ of the Authority adopted on \_\_\_\_\_, 2021, and the Authority consents to recordation thereof by its duly authorized officer.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY, as Lessee

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Directors

Attest:

By: \_\_\_\_\_  
Lisa Driscoll  
Deputy Executive Director and Assistant  
Secretary of the Board of Directors

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

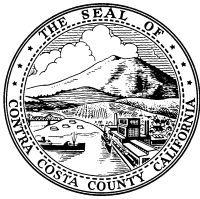
\_\_\_\_\_  
Signature of Notary Public

**PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY \_\_, 2021**

NEW ISSUE - BOOK ENTRY ONLY  
[DAC Logo]

RATINGS: Moody's: \_\_\_  
S&P: \_\_\_  
See "RATINGS"

*In the opinion of Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the Authority and the County described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Bond Counsel is further of the opinion that, interest on the Bonds is exempt from personal income taxes of the State of California (the "State") under present State law. See "TAX MATTERS" herein regarding certain other tax considerations.*



**\$ \_\_, \_\_, 000\***  
**COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY**  
**LEASE REVENUE BONDS**  
**(CAPITAL PROJECTS AND REFUNDING),**  
**2021 SERIES**  
**comprised of:**

**\$ \_\_, \_\_, 000\* 2021 Series A**  
**(Capital Projects)**

**\$ \_\_, \_\_, 000\* 2021 Series B**  
**(Refunding)**

**Dated: Date of Delivery**

**Due: June 1, as shown on inside cover**

The County of Contra Costa Public Financing Authority (the "Authority") is issuing \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds, 2021 Series, comprised of \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) (the "2021 Series A Bonds") and \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series B (Refunding) (the "2021 Series B Bonds" and together with the 2021 Series A Bonds, the "2021 Bonds"). The 2021 Bonds are being issued to: (i) finance the acquisition, construction, and improvement of various capital projects to be located within the County of Contra Costa (the "County"); (ii) refund \$48,410,833.95 aggregate principal amount of outstanding County of Contra Costa Public Financing Authority Lease Revenue Bonds and Obligations described herein (collectively, the "Prior Bonds"); and (iii) pay certain costs associated with the issuance of the 2021 Bonds. See "PLAN OF FINANCE" and "ESTIMATED SOURCES AND USES OF FUNDS."

The 2021 Bonds are issued pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the "Trust Agreement"), by and between the Authority and the Trustee and acknowledged by the County. The 2021 Bonds are limited obligations of the Authority and are payable, as to interest thereon, principal thereof and any premiums upon the redemption of any thereof, solely from the "Revenues," and the Authority is not obligated to pay them except from the Revenues. Revenues consist primarily of Base Rental Payments (as defined herein) to be made by the County to the Authority for the use and occupancy of the Facilities (defined herein) pursuant to a Facilities Lease, dated as of \_\_\_\_\_ 1, 2021 (the

“Facilities Lease”) by and between the Authority, as lessor, and the County, as lessee. The County covenants in the Facilities Lease to take such action as may be necessary to include all such Base Rental Payments and Additional Payments in its annual budgets and to make the necessary annual appropriations therefor. The obligation of the County to make Base Rental Payments and Additional Payments is subject to proportional abatement during any period in which by reason of any damage or destruction (other than by condemnation) there is substantial interference with the use and occupancy of the Facilities by the County, except as otherwise described herein. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS.” **No debt service reserve fund will be established under the Trust Agreement for the 2021 Bonds.**

The principal of the 2021 Bonds is payable on June 1 of each year as set forth on the inside cover page. Interest on the 2021 Bonds is payable semiannually on June 1 and December 1 in each year, commencing December 1, 2021].

The 2021 Bonds will be initially delivered in book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Principal of, redemption premium, if any, and interest on the 2021 Bonds will be paid by Wells Fargo Bank, National Association, as trustee (the “Trustee”), to DTC. DTC is obligated to remit such principal and interest to its DTC Participants for disbursement to the beneficial owners of the 2021 Bonds. See APPENDIX H–“DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

**The 2021 Bonds are subject to optional, extraordinary[, and mandatory sinking fund] redemption as described herein. See “2021 BONDS–Redemption Provisions.”**

THE 2021 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM REVENUES AND ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE OR LIEN UPON ANY PROPERTY OF THE AUTHORITY OR THE COUNTY OR ANY OF THEIR INCOME OR RECEIPTS, EXCEPT THE REVENUES (AS DESCRIBED HEREIN). NEITHER THE FULL FAITH NOR THE CREDIT OF THE AUTHORITY OR THE COUNTY IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE 2021 BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2021 BONDS NOR THE OBLIGATION TO MAKE BASE RENTAL PAYMENTS UNDER THE FACILITIES LEASE CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE COUNTY, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS FOR WHICH ANY ENTITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH ANY ENTITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS NO TAXING POWER.

This cover page contains certain information for general reference only. It is *not* intended to be a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision. An investment in the 2021 Bonds involves risk. For a discussion of certain risk factors associated with investment in the 2021 Bonds, see “CERTAIN RISK FACTORS” as well as other factors discussed throughout this Official Statement.

*The 2021 Bonds are offered when, as and if issued by the Authority and received by the Underwriter, subject to approval as to their validity by Nixon Peabody LLP, San Francisco, California, Bond Counsel to the Authority. Certain other legal matters will be passed upon for the County and the Authority by County Counsel and by Schiff Hardin LLP, San Francisco, California, Disclosure Counsel, and for the Underwriter by Katten Muchin Rosenman, New York, New York. It is anticipated that the 2021 Bonds in book-entry only form, will be available for delivery through the facilities of DTC in New York, New York, on or about March \_\_, 2021.*

**BARCLAYS**

Date of Official Statement: \_\_\_\_\_, 2021.

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\* Preliminary, subject to change.

**MATURITY SCHEDULE**

**\$ \_\_, \_\_, 000\***  
**COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY**  
**LEASE REVENUE BONDS (CAPITAL PROJECTS AND REFUNDING),**  
**2021 SERIES**  
**comprised of:**

**\$ \_\_, \_\_, 000\* Serial 2021 Series A Bonds (Capital Projects)**  
**Base CUSIP No. † \_\_\_\_\_**

Maturity Date (June 1)	Principal Amount*	Interest Rate	Price	Yield	CUSIP No.†
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**\$ \_\_, \_\_, 000\* Serial 2021 Series B Bonds (Refunding)**  
**Base CUSIP No. † \_\_\_\_\_**

Maturity Date (June 1)	Principal Amount*	Interest Rate	Price	Yield	CUSIP No.†
---------------------------	----------------------	------------------	-------	-------	------------

\* Preliminary, subject to change. Assumes that *all* of the Prior Bonds (defined herein) are refunded. See "PLAN OF REFUNDING."

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No dealer, broker, salesperson or other person has been authorized by the County or the Authority to give any information or to make any representation other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the 2021 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the 2021 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The County maintains a website. Unless specifically indicated otherwise, the information presented on that website is *not* incorporated by reference as part of this Official Statement and should not be relied upon in making investment decisions with respect to the 2021 Bonds.

The information set forth herein has been obtained from the County and from other sources and is believed to be reliable but is not guaranteed as to accuracy or completeness. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or the Authority since the date hereof. This Official Statement is submitted in connection with the sale of the 2021 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the County. All summaries of the documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions. All capitalized terms used herein, unless noted otherwise, shall have the meanings prescribed in the Trust Agreement and the Facilities Lease. This Official Statement, including any supplement or amendment hereto, is intended to be deposited with the Electronic Municipal Market Access site maintained by the Municipal Securities Rulemaking Board.

Any statement made in this Official Statement involving any forecast or matter of estimates or opinion, whether or not expressly stated, is intended solely as such and not as a representation of fact. Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended (the “Securities Act”). Such forward-looking statements are generally identified by use of the words “plan,” “project,” “expect,” “estimate,” “budget” or other similar words. Such forward-looking statements include, but are not limited to, statements contained in APPENDIX B—“COUNTY FINANCIAL INFORMATION.” Such forward-looking statements refer to the achievement of certain results or other expectations or performance which involve known and unknown risks, uncertainties and other factors. These risks, uncertainties and other factors may cause actual results, performance or achievements to be materially different from any projected results, performance or achievements described or implied by such forward looking statements. Neither the County nor the Authority plans to issue updates or revisions to such forward-looking statements if or when the expectations, events, conditions or circumstances on which such statements are based, occur, or if actual results, performance or achievements are materially different from any results, performance or achievements described or implied by such forward-looking statements.

The 2021 Bonds have not been registered with the Securities and Exchange Commission by reason of the provisions of Section 3(a)(2) of the Securities Act of 1933, as amended. The registration or qualification of the 2021 Bonds in accordance with applicable provisions of Securities Laws of the states in which these Bonds have been registered or qualified, and the exemption from registration or qualification in other states, shall not be regarded as a recommendation thereof. Neither these states nor any of their agencies have passed upon the merits of the securities or the accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market prices of a Series of 2021 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell Series of 2021 Bonds to certain dealers and banks at prices lower than the initial public offering prices and at yields higher than stated on the inside pages and such initial public offering prices and yields may be changed from time to time by the Underwriter.

**COUNTY OF CONTRA COSTA, CALIFORNIA  
BOARD OF SUPERVISORS OF THE COUNTY**  
*[To be updated after January 4, 2021]*

Candace Andersen  
*(District 2)*  
*Chair*

Diane Burgis  
*(District 3)*  
*Vice Chair*

John M. Gioia  
*(District 1)*

Karen Mitchoff  
*(District 4)*

Federal D. Glover  
*(District 5)*

**COUNTY OFFICIALS**

Monica Nino  
*Clerk of the Board and County Administrator*

Robert R. Campbell  
*Auditor-Controller*

Russell V. Watts  
*Treasurer-Tax Collector*

Sharon L. Anderson  
*County Counsel*

Gus S. Kramer  
*Assessor*

Deborah Cooper  
*County Clerk-Recorder*

Lisa Driscoll  
*County Finance Director*

**SPECIAL SERVICES**

Nixon Peabody LLP  
San Francisco, California  
*Bond Counsel*

Schiff Hardin LLP  
San Francisco, California  
*Disclosure Counsel*

Montague DeRose and Associates, LLC  
Walnut Creek, California  
*Municipal Advisor*

Wells Fargo Bank, National Association  
Los Angeles, California  
*Trustee and Prior Trustee*

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\$ \_\_, \_\_, 000\*  
**COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY**  
**LEASE REVENUE BONDS**  
**(CAPITAL PROJECTS AND REFUNDING),**  
**2021 SERIES**  
**comprised of:**

\$ \_\_, \_\_, 000\* 2021 Series A                      \$ \_\_, \_\_, 000\* 2021 Series B  
(Capital Projects)    (Refunding)

**INTRODUCTION**

*This Introduction contains only a brief summary of the terms of the 2021 Bonds being offered and a brief description of this Official Statement. A full review should be made of the entire Official Statement, including the inside cover through the Appendices. All statements contained in this Introduction are qualified in their entirety by reference to the entire Official Statement. All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings given to such terms as set forth in the Trust Agreement (defined below). See APPENDIX E—“SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS—CERTAIN DEFINITIONS.”*

**General; Purpose**

This Official Statement, which includes the cover page through the Appendices hereto (the “Official Statement”), provides certain information concerning the issuance by the County of Contra Costa Public Financing Authority (the “Authority”) of \$ \_\_, \_\_, 000\* aggregate principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds, 2021 Series, comprised of \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) (the “2021 Series A Bonds”) and \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series B (Refunding) (the “2021 Series B Bonds” and together with the 2021 Series A Bonds, the “2021 Bonds”). The 2021 Bonds are being issued to: (i) finance the acquisition, construction, and improvement of various capital projects to be located within the County of Contra Costa (the “County”). The 2021 Bonds are being issued to: (i) finance the acquisition, construction, and improvement of two fire stations to be located within the County; (ii) refund \$48,410,833.95 aggregate principal amount of outstanding County of Contra Costa Public Financing Authority Lease Revenue Bonds and Obligations described herein (collectively, the “Prior Bonds”); and (iii) pay certain costs associated with the issuance of the 2021 Bonds. See “PLAN OF FINANCE” and “ESTIMATED SOURCES AND USES OF FUNDS.”

The 2021 Bonds are limited obligations of the Authority payable as to the interest thereon, principal thereof and any redemption premium solely from Revenues, consisting primarily of base rental payments (the “Base Rental Payments”) to be made by the County and paid to the Authority for the use and occupancy of certain real property and improvements (the “Facilities”). The Authority is not obligated to make payments on the 2021 Bonds except from Revenues. The Facilities will be leased by the County to the Authority pursuant to the terms and conditions of a Site Lease with respect to 2021 Bonds, dated as of \_\_\_\_\_ 1, 2021 (the “Site Lease”), between the County, as lessor, and the Authority, as lessee. See “THE FACILITIES.” Pursuant to the terms and conditions of a Facilities Lease, dated as of

\* Preliminary, subject to change.

\_\_\_\_\_ 1, 2021 (the “Facilities Lease”), between the Authority, as lessor and the County, as lessee, the Authority will let the Facilities to the County. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS.”

THE 2021 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM REVENUES AND ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE OR LIEN UPON ANY PROPERTY OF THE AUTHORITY OR THE COUNTY OR ANY OF THEIR INCOME OR RECEIPTS, EXCEPT THE REVENUES (AS DESCRIBED HEREIN). NEITHER THE FULL FAITH NOR THE CREDIT OF THE AUTHORITY OR THE COUNTY IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE 2021 BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2021 BONDS NOR THE OBLIGATION TO MAKE BASE RENTAL PAYMENTS UNDER THE FACILITIES LEASE CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE COUNTY, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS FOR WHICH ANY ENTITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH ANY ENTITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS NO TAXING POWER.

#### **Authority for Issuance**

The 2021 Bonds will be issued pursuant to the Constitution and the laws of the State of California (the “State”), resolutions adopted by the Authority and the County, and a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”), between the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”) and acknowledged by the County.

#### **Security and Sources of Payment**

**General.** Pursuant to the Trust Agreement, the Authority pledges to the Trustee, for the benefit of the Bondholders, all of the “Revenues,” defined as all Base Rental Payments and other payments paid by the County and received by the Authority pursuant to the Facilities Lease (excluding Additional Payments); and all interest or other income from any investment of any money held in any fund or account (other than the Rebate Fund) established pursuant to the Trust Agreement or the Facilities Lease.

The County covenants under the Facilities Lease that so long as a Facility is available for use and occupancy by the County, it will take such action as may be necessary to include the Base Rental Payments and Additional Payments with respect to the Facilities in its annual budgets and to make the necessary annual appropriations therefor. Base Rental Payments are included in and allocated to individual department budgets. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS.”

The Base Rental Payments made by the County pursuant to the Facilities Lease are subject to complete or partial abatement in the event of substantial interference with the use and occupancy by the County of the Facilities caused by damage to or destruction (other than by condemnation) of such Facilities. See “CERTAIN RISK FACTORS” and “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS—Pledge of Revenues.” Abatement of Base Rental Payments under the Facilities Lease could result in the Bondholders of the 2021 Bonds receiving less than the full amount of principal of and interest on the 2021 Bonds, except to the extent proceeds of insurance are available to make payments of principal of or interest on the 2021 Bonds (or the relevant portion thereof) during periods of abatement of the Base Rental.

## **No Reserve Fund**

No debt service reserve fund will be established under the Trust Agreement for the 2021 Bonds.

## **Certain Risk Factors**

An investment in the 2021 Bonds involves risk. For a discussion of certain risk factors associated with investment in the 2021 Bonds, see “CERTAIN RISK FACTORS” as well as other factors discussed throughout this Official Statement.

## **Continuing Disclosure**

The County has covenanted for the benefit of the beneficial owners of the 2021 Bonds to provide certain financial information and operating data relating to the County by no later than nine months after the end of each fiscal year (which fiscal year currently ends June 30), commencing with the report due for the Fiscal Year ended June 30, 2021 (each an “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of specified events will be filed by the County or Digital Assurance Certification, L.L.C., as dissemination agent, through the Electronic Municipal Market Access site (“EMMA”) maintained by the Municipal Securities Rulemaking Board (the “MSRB”). The specific nature of the information to be contained in the Annual Report or the notices of specified events is set forth in APPENDIX G–“PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT.” These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

## **Reference to Documents**

The summaries and descriptions in this Official Statement of the Trust Agreement, the Facilities Lease, the Site Lease, the Continuing Disclosure Agreement, and other agreements relating to the 2021 Bonds are qualified in their entirety by reference to such documents, and the descriptions herein of the 2021 Bonds are qualified in their entirety by the form thereof and the information with respect thereto included in such documents. All capitalized terms used herein, unless noted otherwise, shall have the meanings prescribed in the Trust Agreement and the Facilities Lease. See APPENDIX E–“SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS–CERTAIN DEFINITIONS.”

## **PLAN OF FINANCE**

### **2021 Project**

The 2021 Project consists of financing the acquisition, construction, and improvement of facilities at Buchanan County Airport, a County office building, and two fire stations, Fire Station No. 9 in Pacheco and Fire Station No. 86 in Bay Point.

***Airport Improvements.*** This component of the 2021 Project consists of the construction of an approximately 21,000 square foot, one-story multi-function facility to be located on an approximately \_\_\_\_\_ acre site at Buchanan Field Airport, a public airport located in Concord, California. This component of the 2021 Project will replace an existing terminal facility and will include an approximately 12,525 square foot aircraft rescue and firefighting facility (an “ARFF”) with up to three apparatus bays, offices, restrooms, meeting space, and ARFF support function spaces (such as for turnouts, self-contained breathing apparatus, and operations areas) for airport personnel; approximately 2,750 square feet of administrative office space; and an approximately 5,460 square foot general aviation terminal. This

facility will also include a hold room, restrooms, public meeting space and rentable office spaces in the general aviation terminal section, visitor parking spaces, charging stations, a generator, and a public viewing area. The estimated construction cost for this component of the 2021 Project is \$11,700,000. Construction is expected to commence in June 2021 and be completed in October 2022.

***Construction of County Offices at 651 Pine.*** This component of the 2021 Project consists of the demolition of the former County Administration complex at 651 Pine Street, Martinez, California including remediation and demolition of approximately 72,000 square feet in the 12-story tower and approximately 50,000 square feet in the adjacent five story North Wing building. This component also includes the relocation of telecommunications infrastructure located in and on the Tower, including microwave and radio antennas serving the public safety communication system as well as telephone and fiberoptic communications equipment serving multiple County facilities in the downtown Martinez area. Following demolition, the County will construct an approximately 20,000 square foot, two-story County office building above approximately 80 new parking spaces (with the first story consisting of parking and the second story consisting of office space) where the previous Tower and North Wing buildings stood. In addition, there will be public plaza and amenity space constructed across from the existing 651 Pine Street complex to serve both the New Administration Building, located at 1025 Escobar Street, Martinez, California and the new County office building, located on a portion of the current 651 Pine Street complex. The estimated construction cost for this component of the 2021 Project is \$64,000,000. Construction is expected to commence December of 2021 and be completed by June of 2024.

### ***Fire Stations***

**Fire Station No. 9.** This component of the 2021 Project consists of the construction of an approximately 10,000 square foot one-story fire station to be located on an approximately one acre site at Center Avenue and Willow Street in Pacheco, California. This fire station will contain approximately 5,000 square feet of living area, including four firefighter dorm rooms, three gender-neutral restrooms, and living quarters for a Battalion Chief, with adjacent office space; approximately 5,000 square feet containing three apparatus bays, a separate support area for turnout, self-contained breathing apparatus (“SCBA”), and cleanup spaces; and visitor parking spaces, secured firefighter parking, and a generator and an emergency fuel tank. The estimated construction cost for this component of the 2021 Project is \$16,000,000. Construction is expected to commence in October 2021 and be completed in January 2023.

**Fire Station No. 86.** This component of the 2021 Project consists of the construction of an approximately 10,000 square foot one-story fire station to be located on an approximately two acre site at Willow Pass Road and Goble Drive in Bay Point, California. This fire station will contain approximately 5,000 square feet of living area, including seven firefighter dorm rooms and three gender-neutral restrooms; approximately 5,000 square feet containing three apparatus bays, a separate support area on for turnout, SCBA, and cleanup spaces; and visitor parking spaces, secured firefighter parking, and a generator and an emergency fuel tank. The estimated construction cost for this component of the 2021 Project is \$11,000,000. Construction is expected to commence in May 2021 and be completed in October 2022.

In connection with the construction of the Fire Stations, the County has entered into an Installment Sale Agreement dated \_\_\_\_\_, 2021 (the “Installment Agreement”), with the Contra Costa County Fire Protection District (the “Fire District”), pursuant to which the County will construct the fire stations and sell them to the Fire District and the Fire District will purchase from and pay to the County the costs related to the construction of the fire stations. **The amounts payable by the Fire District to the County pursuant to the Installment Agreement are not**



**pledged to the payment of the 2021 Bonds and are not available to Bondholders for any purpose.**

**Refunding of Prior Bonds**

The Authority issued the Prior Bonds pursuant to a Trust Agreement, dated as of February 1, 1999, as supplemented by the First Supplemental Trust Agreement, dated as of January 1, 2001, the Second Supplemental Trust Agreement, dated as of May 1, 2001, the Third Supplemental Trust Agreement, dated as of June 1, 2002, the Fourth Supplemental Trust Agreement, dated as of July 1, 2002, the Fifth Supplemental Trust Agreement, dated as of July 1, 2003, the Sixth Supplemental Trust Agreement, dated as of March 1, 2007 and the Seventh Supplemental Trust Agreement, dated as of August 1, 2007 (as previously amended and supplemented, the “Prior Trust Agreement”), by and between the Authority and BNY Western Trust Company, as succeeded by Wells Fargo Bank, National Association, as successor trustee (the “Prior Trustee”), and acknowledged by the County. The Prior Bonds were delivered to finance and refinance the costs of acquiring, constructing and renovating certain County facilities and to provide funds to acquire and install other capital improvements for the County.

A portion of the proceeds from the sale of the 2021 Bonds, together with other available funds, will be deposited with the Prior Trustee to pay the redemption price of and accrued interest on the Prior Bonds on the redemption date. Upon such deposit, the Prior Bonds will no longer be deemed outstanding under the Prior Trust Agreement.

The Refunded Bonds will consist of the following:

**\$13,130,000**  
**Contra Costa County Public Financing Authority**  
**Lease Revenue Bonds**  
**2010 Series A-2 (Capital Project I – Taxable Build America Bonds)**  
**Dated Date: November 16, 2010**  
**Redemption Date: \_\_\_\_\_, 2021**  
**Redemption Price: 100%**

<b>Maturity Date (June 1)</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>CUSIP (21226P)<sup>†</sup></b>
2021	\$1,135,000	5.750%	JS8
2022	1,175,000	5.900	JT6
2023	1,220,000	6.000	JU3
2024	1,270,000	6.100	JV1
2025	1,320,000	6.250	JW9
2026	500,000	6.500	JX7
2030	6,510,000	6.800	KU1

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**\$20,700,000**  
**Contra Costa County Public Financing Authority**  
**Lease Revenue Bonds**  
**2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds)**  
**Dated Date: November 16, 2010**  
**Redemption Date: \_\_\_\_\_, 2021**  
**Redemption Price: 100%**

<b>Maturity Date (June 1)</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>CUSIP (21226P)<sup>†</sup></b>
2035	\$9,645,000	6.900%	KD9
2040	11,055,000	7.000	KE7

**\$7,425,000**  
**Contra Costa County Public Financing Authority**  
**Lease Revenue Bonds**  
**2010 Series B (Refunding)**  
**Dated Date: November 16, 2010**  
**Redemption Date: \_\_\_\_\_, 2021**  
**Redemption Price: 100%**

<b>Maturity Date (June 1)</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>CUSIP (21226P)<sup>†</sup></b>
2021	\$1,370,000	3.750%	KQ0
2022	250,000	5.000	KR8
2022	1,180,000	4.000	KY3
2023	1,500,000	4.000	KS6
2024	250,000	5.000	KT4
2024	1,315,000	4.125	KZ0
2025	1,560,000	4.250	KV9

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**\$7,155,833.95**  
**Contra Costa County Public Financing Authority**  
**Lease Revenue Obligations**  
**2012 Series A**  
**Dated Date: October 11, 2012**  
**Redemption Date: \_\_\_\_\_, 2021**  
**Redemption Price: 100%**

Maturity Date (June 1)	Amount	Interest Rate
2021	\$942,968.70	2.680%
2022	968,240.26	2.680
2023	994,189.10	2.680
2024	1,020,833.37	2.680
2025	1,048,191.70	2.680
2026	1,076,283.24	2.680
2027	1,105,127.58	2.680

**THE FACILITIES**

The County will lease the Facilities summarized in Table 1 pursuant to the Site Lease, and the Authority will lease back each of those Facilities to the County pursuant to the Facilities Lease. The Facilities consist of two County properties and sites thereof and include site development, landscaping, utilities, equipment, furnishings, improvements and appurtenances, and related facilities located on the real property, including any future improvements made to such Facilities.

The County covenants in the Facilities Lease to use each Facility for County and public purposes and so long as each such Facility is available for its use and occupancy, the County covenants to take such actions as may be necessary to include all Base Rental Payments and Additional Payments with respect to each Facility in its annual budgets and to make the necessary annual appropriations therefor. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS.”

The Insured value of each Facilities included in Table 1 is based upon the insured value for Fiscal Year 2020-21. Each August, the insurer reviews third quarter factors for the western section of the Country developed by a national provider of real estate information, analytics, and services to update County real property and content values for insurance purposes. The actual market value of each Facility may differ materially from the estimated insured value summarized in Table 1. The Authority has only a leasehold interest in each Facility and is not authorized to sell either Facility.

The Facilities consist of the following:

**West County Health Center.** This Facility is located at 13601 San Pablo Avenue in San Pablo, California on an approximately 2.84 acre site. The West County Health Center consists of an approximately 52,553 square foot, two-story, stucco and glass, LEED-Silver certified by the Green Building Council public health center constructed in 2012. Services provided at this Facility include routine and preventative family care services, prenatal care, women’s health, and other general, diagnostic, and specialty medical services.

***Contra Costa Regional Medical Center.*** This Facility is located on an approximately \_\_\_\_-acre site at 2500 Alhambra Avenue in Martinez, California. This Facility consists of an approximately \_\_\_\_ square foot, \_\_\_\_-story hospital, with 176-beds, an eight-bed intensive care unit, a 17-bed emergency department, and a level II (specialty care nursery for moderately ill infants with problems expected to resolve rapidly and not expected to need subspecialty services on an urgent basis) neonatal intensive care unit.

For summary descriptions and estimated valuations of the Facilities, see Table 1–“Estimated Value of the Facilities.”

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**Table 1**  
**Estimated Value of the Facilities**

<b>Facilities</b>	<b>Address</b>	<b>Original Completion Year</b>	<b>Approximate Acreage of Site</b>	<b>Approximate Building Square Footage</b>	<b>Insured Value<sup>†</sup></b>	<b>[Scheduled Release Year]</b>
West County Health Center	13601 San Pablo Avenue, Martinez, CA	2012	2.84	52,553	\$30,293,000	20__
Contra Costa Regional Medical Center	2500 Alhambra Avenue, Martinez, CA	1998	_____	60,000	[129,466,000]	20__
<b>TOTAL FACILITIES</b>					\$159,759,000	

<sup>†</sup> Based upon the insured value for Fiscal Year 2020-21.

Upon issuance of the 2021 Bonds, the aggregate insured value of the leased Facilities will be at least equal to the par amount of the 2021 Bonds and the annual Base Rental Payments will not exceed the annual fair rental value of the Facilities. See also “CERTAIN RISK FACTORS–Base Rental Payments Not a Debt of the County; Other County Obligations.”

Pursuant to the terms of the Facilities Lease, the County and the Authority may release or substitute other properties for the Facilities or portions thereof upon the satisfaction of certain conditions. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS–Addition; Substitution, and Release of Property.”

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**[Location Map of the Facilities]**

**ESTIMATED SOURCES AND USES OF FUNDS**

The following table sets forth the estimated sources and uses of funds related to the issuance of the 2021 Bonds.

**Table 2  
Estimated Sources and Uses of Funds**

<b>SOURCES:</b>	<b>2021 Series A</b>	<b>2021 Series B</b>	<b>Total</b>
Principal Amount of 2021 Bonds.....			
Funds Held Under the Prior Trust Agreement ...			
Net Original Issue Premium.....			
<b>TOTAL SOURCES.....</b>			
<b>USES:</b>			
Deposit to 2021 Project Account.....			
Deposit with Prior Trustee <sup>(1)</sup> .....			
Costs of Issuance <sup>(2)</sup> .....			
Underwriter’s Discount .....			
<b>TOTAL USES.....</b>			

(1) To pay the redemption price of the Prior Bonds. See “PLAN OF FINANCE.”

(2) Includes legal and professional fees, rating agency, and title insurance fees, printing costs and other miscellaneous costs of issuance.

**THE 2021 BONDS**

**General**

The 2021 Bonds are limited obligations of the Authority payable solely from Revenues, consisting primarily of Base Rental Payments to be made by the County under the Facilities Lease.

The 2021 Bonds will be dated their date of issuance, issued as fully registered bonds and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the 2021 Bonds. Ownership interests in the 2021 Bonds may be purchased in book-entry form only, in the denominations hereinafter set forth. Purchasers will not receive physical certificates representing their beneficial ownership interest in the 2021 Bonds. So long as the 2021 Bonds are registered in the name of Cede & Co., payment of principal of premium, if any, and interest on the 2021 Bonds will be payable to DTC. See APPENDIX H– “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Ownership interests in the 2021 Bonds will be in Authorized Denominations of \$5,000 or any integral multiple thereof. The 2021 Bonds will mature on the dates and in the principal amounts, and the interest payable thereon will be computed at the rates, all as set forth on the inside cover page of this Official Statement.

Interest on the 2021 Bonds is payable on June 1 and December 1 (each an “Interest Payment Date”) of each year, commencing June 1, 2021 calculated from their date of issuance on the basis of a 360-day year composed of twelve 30-day months.



## Redemption Provisions

### *2021 Series A Bonds*

Optional Redemption. [The 2021 Series A Bonds maturing on or prior to June 1, 20\_\_ are *not* subject to optional redemption.]

The 2021 Series A Bonds maturing on or after June 1, 20\_\_ are subject to redemption prior to their stated maturities at the option of the Authority, at the direction of the County, in whole or in part, on any Business Day (in such amounts as may be specified by the Authority), by lot, at the Redemption Price thereof, plus accrued interest to the Redemption Date, without premium.

[Mandatory Sinking Fund Redemption. The 2021 Series A Bonds are subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account payments set forth below, at a Redemption Price equal to the sum of the principal amount thereof plus accrued interest thereon to the Redemption Date, without premium:]

### **2021 Series A Bonds**

Mandatory Sinking Account Payment Date (June 1)	Mandatory Sinking Account Payment
_____	_____

†

\_\_\_\_\_† Maturity.

Extraordinary Redemption. The 2021 Series A Bonds are subject to redemption by the Authority on any date prior to their respective stated maturities, upon notice as provided in the Trust Agreement, as a whole or in part by lot within each stated maturity in integral multiples of Authorized Denominations, from prepayments made by the County pursuant to the Facilities Lease from insurance (including proceeds of title insurance) and eminent domain proceeds, at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the Redemption Date. Whenever less than all of the Outstanding 2021 Series A Bonds are to be redeemed on any one date, the Trustee will select, in accordance with written directions from the Authority, the mandatory sinking account payments against which will be credited the 2021 Series A Bonds to be redeemed so that the aggregate annual principal amount of and interest on 2021 Series A Bonds which are payable after such Redemption Date will be reduced pro rata over the remaining years of the lease terms (as set forth in the Facilities Lease) for the Facilities which generated the insurance or eminent domain proceeds.

### *2021 Series B Bonds*

Optional Redemption. The 2021 Series B Bonds maturing on or prior to June 1, 20\_\_ are *not* subject to optional redemption.

The 2021 Series B Bonds maturing on or after June 1, 20\_\_ are subject to redemption prior to their stated maturities at the option of the Authority, at the direction of the County, in whole or in part, on

any Business Day (in such amounts as may be specified by the Authority), by lot, at the Redemption Price thereof, plus accrued interest to the Redemption Date, without premium.

[Mandatory Sinking Fund Redemption. The 2021 Series B Bonds are subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account payments set forth below, at a Redemption Price equal to the sum of the principal amount thereof plus accrued interest thereon to the Redemption Date, without premium:]

**2021 Series B Bonds**

Mandatory Sinking Account Payment Date (June 1)	Mandatory Sinking Account Payment
---	--------------------------------------

†

† Maturity.

Extraordinary Redemption. The 2021 Series B Bonds are subject to redemption by the Authority on any date prior to their respective stated maturities, upon notice as provided in the Trust Agreement, as a whole or in part by lot within each stated maturity in integral multiples of Authorized Denominations, from prepayments made by the County pursuant to the Facilities Lease from insurance (including proceeds of title insurance) and eminent domain proceeds, at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the Redemption Date. Whenever less than all of the Outstanding 2021 Series B Bonds are to be redeemed on any one date, the Trustee will select, in accordance with written directions from the Authority, the mandatory sinking account payments against which will be credited the 2021 Series B Bonds to be redeemed so that the aggregate annual principal amount of and interest on 2021 Series B Bonds which are payable after such Redemption Date will be reduced pro rata over the remaining years of the lease terms (as set forth in the Facilities Lease) for the Facilities which generated the insurance or eminent domain proceeds.

**Redemption Procedures**

***Selection of 2021 Bonds for Redemption.*** The Authority will designate which maturities of the series of 2021 Bonds and the principal amount of the series of 2021 Bonds which are to be redeemed. If less than all Outstanding 2021 Bonds of a series maturing by their terms on any one date are to be redeemed at any one time, the Trustee is required to select the series of 2021 Bonds of such maturity date to be redeemed by lot and will promptly notify the Authority in writing of the numbers of the series of 2021 Bonds so selected for redemption. For purposes of such selection, the series of 2021 Bonds are deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event Term 2021 Bonds of a series are designated for redemption, the Authority may designate which sinking account payments are allocated to such redemption.

***Notice of Redemption.*** Notice of redemption will be mailed by first-class mail by the Trustee, not less than 20 nor more than 60 days prior to the redemption date to the respective Bondholders of the series of 2021 Bonds designated for redemption at their addresses appearing on the registration books of the Trustee. Each notice of redemption is required state the date of such notice, the date of issue of the

series of 2021 Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address of the Trustee), the CUSIP number (if any) of the maturity date or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the series of 2021 Bonds of such maturity, to be redeemed and, in the case of the series of 2021 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice is also required also state that on said date there will become due and payable on each of said series of 2021 Bonds the Redemption Price thereof, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon will cease to accrue, and will require that such series of 2021 Bonds be then surrendered at the address of the Trustee specified in the redemption notice. Failure to receive such notice will not invalidate any of the proceedings taken in connection with such redemption.

***Conditional Notice of Redemption.*** The Trustee may give a conditional notice of redemption prior to the receipt of all funds or satisfaction of all conditions necessary to effect the redemption, provided that no redemption will occur unless and until all conditions have been satisfied and the Trustee has on deposit and available or, if applicable, has received, all of the funds necessary to effect the redemption; otherwise, such redemption is required to be cancelled by the Trustee and the Trustee is required to mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

***Cancellation of Notice of Redemption.*** The Authority may, at its option, on or prior to the date fixed for redemption in any notice of optional redemption, rescind and cancel such notice of redemption by Written Request to the Trustee and the Trustee will mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

***Effect of Redemption.*** If notice of redemption has been given as required in the Trust Agreement and money for the payment of the Redemption Price of the series of 2021 Bonds called for redemption plus accrued interest to the redemption date is held by the Trustee, then on the redemption date designated in such notice the series of 2021 Bonds so called for redemption will become due and payable, and from and after the date so designated interest on such series of 2021 Bonds will cease to accrue, and the Bondholders of such series of 2021 Bonds will have no rights in respect thereof except to receive payment of the Redemption Price thereof plus accrued interest to the Redemption Date.

## SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS

### General

Pursuant to the Facilities Lease, the Authority leases the Facilities to the County. As rental for the use and occupancy of the Facilities, the County covenants to pay Base Rental Payments to the Authority, which payments are pledged to the Trustee for the benefit of the Owners of the 2021 Bonds. The Base Rental Payments, which are subject to abatement, are calculated to generate sufficient Revenues to pay principal of and interest on the 2021 Bonds when due. See also “–Abatement” and “CERTAIN RISK FACTORS–Abatement.”

The County covenants in the Facilities Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facilities Lease in its annual budgets and to make the necessary annual appropriations therefor. By the third Business Day immediately preceding each Interest Payment Date, the County must pay to the Trustee Base Rental Payments (to the extent required under the Facilities Lease) which scheduled Base Rental Payments are sufficient to pay, when due, the principal of and interest on the 2021 Bonds. **Base Rental Payments are not subject to acceleration.**

Under the Facilities Lease, the County agrees to pay Additional Payments for the payment of all expenses and all costs of the Authority and the Trustee related to the lease of the Facilities, including expenses of the Trustee payable by the Authority under the Trust Agreement, and fees of accountants, attorneys and consultants. The County is responsible for repair and maintenance of each of the related Facilities during the term of the Facilities Lease.

The Base Rental Payments will be abated proportionately during any period in which by reason of any damage to or destruction (other than by condemnation), there is substantial interference with the use and occupancy of such Facilities by the County, in the proportion in which the cost of that portion of the Facilities rendered unusable bears to the cost of the whole of the Facilities. During any such period of abatement, except to the extent that proceeds of insurance or amounts held by the Trustee in the Revenue Fund are otherwise available to pay the 2021 Bonds, Base Rental Payments from the County will not be available to pay the 2021 Bonds. See “–Abatement.”

If the whole of a Facility under the Facilities Lease or so much thereof as to render the remainder unusable is taken under power of eminent domain, the term of the Facilities Lease with respect to such Facility will cease as of the day possession is so taken. If less than the whole of the related Facility under the Facilities Lease is taken by eminent domain, there will be a partial abatement of the rental due under the Facilities Lease in an amount equivalent to the amount by which the annual payments of principal of and interest on the 2021 Bonds then Outstanding will be reduced by the application of the award in eminent domain to the redemption of the 2021 Bonds Outstanding.

If the County defaults under the Facilities Lease, the Authority may (i) terminate the Facilities Lease and take possession of the Facility for the term of such Site Lease or (ii) retain the Facilities Lease and seek to hold the County liable for all Base Rental Payments and Additional Payments thereunder (without acceleration) as they become due on an annual basis. See APPENDIX E–“SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS–FACILITIES LEASE–Defaults and Remedies.” Base Rental Payments and Additional Payments may not be accelerated. See “CERTAIN RISK FACTORS.”

### **Pledge of Revenues**

The Revenues consist primarily of the Base Rental Payments made by the County to the Authority under the Facilities Lease. In accordance with the Trust Agreement, all Revenues are irrevocably pledged and assigned by the Authority to the payment of interest and premium, if any, on and principal of the 2021 Bonds and will not be used for any other purpose while any of the 2021 Bonds remain Outstanding; *provided, however*, that out of the Revenues there may be applied such sums as are permitted under the Trust Agreement. This pledge constitutes a first lien on the Revenues in accordance with the terms of the Trust Agreement.

Pursuant to the Facilities Lease, the Authority has directed the County to pay all Base Rental Payments directly to the Trustee to be held in trust in the Revenue Fund established under the Trust Agreement (the “Revenue Fund”) for the benefit of the Bondholders. The County covenants under the Facilities Lease that as long as the Facilities are available for the County’s use and occupancy, it will take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facilities Lease in its annual budgets and to make the necessary annual appropriations therefor.

### **Base Rental Payments**

Base Rental Payments are calculated on an annual basis for twelve-month periods commencing on June 1 and ending on May 31, and each annual Base Rental Payment is divided into two interest components, due on June 1 and December 1, and one principal component, due on June 1. Each Base

Rental Payment with respect to the 2021 Bonds will be payable by the County to the Authority on the third Business Day immediately preceding its due date. The interest components of the Base Rental Payments shall be paid by the County as and constitute interest paid on the principal components of the Base Rental Payments to be paid by the County hereunder, computed on the basis of a 360-day year composed of twelve 30-day months. Each annual payment of Base Rental (to be payable in installments as aforesaid) shall be for the use of the Facilities.

Pursuant to the Facilities Lease, the County is required to make all Base Rental Payments to the Trustee for deposit in the interest or principal accounts established for the 2021 Bonds within the Revenue Fund (the "Interest Account" and the "Principal Account" together, the "Principal Accounts"). In accordance with the Trust Agreement, the Trustee will transfer such amounts as are necessary to the related Interest Account or the related Principal Account, as the case may be, to pay principal of and interest on the 2021 Bonds as the same become due and payable. Following the transfers to pay principal or interest, any excess amount in the Revenue Fund will be returned to the County as an excess payment of Base Rental Payments.

Upon the expiration of the term of the Facilities Lease with respect to a particular Facility pursuant to the Facilities Lease, the respective Facility will be released from the Facilities Lease without compliance with the release requirements set forth in the Facilities Lease. See also "--Addition; Substitution, and Release of Property."

The County represents that it has not failed to include Base Rental Payments in its annual budgets.

See APPENDIX E--"SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS--TRUST AGREEMENT--Revenue Fund."

### **Flow of Funds**

All Revenues and all other amounts pledged under the Trust Agreement when and as received are required to be transferred by the Authority to the Trustee for deposit in the Revenue Fund.

All money in the Revenue Fund is required to be set aside by the Trustee in the following respective special accounts or funds within the Revenue Fund in the following order of priority:

- First:*     Interest Account - On or before each Interest Payment Date, the Trustee is required to set aside from the Revenue Fund and deposit in the Interest Account that amount of money which is equal to the amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date, and
  
- Second:*   Principal Account - On or before each June 1, commencing June 1, 20[21], the Trustee is required to set aside from the Revenue Fund and deposit in the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such June 1 into the respective sinking fund accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such June 1. On or before each Redemption Date, the Trustee shall set aside from the Revenue Fund and deposit in the Principal Account an amount of money equal to the Redemption Price required to be paid on such Redemption Date.

THE 2021 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM REVENUES AND ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE OR LIEN UPON ANY PROPERTY OF THE AUTHORITY OR THE COUNTY OR ANY OF THEIR INCOME OR RECEIPTS, EXCEPT THE REVENUES (AS DESCRIBED HEREIN). NEITHER THE FULL FAITH NOR THE CREDIT OF THE AUTHORITY OR THE COUNTY IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE 2021 BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2021 BONDS NOR THE OBLIGATION TO MAKE BASE RENTAL PAYMENTS UNDER THE FACILITIES LEASE CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE COUNTY, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS FOR WHICH ANY ENTITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH ANY ENTITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS NO TAXING POWER.

### **Insurance**

***Fire and Extended Coverage Insurance.*** The Facilities Lease requires the County to procure or cause to be procured and maintain or cause to be maintained, throughout the term of the Facilities Lease, insurance against loss or damage to any structures constituting any part of the Facilities by fire and lightning, with extended coverage insurance, vandalism and malicious mischief insurance and sprinkler system leakage insurance and earthquake insurance, if available on the open market from reputable insurance companies at a reasonable cost. Said extended coverage insurance is required to, as nearly as practicable, cover loss or damage by explosion, windstorm, flood, riot and riot attending a strike, aircraft, vehicle damage, hail, smoke and such other hazards as are normally covered by such insurance. Such insurance shall be in an amount equal to the replacement cost (without deduction for depreciation) of all structures constituting any part of the Facilities, excluding the cost of excavations, of grading and filling, and of the land (except that such insurance may be subject to deductible clauses for any one loss of not to exceed \$250,000 or comparable amount adjusted for inflation or more in the case of earthquake insurance), or, in the alternative, be in an amount and in a form sufficient (together with moneys held under the Trust Agreement), in the event of total or partial loss, to enable the County to prepay all or any part of the Base Rental Payments then unpaid, pursuant to the Facilities Lease and to redeem outstanding Bonds.

In the event of any damage to or destruction of any part of the Facilities, caused by the perils covered by such insurance, the Authority is required to cause the proceeds of such insurance to be used for the repair, reconstruction or replacement of the damaged or destroyed portion of the Facilities, and the Trustee is required to hold said proceeds separate and apart from all other funds, in a special fund to be designated the "Insurance and Condemnation Fund," to the end that such proceeds are required to be applied to the repair, reconstruction or replacement of the Facilities to at least the same good order, repair and condition as they were in prior to the damage or destruction, insofar as the same may be accomplished by the use of said proceeds. The Trustee is required to permit withdrawals of said proceeds from time to time upon receiving the Written Request of the Authority, stating that the Authority has expended moneys or incurred liabilities in an amount equal to the amount therein requested to be paid over to it for the purpose of repair, reconstruction or replacement, and specifying the items for which such moneys were expended, or such liabilities were incurred. Any balance of said proceeds not required for such repair, reconstruction or replacement is required to be treated by the Trustee as Base Rental Payments and deposited into the Revenue Fund applied in the manner provided in the Trust Agreement, however, that if the insurance proceeds were paid to cover damage to property of the County that does not

constitute part of the Facilities, including, but not limited to furniture and office equipment, then such proceeds are required to be paid to the County. Alternatively, the Authority, at its option, and if the proceeds of such insurance together with any other moneys then available for the purpose are at least sufficient to redeem an aggregate principal amount of outstanding Bonds, equal to the amount of Base Rental attributable to the portion of the Facilities so destroyed or damaged (determined by reference to the proportion which the cost of such portion of the Facilities bears to the cost of the Facilities), may elect not to repair, reconstruct or replace the damaged or destroyed portion of the Facilities and cause said proceeds to be used for the redemption of Outstanding Bonds pursuant to the provisions of the Trust Agreement.

The Authority and the County covenant to promptly apply for Federal disaster aid or State disaster aid in the event that the Facilities are damaged or destroyed as a result of an earthquake occurring at any time. Any proceeds received as a result of such disaster aid are required to be used to repair, reconstruct, restore or replace the damaged or destroyed portions of the Facilities, or, at the option of the County and the Authority, to enable the County to prepay all or any part of the Base Rental Payments then unpaid, pursuant to the Facilities Lease, and to redeem outstanding Bonds if such use of such disaster aid is permitted.

As an alternative to providing the fire and extended coverage insurance, or any portion thereof, the County may provide a self-insurance method or plan of protection if and to the extent such self-insurance method or plan of protection affords reasonable coverage for the risks required to be insured against, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State other than the County. So long as such method or plan is being provided to satisfy the requirements of the Facilities Lease, there is required to be filed annually with the Trustee a statement of an actuary, insurance consultant or other qualified person (which may be the Risk Manager of the County), stating that, in the opinion of the signer, the substitute method or plan of protection is in accordance with the requirements of the Facilities Lease and, when effective, would afford reasonable coverage for the risks required to be insured against. A Certificate of the County setting forth the details of such substitute method or plan is also required to be filed with the Trustee. In the event of loss covered by any such self-insurance method, the liability of the County will be limited to the amounts in the self-insurance reserve fund or funds created under such method.

***Liability Insurance.*** The Facilities Lease requires the County to procure or cause to be procured and maintain or cause to be maintained, throughout the term of the Facilities Lease, a standard comprehensive general liability insurance policy or policies in protection of the Authority and its members, directors, officers, agents and employees and the Trustee, indemnifying said parties against all direct or contingent loss or liability for damages for personal injury, death or property damage occasioned by reason of the operation of the Facilities, with minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$200,000 for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance carried by the County.

As an alternative to providing the standard comprehensive general liability insurance described in the preceding paragraph, or any portion thereof, the County may provide a self-insurance method or plan of protection if and to the extent such self-insurance method or plan of protection affords reasonable protection to the Authority, its members, directors, officers, agents and employees and the Trustee, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State other than the County. So long as such method or plan is being provided to satisfy the requirements of the Facilities Lease, there is required to be filed annually with the Trustee a statement of an actuary, independent insurance consultant or other qualified person

(which may be the Risk Manager of the County), stating that, in the opinion of the signer, the substitute method or plan of protection is in accordance with the requirements of the Facilities Lease and, when effective, would afford reasonable protection to the Authority, its members, directors, officers, agents and employees and the Trustee against loss and damage from the hazards and risks covered thereby. A Certificate of the County setting forth the details of such substitute method or plan is also required to be filed with the Trustee.

***Rental Interruption or Use and Occupancy Insurance.*** The Facilities Lease requires the County to procure or cause to be procured and maintain or cause to be maintained, rental interruption or use and occupancy insurance to cover loss, total or partial, of the rental income from or the use of the Facilities as the result of any of the hazards covered by the insurance required by the Facilities Lease (provided with respect to earthquake insurance, only if available on the open market from reputable insurance companies at a reasonable cost, as determined by the County), in an amount sufficient to pay the part of the total rent attributable to the portion of the Facilities rendered unusable (determined by reference to the proportion which the cost of such portion bears to the cost of the Facilities) for a period of at least two years, except that such insurance may be subject to a deductible clause of not to exceed \$250,000 or a comparable amount adjusted for inflation (or more in the case of earthquake coverage), and with the additional exception that with respect to coverage for terrorism related loss, the period may be only one year, provided that the County use its best efforts to obtain such coverage for a period of at least two years assuming it is available on the open market from reputable insurance companies at a reasonable cost, as determined by the County. Any proceeds of such insurance is required to be used by the Trustee to reimburse to the County any rental paid by the County under the Facilities Lease attributable to such structure for a period of time during which the payment of Base Rental under the Facilities Lease is abated, and any proceeds of such insurance not so used is required to be applied as provided in the Facilities Lease (to the extent required for the payment of Base Rental) and any remainder is required to be treated as Revenues. The County may *not* self-insure for rental interruption insurance.

***Worker's Compensation Insurance.*** The County is also required to maintain worker's compensation insurance issued by a responsible carrier authorized under the laws of the State to insure its employees against liability for compensation under the Worker's Compensation Insurance and Safety Act now in force in the State, or any act hereafter enacted as an amendment or supplement thereto. As an alternative, such insurance may be maintained as part of or in conjunction with any other insurance carried by the County. Such insurance may be maintained by the County in the form of self-insurance.

***Title Insurance.*** The County is also required to obtain, for the benefit of the Authority, title insurance on the Facilities, in an amount equal to the aggregate principal amount of the 2021 Bonds, issued by a company of recognized standing duly authorized to issue the same, subject only to Permitted Encumbrances.

For a description of insurance and self-insurance programs of the County, see APPENDIX B—"COUNTY FINANCIAL INFORMATION—Insurance and Self-Insurance Programs."

### **Additional Bonds**

The Authority may only issue additional bonds under the Trust Agreement ("Additional Bonds") secured on a parity with the Bonds for the sole purpose of acquiring (by purchase or lease) or constructing facilities to be added to the Facilities or for the refunding of Outstanding Bonds. APPENDIX E—"SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS—TRUST AGREEMENT—Conditions for the Issuance of Additional Bonds."



## **Addition; Substitution and Release of Property**

The County and the Authority may add, substitute or release real property as part of the Facilities, but only after the County files with the Authority and the Trustee, with written notice to each rating agency then providing a rating for the 2021 Bonds, all of the following:

(i) Executed copies of the Facilities Lease or amendments thereto containing the amended description of the Facilities.

(ii) A Certificate of the County with copies of the Facilities Lease or the Site Lease, if needed or amendments thereto containing the amended description of the Facilities stating that such documents have been duly recorded in the official records of the County Recorder of the County.

(iii) A Certificate of the County, supported by expert knowledge (which may be that of the Real Estate Manager of the County) or construction cost information evidencing that the fair market value or the insured value of the Facilities that will constitute the Facilities after such addition, substitution or release will be at least equal to the aggregate outstanding principal amount of the Base Rental Payments after such addition, substitution or release and that the annual fair rental value of the Facilities after such addition, substitution, or release will be at least equal to the maximum annual Base Rental Payments coming due and payable under the Facilities Lease after such addition, substitution or release, and that the useful life of such Facilities will at least extend to the final Base Rental Payment date.

(iv) In connection with any addition or substitution of property, a leasehold owner's title insurance policy or policies or a commitment for such policy or policies or an amendment or endorsement to an existing title insurance policy or policies resulting in title insurance with respect to the Facilities after such addition or substitution in an amount at least equal to the aggregate principal amount of Bonds Outstanding at the time of such addition or substitution.

(v) A Certificate of the County stating that (i) such addition, substitution or release does not adversely affect the County's use and occupancy of such Facilities (as such term will be defined following the addition, substitution or release), and (ii) no event of default under the Facilities Lease has occurred and is continuing.

(vi) In connection with any substitution or release of property, (i) a Certificate of the County stating that the substitution or release will not cause the County to violate its covenants, representations and warranties under the Facilities Lease, and (ii) the written consent of the provider of the Reserve Facility (which consent shall not be unreasonably withheld).

(vii) In connection with any substitution of property, a Certificate of the County stating that the Facility to be added is of approximately the same or greater degree of essentiality to the County as the Facility being replaced.

(viii) In connection with the addition of property, a Certificate of the County stating that the Facility to be added is an essential facility of the County.

(ix) An Opinion of Bond Counsel stating that such amendment or modification (A) complies with the terms of the Constitution and laws of the State and of the Trust Agreement; (B) will, upon the execution and delivery thereof, be valid and binding upon the Authority and the County; and (C) if the 2021 Bonds Outstanding with respect thereto were issued on a tax-exempt

basis, will not cause the interest on such Series of 2021 Bonds to be included in gross income for federal income tax purposes.

There is no requirement under the Facilities Lease that any substitute Facilities be of the same or a similar nature or function as the then-existing Facilities.

### **Option to Purchase**

Pursuant to the Facilities Lease, the County has the option to purchase the interest of the Authority in any part of the Facilities upon payment of an option price consisting of moneys or securities satisfying the requirements specified in the Trust Agreement (and which securities are not callable by the issuer thereof prior to maturity) in an amount sufficient (together with the increment, earnings and interest on such securities) to provide funds to pay the aggregate amount for the entire remaining term of the Facilities Lease of the part of the total rent thereunder attributable to such part of the Facilities (determined by reference to the proportion which the cost of such part of the Facilities bears to the cost of all of the Facilities).

Payment of the option price is required to be made to the Trustee, will be treated as rental payments, and is required to be applied by the Trustee to pay the principal of the Series of 2021 Bonds and interest on such 2021 Bonds and to redeem 2021 Bonds if such 2021 Bonds are subject to redemption pursuant to the terms of the Trust Agreement.

### **Sale of Personal Property**

The County, in its discretion, may request the Authority to sell or exchange any personal property which may at any time constitute a part of the Facilities, and to release said personal property from the Facilities Lease, if (i) in the opinion of the County the property so sold or exchanged is no longer required or useful in connection with the operation of the Facilities, (ii) the consideration to be received from the property is of a value substantially equal to the value of the property to be released, and (iii) if the value of any such property is, in the opinion of the Authority, exceeds the amount of \$100,000, the Authority is required to have been furnished with a certificate of an independent engineer or other qualified independent professional consultant (satisfactory to the Authority) certifying the value thereof and further certifying that such property is no longer required or useful in connection with the operation of the Facilities. In the event of any such sale, the full amount of the money or consideration received for the personal property so sold and released is required to be paid to the Authority. Any money so paid to the Authority may, so long as the County is not in default under any of the provisions of the Facilities Lease, be used upon the Written Request of the County to purchase personal property, which property shall become a part of the Facilities leased under the Facilities Lease.

### **Abatement**

Base Rental Payments and Additional Payments will be abated proportionately, during any period in which by reason of any damage or destruction (other than by condemnation) there is substantial interference with the use and occupancy of the Facilities by the County, in the proportion in which the cost of that portion of the Facilities rendered unusable bears to the cost of the whole of the Facilities. Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, the Facilities Lease will continue in full force and effect and the County waives any right to terminate the Facilities Lease by virtue of any such damage or destruction.

## DEBT SERVICE SCHEDULE

The following table shows the debt service schedule relating to the Bonds (assuming no optional or extraordinary redemptions).

**Table 3**  
**Debt Service Schedule**

<b>Fiscal Year Ended June 30</b>	<b>2021 Series A Bonds</b>			<b>2021 Series B Bonds</b>			<b>Total Fiscal Year Debt Service</b>
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
[2021]							
2022							
2023							
2024							
2025							
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
2036							
2037							
2038							
2039							
2040							
[2041]							

## **CERTAIN RISK FACTORS**

*The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the 2021 Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations, which may be relevant to investing in the 2021 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.*

### **Limited Obligation**

The 2021 Bonds are not County debt and are limited obligations of the Authority. Neither the full faith and credit of the Authority nor the County is pledged for the payment of the interest on or principal of the 2021 Bonds nor for the payment of Base Rental Payments. The Authority has no taxing power. The obligation of the County to pay Base Rental Payments when due is an obligation payable from amounts in the General Fund of the County. The obligation of the County to make Base Rental Payments under the Facilities Lease does not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation or for which the County has levied or pledged any form of taxation. Neither the 2021 Bonds nor the obligation of the County to make Base Rental Payments under the Facilities Lease constitute a debt or indebtedness of the Authority, the County, the State or any of its political subdivisions, within the meaning of any constitutional or statutory debt limitation or restrictions.

### **Base Rental Payments Not a Debt of the County; Other County Obligations**

The Base Rental Payments due under the Facilities Lease (and insurance costs, payment of costs of repair and maintenance of the Facilities, taxes and other governmental charges and assessments levied against the Facilities) are not secured by any pledge of taxes or any other revenues of the County but are payable from any funds lawfully available to the County. The County may incur other obligations in the future payable from the same sources as the Base Rental Payments. In the event the County's revenue sources are less than its total obligations, the County could choose to fund other municipal services before making Base Rental Payments. The same result could occur if, because of State constitutional limits on expenditures, the County is not permitted to appropriate and spend all of its available revenues. The County's appropriations, however, have never exceeded the limitations on appropriations under Article XIII B of the California Constitution. For information on the County's current limitations on appropriations, see "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS—Article XIII B of the California Constitution."

### **Valid and Binding Covenant to Budget and Appropriate**

Pursuant to the Facilities Lease, the County covenants to take such action as may be necessary to include the related Base Rental Payments due in its annual budgets and to make necessary appropriations for all such payments. Such covenants are deemed to be duties imposed by law, and it is the duty of the public officials of the County to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the County to carry out and perform such covenants. A court, however, in its discretion may decline to enforce such covenants. Upon issuance of the 2021 Bonds, Bond Counsel will render its opinion (substantially in the form of APPENDIX F—"PROPOSED FORM OF BOND COUNSEL OPINION") to the effect that, subject to the limitations and qualifications described therein, the Facilities Lease constitutes a valid and binding obligation of the County. As to the Authority's practical realization of remedies upon default by the County, see "—Limitations on Remedies."

## **Abatement**

During any period there is loss or substantial interference in the use and occupancy of a Facility by the County caused by damage or destruction (other than by condemnation) Base Rental Payments will be abated proportionately in the proportion in which the cost of that portion of the Facilities rendered unusable bears to the cost of the whole Facilities, the related Base Rental Payments are subject to abatement. In the event that any Facility or any component thereof, if damaged or destroyed by an insured casualty, could not be replaced during the period of time that proceeds of the County's rental interruption insurance will be available in lieu of Base Rental Payments plus the period for which funds are available from the Revenue Fund, or in the event that casualty insurance proceeds or condemnation proceeds are insufficient to provide for complete repair, reconstruction or replacement of the Facilities or redemption of the Series of 2021 Bonds, there could be insufficient funds to make payments to Owners of the Series of 2021 Bonds in full. See APPENDIX E—"SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS—FACILITIES LEASE—Rental Abatement."

**It is not possible to predict the circumstances under which such an abatement of rental may occur. In addition, there is no statute, case or other law specifying how such an abatement of rental should be measured. Abatement, therefore, could have an uncertain and material adverse effect on the security for and payment of the 2021 Bonds.**

## **No Reserve Fund**

The Authority has not funded a debt service reserve fund for the Series 2021 Bonds.

## **Limited Recourse on Default; No Acceleration of Base Rental Payments**

The enforcement of remedies provided in the Facilities Lease and the Trust Agreement could be both expensive and time consuming. The Trustee has no interest in the Authority's title to any of the Facilities, and has no right to terminate the Facilities Lease or reenter or relet the Facilities. Upon the occurrence of one of the "events of default" described below, the County will be deemed to be in default under the Facilities Lease and the Authority may exercise any and all remedies available pursuant to law or granted pursuant to the Facilities Lease. Upon any such default, including a failure to pay Base Rental Payments, the Authority may either (1) terminate the Facilities Lease and seek to recover certain damages or (2) without terminating the Facilities Lease, (i) continue to collect rent from the County on an annual basis by seeking a separate judgment each year for that year's related defaulted Base Rental Payments and/or (ii) reenter the related Facilities and relet them. In the event of default, there is no right to accelerate the total Base Rental Payments due over the term of the Facilities Lease, and the Trustee has no possessory interest in the Facility and is not empowered to sell the Facilities or any of the Facilities.

Events of default under the Facilities Lease include: (i) the failure of the County to pay any rental payment under the Facilities Lease when the same become due (ii) the failure of the County to keep, observe or perform any term, covenant or condition of the Facilities Lease required to be kept or performed by the County for a period of 60 days after notice of the same has been given to the County by the Authority or the Trustee or for such additional time as reasonably required in the sole discretion of the Authority, to correct the same and (iii) assignment or transfer of the County's interest in the Facilities Lease, either voluntarily or by operation of law or otherwise, without the written consent of the Authority; (iv) the County or any assignee files any petition or institutes any proceeding under any act or acts, State or federal, dealing with or relating to the subject or subjects of the bankruptcy or insolvency or under any amendment of such act or acts, either as a bankrupt or as an insolvent, or as a debtor, or in any similar capacity, wherein or whereby the County asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of its debts or obligations, or offers to its creditors to effect a composition or

extension of time to pay the debts of the County or asks, seeks or prays for reorganization or to effect a plan of reorganization, or for a readjustment of the debts of the County, or for any other similar relief, or if any such petition or any such proceedings of the same or similar kind or character be filed or be instituted or taken against the County, or if a receiver of the business or of the property or assets of the County is appointed by any court, except a receiver appointed at the instance or request of the Authority, or if the County makes a general or any assignment for the benefit of the County's creditors, (v) the County abandons or vacates the related Facilities, or (vi) any representation or warranty made by the County in the Facilities Lease proves to have been false, incorrect, misleading or breached in any material respect on the date when made.

Upon a default, the Trustee may elect to proceed against the County to recover damages pursuant to the Facilities Lease. Any suit for money damages would be subject to statutory and judicial limitations on lessors' remedies under real property leases, other terms of the Facilities Lease and limitations on legal remedies against counties in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest.

### **Limitations on Remedies**

The rights of the Bondholders are subject to the limitations on legal remedies against counties in the State, including applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally, now or hereafter in effect, and to the application of general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law.

Under Chapter 9 of the Bankruptcy Code, which governs the bankruptcy proceedings for public agencies such as the County, there are no involuntary petitions in bankruptcy. If the County were to file a petition under Chapter 9 of the Bankruptcy Code, the Bondholders, the Trustee and the Authority could be prohibited from taking any steps to enforce their rights under the Facilities Lease, and from taking any steps to collect amounts due from the County under the Facilities Lease.

All legal opinions with respect to the enforcement of the Facilities Lease and the Trust Agreement will be expressly subject to a qualification that such agreements may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally and by applicable principles of equity if equitable remedies are sought.

### **Bankruptcy**

The rights and obligations of the County and the Authority under the 2021 Bonds, the Facilities Lease, the Site Lease, the Trust Agreement, and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against joint powers authorities and counties in the State.

The County is a political subdivision of the State permitted, under certain circumstances, to file for municipal bankruptcy under chapter 9 ("Chapter 9") of the United States Bankruptcy Code (the "Bankruptcy Code"). Chapter 9 permits only a voluntary filing by the County, not involuntary filings.

Among the adverse effects of such a bankruptcy might be: (a) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of

payments from the County or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the County; (b) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (c) the occurrence of unsecured or court-approved secured debt which may be secured by a lien with priority over the lien of the Trust Agreement or the release of Revenues to the County, free and clear of the lien of the Trust Agreement, in each case provided that the bankruptcy court determines that the rights of the Trustee and the Holders of the 2021 Bonds will be adequately protected; or (d) the possibility of the adoption of a plan for the adjustment of a county's debt without the consent of all creditors, which plan may restructure, delay, compromise or reduce the amount of the claim of the Holders of the 2021 Bonds if the bankruptcy court finds that such a plan is fair and equitable. The County may also be able, without the consent and over the objection of the Trustee and the Holders of the 2021 Bonds, to alter the priority, interest rate, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Trust Agreement and the 2021 Bonds, provided that the bankruptcy court determines that the alterations are fair and equitable.

Such adverse effects may result in the parties (including the Holders of the 2021 Bonds) being prohibited from taking any action to collect any amount from the County or to enforce any obligation of the County, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the Holders of the 2021 Bonds from funds in the Trustee's possession. There may also be delays in payments on the 2021 Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the County that could result in delays or reductions in payments on the 2021 Bonds, or result in losses to the Holders of the 2021 Bonds. Regardless of any specific adverse determinations in a County bankruptcy proceeding, the fact of a County bankruptcy proceeding could have an adverse effect on the liquidity and value of the 2021 Bonds.

A bankruptcy filing by the County could also limit remedies under the Facilities Lease or permit the County to assign the Facilities Lease to a third party without complying with any relevant provisions of the transaction documents. Among other limitations, a debtor in bankruptcy may choose to assume or reject executory contracts and leases. It is not clear whether a bankruptcy court would treat the Facilities Lease as an unexpired lease or executory contract under Section 365 ("Section 365") of the Bankruptcy Code (a "True Lease") or a loan or other financing arrangement (a "Financing Arrangement"). The Bankruptcy Code specifies different consequences for True Leases and Financing Arrangements. Were a bankruptcy court to find that the Facilities Lease is a True Lease, the Bankruptcy Code permits the County to reject the Facilities Lease and return possession of the Facilities to the lessor, leaving the Trustee, on behalf of Holders of the 2021 Bonds, with a general, unsecured claim that would likely be limited by the cap on landlord claims provided in the Bankruptcy Code, *i.e.*, to the rent payable under the Facilities Lease (without acceleration) for the greater of one year or 15% of the remaining term of the Facilities Lease, but not to exceed three years, following the earlier of (a) the date the bankruptcy petition was filed, and (b) the date on which the Authority repossessed or the County surrendered the leased property, plus any unpaid rentals under the Facilities Lease (without acceleration) on the earlier of such dates. Thus, if the Facilities Lease is treated as a True Lease under Section 365 and rejected in a County bankruptcy, any damage claim could be severely limited, resulting in reduced funds available to pay the 2021 Bonds. Alternatively, if a bankruptcy court found that the Facilities Lease was a Financing Arrangement, the Trustee, on behalf of Holders of the 2021 Bonds, may have a secured claim only up to the value of the economic value of the secured interest in the Facilities. Such value would be subject to determination by the bankruptcy court. Any portion of the claim of the Trustee, on behalf of the Holders of the 2021 Bonds that exceeded such value would likely be treated as unsecured.

***Pension Issues in Bankruptcy.*** In a bankruptcy of the County, if a material unpaid liability is owed to the Contra Costa County Employees' Retirement Association ("CCCERA") or any other pension system (collectively the "Pension Systems") on the filing date, or accrues thereafter, such circumstances

could create additional uncertainty as to the County's ability to make Base Rental Payments or other Lease Payments. Given that municipal pension systems in the State are usually administered pursuant to State constitutional provisions and, as applicable, other state, county and/or city law, the Pension Systems may take the position, among other possible arguments, that their claims enjoy a higher priority than all other claims, that Pension Systems have the right to enforce payment by injunction or other proceedings outside of a County bankruptcy case, and that Pension System claims cannot be the subject of adjustment or other impairment under the Bankruptcy Code because that would purportedly constitute a violation of state statutory, constitutional and/or municipal law. It is uncertain how a bankruptcy judge in a County bankruptcy would rule on these matters. Issues of pension underfunding claim priority, pension contribution enforcement, and related bankruptcy plan treatment of such claims (among other pension-related matters) were the subject of litigation in the Chapter 9 cases and related appeals, including those of Stockton, California and San Bernardino, California.

### **Military Conflicts and Terrorist Activities**

Military conflicts and terrorist activities may adversely impact the finances of the County. The County is unable to determine the effect of future terrorist events, if any, on, among other things, the County's current and future budgets, tax revenues, available reserves and additional public safety expenditures. The County conducted a review of certain existing safety and security measures after the events of September 11, 2001 and participates in additional security and public safety precautions taken in conjunction with "code" designations (*i.e.*, red, orange, yellow) announced by the federal government. Such precautions include coordination of safety and medical personnel, although specific anti-terrorist programs are not divulged publicly. The County does not guarantee that such actions will be adequate in the event that terrorist activities are directed against the County or its residents. The County cannot guarantee that additional safety or security related precautions taken by or affecting the County will not have a material adverse financial impact on the County.

Although, the County maintains various insurance coverages on its properties, including terrorism coverage for real and personal property, the County makes no representation that this insurance coverage will continue to be maintained in the future or as to the ability of any insurer to fulfill its obligations under any insurance policy. See also APPENDIX B—"COUNTY FINANCIAL INFORMATION—Insurance and Self-Insurance Programs."

There are three petroleum refineries located within the County, and during the past five Fiscal Years, the owners of these refineries were among the top 10 principal property taxpayers in the County. A terrorist act against any of these refineries or any principal taxpayer resulting in damage or destruction to facilities or infrastructure could have a material impact on revenues of the County. See also APPENDIX B—"COUNTY FINANCIAL INFORMATION."

### **Risk of Earthquake and Other Natural Disasters**

The occurrence of any natural disaster in the County, including, without limitation, earthquake, fire, windstorm, drought, landslide, mudslide, flood or a rise in sea levels as result of climate change, could have an adverse material impact on the economy within the County, its General Fund, and the Revenues available to make Base Rental Payments.

There are several earthquake faults in the greater San Francisco Bay Area that could result in damage to the Facilities, buildings, roads, bridges, and property within the County in the event of an earthquake. Past experiences, including the 1989 Loma Prieta earthquake, measuring 6.9 on the moment magnitude scale (7.1 on the Richter scale) with an epicenter approximately 60 miles south of the County and the 2014 Napa earthquake, measuring 6.0 on the moment magnitude scale with an epicenter



approximately 33 miles northwest of the County, resulted in some structural damage to the infrastructure and property in the County, the repair of which was covered by insurance. Earthquake faults that could affect the County include but may not be limited to the Hayward Fault in the western part of the County, and the Concord/Green Valley, Diablo and Calaveras Faults within the eastern portions of the County.

The Facilities Lease does not require the County to maintain insurance on the Facilities against earthquake risk unless such insurance is available from a reputable insurance company at a reasonable cost to the County. The County has purchased an earthquake insurance policy that expires on March 31, [2021] to cover all County property, including the Facilities. The County currently expects this insurance will be renewed.

The occurrence of natural disasters within the County could result in substantial damage within the County and to the Facilities which, in turn, could substantially reduce the ability of the County to make Base Rental Payments or cause an abatement in Base Rental Payments. Reduced ability to pay Base Rental Payments could affect the payment of the principal of and interest on the Series 2021 Bonds. The County maintains liability insurance and property casualty insurance on the Facilities, however, there can be no assurance that specific losses will be covered by insurance or, if covered, that claims will be paid in full by the applicable insurers. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS–Insurance” and APPENDIX B–“COUNTY FINANCIAL INFORMATION–Insurance and Self-Insurance Programs.”

### **Risk of Declines in Assessed Valuation**

Property tax levied against the assessed value of property within the County generally represents approximately \_\_\_% of General Fund revenues annually. Possible causes for a reduction in assessed values include the complete or partial destruction of taxable property within the County caused by natural or manmade disasters, such as flood, sea level rise, fire, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes). Any significant reduction in assessed value would have a material effect on Revenues available to make Base Rental Payments on the 2021 Bonds.

### **Climate Change**

**General.** The adoption by the State of the California Global Warming Solutions Act of 2006 (Assembly Bill No. 32) and subsequent companion bills demonstrate the commitment by the State to take action and reduce greenhouse gases (“GHG”) to 1990 levels by 2020 and 80% below 1990 levels by 2050. The State Attorney General’s Office, in accordance with the terms of Senate Bill No. 375, now requires that local governments examine local policies and large-scale planning efforts to determine how to reduce GHG emissions. Additionally, in 2006, the State adopted Senate Bill No. 32, which established a revised Statewide GHG emission reduction target of 40% below 1990 levels by 2030.

Additionally, the State’s 100 Percent Clean Energy Act of 2018 (“Senate Bill No. 100”), establishes targets for making the State’s power sources emissions free by December 31, 2045. Achieving that goal will require the State to increase its renewable energy portfolio as a source of electricity and will require utility companies, including those companies from whom the County may purchase energy from, to source energy from renewable zero-carbon resources.

**County Climate Change Policy.** In 2005, the County released the “*Contra Costa County Climate Protection Report*,” which provided an initial GHG inventory, reported existing County efforts to reduce GHG emissions and potential actions that could reduce GHG emissions in the future. The Board of

Supervisors then adopted a resolution in February 2007 to join Local Governments for Sustainability and to conduct a GHG emissions inventory of the County's countywide and municipal emissions. In October 2007, the Board of Supervisors adopted a resolution to complete a climate action plan for the county's municipal facilities and operations, which was funded by the Bay Area Air Quality Management District (BAAQMD).

In December 2008 the Board of Supervisors adopted a Municipal Climate Action Plan (the "2008 Plan") which reviewed GHG emissions from County operations. The 2008 Plan established formal GHG reduction targets, GHG reduction measures and methods for analysis and monitoring of GHG reduction measures for the County.

On December 15, 2015, the Board of Supervisors adopted an updated Climate Action Plan (the "2015 Plan") for the County identifying the strategy for achieving the Assembly Bill No. 32 GHG emissions reduction targets and further addressed climate change locally. The 2015 Plan includes sections covering the scientific and regulatory environment, an updated GHG inventory and forecast, a GHG reduction strategy and implementation plan.

*[Statement Regarding Progress Towards GHG emission reduction goals?]*

**Sea Level Rise.** In May 2009, the California Climate Change Center released a final paper (for informational purposes only) entitled "*The Impacts of Sea-Level Rise on the California Coast*" prepared by the Pacific Institute and funded by the California Energy Commission, the California Environmental Protection Agency, the Metropolitan Transportation Commission, the California Department of Transportation, and the California Ocean Protection Council. This paper posits that increases in sea level will be a significant consequence of climate change over the next century.

Climate change models predict more intense rainfall events, more frequent or extensive runoff, and more frequent and severe flood events. Localized flood events may increase in periods of heavy rain. Although climate change is likely to lead to a drier climate overall, risks from regular, more intense rainfall events can generate more frequent and/or more severe flooding that upsets California's managed balance between storage and protection. Additionally, erosion may increase and water quality may decrease as a result of increased rainfall amounts.

The Pacific Institute identified several portions of shoreline areas within the County which may be affected by sea level rise. Local impacts of climate change are not definitive, but the County, including and portions of the unincorporated areas of Bay Point (formerly West Pittsburg), North Richmond, and Rodeo could experience changes to local and regional weather patterns; rising bay water levels; increased risk of flooding; changes in salinity and tidal patterns of San Francisco and San Pablo bays; coastal erosion; water restrictions; and vegetation changes.

In addition, the County participated in the Adapting to Rising Tides (ART) project to identify risks of sea level rise throughout the County. In March 2017, a final report (the "ART Study-West") was released identifying the major risks to West and Central Contra Costa County, from Richmond to unincorporated Bay Point. In summary, the report estimates that sea levels may rise 2-12 inches by 2030, 5-24 inches by 2050, and 17-66 inches by 2100 in Contra Costa County. Using these estimates combined with National Research Council data, the ART Study-West quantifies the damage posed by sea-level rise across Contra Costa County, with particular emphasis on what is at risk across sectors and for the most vulnerable communities in the County.

A separate study is being completed for the eastern portion of the County (the "ART Study-East") in collaboration with Adapting to Rising Tides, the Delta Stewardship Council and the County. The ART

Study-East project concentrates on the threats from current and future flooding in the Sacramento/San Joaquin Delta region, from the City of Pittsburg to the Clifton Court Forebay (located southeast of the unincorporated community of Byron). This study is currently in progress and is expected to be completed in 20\_\_\_\_\_.

Sea level rise occurs as a result of rising average ocean temperatures, thermal expansion, and melting of snow and ice. While many different climate change effects will impact the County, sea level rise has been extensively researched and quantified, allowing for a clearer geographic understanding of its effects. The rate and amount of sea level rise will be influenced by rising average temperatures and the speed of melting glacial ice. There is a degree of uncertainty in many projections, and the present rate of sea level rise is faster than many previous projects have estimated. On average, the Pacific Institute paper projected that the County will experience a 40% increase in acreage vulnerable to a 100-year flood event between 2000 and 2100.

**Wildfires.** The State continues to battle devastating wildfires. According to recent research, California’s annual wildfire extent increased fivefold since the 1970’s. It is believed that this trend was mainly due to an eightfold increase in summertime forest-fire area and was very likely driven by drying of fuels promoted by human-induced warming.<sup>1</sup> This trend is likely to continue, resulting in significant economic and public safety challenges for the State, the San Francisco Bay Area, and the County.

Climate change concerns are leading to new laws and regulations at the federal, State and local levels. Research suggests that the State will experience hotter and drier conditions, reductions in winter snow and increases in winter rains, sea level rise, significant changes to the water cycle, increased occurrences of extreme and unpredictable weather events, and increased catastrophic wildfires and severity of flood events. The compound impacts of which will affect economic systems throughout the State, the San Francisco Bay Area region, and the County. The County is unable to predict the impact that such laws and regulations, if adopted, and the effects of climate change will have on the Revenues available to make Base Rental Payments, however, the effects could be material.

**Drought.** From 2012 through 2016, the State experienced “exceptional drought conditions” (the most severe drought classification) according to the U.S. Drought Monitor. Other notable historical droughts included 2007-09, 1987-92, 1976-77, and off-and-on dry conditions spanning more than a decade in the 1920s and 1930s.

Droughts cause public health and safety impacts, as well as economic and environmental impacts. Public health and safety impacts are primarily associated with catastrophic wildfire risks and drinking water shortage risks for small water systems in rural areas and private residential wells. Examples of other impacts include costs to homeowners due to loss of residential landscaping, degradation of urban environments due to loss of landscaping, agricultural land fallowing and associated job loss, degradation of fishery habitat, and tree mortality with damage to forest ecosystems.

It is not possible for the County to make any representation regarding the extent to which drought conditions could cause reduced economic activity within the County or the extent to which droughts may have in the future on General Fund revenues of the County.

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<sup>1</sup> Williams, A. P., Abatzoglou, J. T., Gershunov, A., Guzman-Morales, J., Bishop, D. A., Balch, J. K., & Lettenmaier, D. P. (2019). Observed impacts of anthropogenic climate change on wildfire in California. *Earth's Future*, Vol. 7, Issue 8, 892–910. <https://doi.org/10.1029/2019EF001210>

## **Potential Impacts of Coronavirus and Other Health-Related Risks**

**Background.** On January 7, 2020, the Centers for Disease Control and Prevention established an incident management system for, and has since responded to, an outbreak of respiratory disease caused by a novel coronavirus that was first detected in China and which has now been detected worldwide, including the United States. The virus has been named “SARS-CoV-2” and the disease it causes has been named “coronavirus disease 2019” (“COVID-19”). On January 30, 2020, the International Health Regulations Emergency Committee of the World Health Organization (“WHO”) declared the COVID-19 outbreak a “public health emergency of international concern.”

On January 31, 2020, Health and Human Services Secretary declared a public health emergency for the United States to aid the nation’s healthcare community in responding to COVID-19, and on March 11, 2020, WHO declared COVID-19 to be a pandemic.

On March 4, 2020, the Governor of the State declared a State of Emergency to make additional resources available, formalize emergency actions currently underway across multiple State agencies, including the California Department of Public Health, the California Health and Human Services Agency, the Governor’s Office of Emergency Services and other agencies, and help the State prepare for broader spread of COVID-19. A week later, the Governor announced that State public health officials issued an updated policy determining that all gatherings in the State of more than 250 should be postponed or canceled until at least the end of March 2020. And, on March 10, 2020, the Board of Supervisors adopted resolutions proclaiming the existence of a local emergency and requesting the Governor to proclaim a state of emergency within the County and the County Department of Health Services issued guidance for social distancing, including the cancellation or postponement of events for greater than 49 people.

**Federal Responses and Relief Actions.** On March 13, 2020, a national emergency was declared by the President to combat COVID-19. This declaration provides access to the Federal Emergency Management Agency (FEMA) Public Assistance program, which allows for a 75% federal cost share on certain emergency protective measures taken at the direction or guidance of public health officials in response to the COVID-19 pandemic. Qualifying expenditures are those that are not supported by the authority of another federal agency (*i.e.* reimbursement for response activities funded by another federal agency grant program). Examples of reimbursable activities include the activation of Emergency Operations Centers, National Guard costs, law enforcement, and other measures necessary to protect public health and safety.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act established the Coronavirus Relief Fund (CRF) and appropriated \$150 billion to the CRF. The CRF is to be used to make payments for specified uses to states and certain local governments with populations over 500,000; the District of Columbia and U.S. Territories; and Tribal governments.

On April 22, 2020, the County received an allocation of \$201,281,393.70 from the U.S. Treasury as a direct allocation from the CRF as it is a local jurisdiction with a population exceeding 500,000. The CARES Act includes certain restrictions on the use of the CRF direct allocation and the County is reviewing how to best direct this revenue in concert with other potential cost recovery items.

**State Responses and Actions.** On March 19, 2020, the Governor issued Executive Order N-33-10 requiring all residents to remain home or at their places of residence, except as needed to maintain continuity of operation of 16 critical infrastructure sectors identified by the federal government (essential businesses).

Following the President's emergency declaration, the Governor requested that the federal government declare a major disaster in California due to COVID-19. That request was approved by the President on March 22, 2020, which activated additional federal resources directed to assist the State, including deployment of mobile hospital units and a U.S. Navy hospital ship among other things. The County was a recipient of mobile field hospital equipment and took delivery of those resources at the Craneway Pavilion in Richmond, which will serve as a 250-bed alternate care site supporting the capacity of the County's hospital and clinic system. On April 28, 2020, the Board of Supervisors ratified a renewal of the license agreement for the Craneway Pavilion through May 2020.

The California Governor's Office of Emergency Services (CalOES) is facilitating the collection of FEMA Requests for Public Assistance (RPA) from agencies (public and private) impacted by the COVID-19 pandemic and has requested that impacted agencies adopt required Project Assurances for Federal Assistance and a resolution designating agents that can act on behalf of the impact agency.

[On August 28, 2020 the Governor announced “The California Blueprint for a Safer Economy” (the “Blueprint”), a tool for reducing COVID-19 in the State with revised criteria for loosening and tightening restrictions on activities. Every county in the State is assigned to a tier based on its test positivity and adjusted case rate for tier assignment. There are four tiers, designated by color: purple (widespread), red (substantial), orange (moderate), and yellow (minimal) to designate community disease transmission with each tier having a different level of associated restrictions. Based upon size, counties can travel between tiers based upon performance in two case measures, among other things:

“Adjusted Case Rate,” the average daily number of COVID-19 cases over seven days, excluding persons out of State or with unknown county of residence and persons incarcerated, divided by the number of people living in the county multiplied by a case rate adjustment factor (as set forth in the Blueprint); and

“Testing Positivity Rate,” the total number of positive polymerase chain reaction (“PCR”) tests for COVID-19 over a seven-day period (based on specimen collected date) divided by the total number of PCR tests conducted, excluding persons out of State or with unknown county of residence and persons incarcerated, multiplied by 100.

Additionally, the California Health Equity Metric (the “Metric”) took effect on October 6, 2020. The Metric is designed to help guide counties in their continuing efforts to reduce COVID-19 cases in all communities and requires more intensive efforts to prevent and mitigate the spread of COVID-19 among Californians who have been disproportionately impacted by the pandemic. In order to advance to the next less restrictive tier, each county will need to meet an equity metric or demonstrate targeted investments to eliminate disparities in levels of COVID-19 transmission, depending on the size of a specific county

On November 16, 2020, in light of the recent, unprecedented surge in the rate of increase of COVID-19 cases, the Governor made the following changes to the tier framework, described above, effective until further notice:

- Tier assignments may occur any day of the week and may occur more than once a week when the California Department of Public Health (“CDPH”) determines that the most recent reliable data indicate that immediate action is needed to address COVID-19 transmission in a county;
- Counties may be moved back more than one tier if CDPH determines that the data support the more intensive intervention. Key considerations will include the rate of increase in new cases and/or test positivity, more recent data as noted below, public health capacity, and other epidemiological factors;

- The most recent reliable data will be used to complete the assessment; and
- In light of the extreme circumstances requiring immediate action, counties will be required to implement any sector changes the day following the tier announcement.

As of the date of this Official Statement, the County is in the \_\_\_\_\_ (\_\_\_\_\_) tier.]

**County Responses and Actions.** The County has activated the Emergency Operations Center (EOC) and several Department Operations Centers (DOC) to assist in the response to the pandemic. Those operations centers are the hub for procurement and distribution of services and equipment necessary to respond to the emergency.

On March 16, 2020, the County, along with Health Officers from the San Francisco Bay Area, announced Public Health Orders requiring residents to stay home to limit the spread of COVID-19. These “shelter-in-place” orders were initially in effect through April 7, 2020. Pursuant to County Code Section 42-2.602, on March 20, 2020, the County Administrator, in his capacity of Administrator of Emergency Services, issued an emergency blanket purchase order in the amount of \$20 million for the procurement of services and supplies necessary to facilitate the COVID-19 response within the County.

On March 31, 2020 the shelter-in-place order was extended through May 3, 2020 and both expanded and clarified certain activities to be deemed non-essential to include use of shared recreational facilities and most construction activities, among other things. On April 17, 2020, the County and the Health Officers issued a “Cover Your Face” order, which went into effect on April 22, 2020 and requires face coverings when working in or visiting an essential business, riding on public transportation, and visiting a healthcare facility. Since March 31, the initial County shelter-in-place order has been extended several times, most recently on December 4, 2020. These interventions are designed to reduce harm from the spread of the coronavirus in the community. Because COVID-19 spreads so easily, it is believed that without dramatic intervention like these orders, the number of patients requiring medical attention in hospitals could dramatically increase and quickly overwhelm hospital facilities and increase the risks to health care workers and other first responders. Also see the discussion in APPENDIX B–“COUNTY FINANCIAL INFORMATION–Major General Fund Revenues.”

Currently, the spread of COVID-19 is altering the behavior of businesses and the public in a manner that is having negative effects on global and local economies. There can be no assurances that the spread of COVID-19 will not have a longer-term material adverse impact on the economy and the financial condition of the County. Potential impacts to the County associated with COVID-19 transmission include, but are not limited to, reductions in commercial activity, with corresponding decreases in major revenues such as sales tax and increases in expenditures to clean, sanitize, and maintain County facilities as a result of public health risks. The degree to which any such impact to the operations and finances of the County is extremely difficult to predict due to the evolving nature of COVID-19 transmission, including uncertainties relating to (i) the duration of the outbreak, (ii) the severity of the outbreak, and (iii) the ultimate geographic spread of the outbreak, as well as with regard to what actions may be taken by governmental authorities to contain or mitigate its impact.

## **Cybersecurity**

The County, like many other public and private entities, relies on computer and other digital technology and systems to conduct its operations. The County and its departments are potentially subject to multiple cyber threats including, but not limited to, hacking, viruses, malware, ransomware, and other attacks on computers and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to County systems for the purposes of misappropriating assets or

information or causing operational disruption or damage. The County maintains insurance coverage for cyber threat losses if a successful breach occurs, however, the County makes no representation that such insurance would be sufficient to cover all losses in the event of a material and sustained cyber breach. In January 2020, the County Library branches and its administrative offices experienced a ransomware attack of its computer system resulting in the affected servers being taken offline, and in February 2020, a second outage occurred. The County Library is working with law enforcement and IT experts to gather information and prevent future attacks. The County Library does not collect social security numbers or store credit card payment information, and in 2019 ceased collecting driver's license information and removed that information from customer records. Currently, there is no evidence that any personal patron data was compromised. The County Library computer system is not integrated with the general County computer systems

No assurances can be given that the security and operational control measures of the County will be successful in guarding against any and each cyber threat and attack. The results of any attack on the computer and information technology systems of the County could have a material adverse impact on the operations and finances of the County and damage the digital networks and systems. The resulting impacts on the operations of the County and the costs of remedying any such damage could be material and result in a delay of payments of the Base Rental Payments or the ability of the County to comply with its reporting obligations under the Continuing Disclosure Agreement.

### **Hazardous Substances**

Owners and operators of real property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance whether or not the owner (or operator) has or had anything to do with creating or handling the hazardous substance. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly and adversely affect the operations and finances of the County.

Although the County handles, uses and stores certain hazardous substances, including but not limited to, solvents, paints and certain other chemicals on or near the Facilities, the County knows of no existing hazardous substances which require remedial action on or near the Facilities. However, it is possible that such substances do currently or potentially exist and that the County is not aware of them.

### **Limited Liability of Authority to the Owners**

Except as expressly provided in the Trust Agreement, the Authority will not have any obligation or liability to the Owners of the 2021 Bonds with respect to the payment when due of the Base Rental Payments by the County, or with respect to the performance by the County of other agreements and covenants required to be performed by it contained in the Facilities Lease, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Trust Agreement.

## **State Funding of Counties**

The County receives a significant portion of its funding from subventions by the State. In Fiscal Year 2019-20, approximately 23% (representing approximately [384.9] million) of the Recommended General Fund Budget consisted of payments from the State. For Fiscal Year 2020-21, approximately 23% (representing approximately [408.6] million) of the Recommended General Fund Budget is expected to consist of payments from the State. As a result, decreases in the revenues received by the State can affect subventions made by the State to the County and other counties in the State. The potential impact of State budget actions on the County in particular, and other counties in the State generally, in this and future Fiscal Years is uncertain. For a discussion of the potential impact of State budget actions on the County in particular, and counties in the State generally, see APPENDIX B–“COUNTY FINANCIAL INFORMATION–State Budgets.”

## **Loss of Tax Exemption**

As discussed under “TAX MATTERS,” interest on the 2021 Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of issuance, as a result of acts or omissions of the Authority or the County subsequent to the issuance of the 2021 [Bonds in violation of the covenants contained in the Trust Agreement or the Facilities Lease. The Trust Agreement *does not* contain a special redemption provision triggered by the occurrence of an event of taxability. As a result, if interest on the 2021 Bonds were to become includable in gross income for purposes of the federal income tax, the 2021 Bonds would continue to remain outstanding until maturity or unless earlier redeemed pursuant to optional redemption.

## **IRS Examination**

The IRS has an ongoing program of examining tax and revenue anticipation notes, other working capital financings and other tax-exempt obligations to determine whether, in the view of the IRS, interest on such obligations is properly excluded from gross income for federal income tax purposes.

In 2011, the IRS selected three series of tax allocation revenue bonds issued by the Authority in 1999, 2003 and 2007 for examination. The Authority provided certain information relating to those bonds to the IRS as requested and made a settlement payment to the IRS with respect to those bonds. In January 2013, the IRS completed and closed its examination of those bonds with no change in position that interest received by bondholders of those bonds is excludable from gross income under Section 103 of the Code.

It is possible that the 2021 Bonds or other tax-exempt obligations of the County may be selected for examination under such program. There is no assurance that an IRS examination of the 2021 Bonds or other tax-exempt obligations of the County will not adversely affect the market value of the 2020 Bonds. See “TAX MATTERS.”

## **Pension and Other Post-Employment Benefit Liability**

Many factors influence the amount of the pension and other post-employment benefit liabilities of the County, including, without limitation, inflationary factors, changes in laws, changes in the levels of benefits provided or in the contribution rates of the County, increases or decreases in the number of covered employees, changes in actuarial assumptions or methods (including but not limited to the assumed rate of return), and differences between actual and anticipated investment experience of the plans. Any of these factors could give rise to additional liability of the County as a result of which the County would be obligated to make additional payments in order to fully fund its obligations. See



APPENDIX B—"COUNTY FINANCIAL INFORMATION—Pension Plan" and "—Other Post-Employment Benefits."

**Changes in Law**

Initiative measures have been proposed or adopted which affect the ability of local governments to increase taxes and rates. Article XIII A, Article XIII B, Article XIII C, Article XIII D, and Propositions 218, 1A, 22 and 26, were each adopted as measures that qualified for the ballot through the State's initiative process. From time to time, other initiative measures could be adopted, which may place further limitations on the ability of the State and the County to increase revenues or to increase appropriations which may affect the revenues available to make the Base Rental Payments or the ability of the County to expend its revenues. There is no assurance that the electorate or the State Legislature will not at some future time approve additional limitations which could affect the ability of the County to make payments under the Facilities Lease and adversely affect the security for the 2021 Bonds.

**Secondary Market**

There can be no guarantee that there will be a secondary market for the 2021 Bonds or, if a secondary market exists, that any 2021 Bonds can be sold for any particular price. Prices of municipal securities for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price. No assurance can be given that the market price for the 2021 Bonds will not be affected by the introduction or enactment of any future legislation, or changes in interpretation of existing law.

**CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES,  
REVENUES AND APPROPRIATIONS**

Described below are certain measures which have impacted or may in the future impact the County's General Fund Budget.

**Article XIII A of the California Constitution**

*General.* In 1978, California voters approved Proposition 13, adding Article XIII A to the California Constitution. Article XIII A was subsequently amended on several occasions in various respects. Article XIII A limits the amount of any ad valorem tax on real property to 1% of the full cash value thereof, except that additional ad valorem taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978 and on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters voting on such indebtedness and or bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities approved by 55% of the voters voting on the proposition. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash" or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, and to provide that there would

be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster or in the event of certain transfers to children or spouses or of the elderly or disabled to new residences.

### **Legislation Implementing Article XIII A**

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the County and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years. See APPENDIX B—“COUNTY FINANCIAL INFORMATION—*Ad Valorem* Property Taxes.”

### **Article XIII B of the California Constitution**

On October 6, 1979, California voters approved Proposition 4, known as the Gann Initiative, which added Article XIII B to the California Constitution. Propositions 98 and 111, approved by the California voters in 1988 and 1990, respectively, substantially modified Article XIII B. The principal effect of Article XIII B is to limit the annual appropriations of the State and any city, county, school district, authority, or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted for changes in the cost of living and population. The initial version of Article XIII B provided that the “base year” for establishing an appropriations limit was the 1978-79 fiscal year, which was then adjusted annually to reflect changes in population, consumer prices and certain increases in the cost of services provided by these public agencies. Proposition 111 revised the method for making annual adjustments to the appropriations limit by redefining changes in the cost of living and in population. It also required that beginning in Fiscal Year 1990-91 each appropriations limit must be recalculated using the actual 1986-87 appropriations limit and making the applicable annual adjustments as if the provisions of Proposition 111 had been in effect.

Appropriations subject to limitations of a local government under Article XIII B include generally any authorization to expend during a fiscal year the proceeds of taxes levied by or for that entity and the proceeds of certain State subventions to that entity, exclusive of refunds of taxes. Proceeds of taxes include, but are not limited to all tax revenues plus the proceeds to an entity of government from (1) regulatory licenses, user charges and user fees (but only to the extent such proceeds exceed the cost of providing the service or regulation), (2) the investment of tax revenues, and (3) certain subventions received from the State. Article XIII B permits any government entity to change the appropriations limit by a vote of the electors in conformity with statutory and constitutional voting effective for a maximum of four years.

As amended by Proposition 111, Article XIII B provides for testing of appropriations limits over consecutive two-year periods. If an entity’s revenues in any two-year period exceed the amounts permitted to be spent over such period, the excess has to be returned by revising tax rates or fee schedules over the subsequent two years. As amended by Proposition 98, Article XIII B provides for the payment of a portion of any excess revenues to a fund established to assist in financing certain school needs. Appropriations for “qualified capital outlays” are excluded from the limits of Proposition 111.

The Article XIII B limits for the County for the last four Fiscal Years and estimated for Fiscal Year 2020-21 are set forth below.

<b>Fiscal Year</b>	<b>Article XIII A Limit</b>	<b>Budget Amount</b>
2016-17	\$19,899,587,179	\$397,683,814
2017-18	20,874,666,951	\$423,977,321
2018-19	21,855,776,298	447,954,143
2019-20	22,861,142,008	472,687,280
2020-21 <sup>†</sup>	23,825,882,201	506,596,368

<sup>†</sup> Budgeted.

Source: County Auditor-Controller.

The County has never exceeded its Article XIII B appropriations limit and does not anticipate having any difficulty in operating within the appropriations limit.

### **Article XIII C and Article XIII D of the California Constitution**

On November 5, 1996, the voters of the State approved Proposition 218, known as the “Right to Vote on Taxes Act.” Proposition 218 added Articles XIII C and XIII D to the State Constitution, which contain a number of provisions affecting the ability of a local agency to levy and collect both existing and future taxes, assessments, fees and charges. Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of a local agency require a majority vote and taxes for specific purposes, even if deposited in the general fund, require a two-thirds vote. Further, any general purpose tax which the local agency imposed, extended or increased without voter approval after December 31, 1994 may continue to be imposed only if approved by a majority vote in an election held prior to November 5, 1998. The voter approval requirements of Article XIII C reduce a local agency’s flexibility to deal with fiscal problems by raising revenue through new or extended or increased taxes and no assurance can be given that the County will be able to impose, extend or increase taxes in the future to meet increased expenditure requirements. Article XIII D contains several provisions making it generally more difficult for local agencies to levy and maintain “assessments” for municipal services and programs. “Assessment” in this Article is defined to mean any levy or charge upon real property for a special benefit conferred upon the real property.

Article XIII D also contains several provisions affecting a “fee” or “charge,” defined for purposes of Article XIII D to mean “any levy other than an *ad valorem* tax, a special tax, or an assessment, imposed by a local agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service.” All new and existing property related fees and charges must conform to requirements prohibiting, among other things, fees and charges which (i) generate revenues exceeding the funds required to provide the property related service, (ii) are used for any purpose other than those for which the fees and charges are imposed, (iii) with respect to any parcel or person, exceed the proportional cost of the service attributable to the parcel, (iv) are for a service not actually used by, or immediately available to, the owner of the property in question, or (v) are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. Further, before any property related fee or charge may be imposed or increased, written notice must be given to the record owner of each parcel of land affected by such fee or charge. The local agency must then hold a hearing upon the proposed imposition or increase, and if written protests against the proposal are presented by a majority of the owners of the identified parcels, the local agency may not impose or increase the fee or charge. Moreover, except for fees or charges for sewer, water and refuse collection services (or fees for electrical and gas service, which are not treated as “property related” for purposes of Article XIII D), no

property related fee or charge may be imposed or increased without majority approval by the property owners subject to the fee or charge or, at the option of the local agency, two-thirds voter approval by the electorate residing in the affected area.

The County does not believe that it is currently collecting fees, charges or assessments in violation of Article XIII D. The County has two enterprise funds that are self-supporting from fees and charges, which could, depending upon judicial interpretation of Proposition 218, ultimately be determined to be property related for purposes of Article XIII D. In the event that fees and charges cannot be appropriately increased, or are reduced pursuant to exercise of the initiative power (described in the following paragraph), the County may have to decide whether to support any deficiencies in these enterprise funds with moneys from the general fund or to curtail service, or both.

In addition to the provisions described above, Article XIII C also removes prohibitions and limitations on the initiative power in matters of any “local tax, assessment, fee or charge.” Consequently, the voters of the County could, by future initiative, repeal, reduce or prohibit the future imposition or increase of any local tax, assessment, fee or charge. “Assessment,” “fee” and “charge,” are not defined in Article XIII C and it is not clear whether the definitions of these terms in Article XIII D (which are generally property-related as described above) would limit the scope of the initiative power set forth in Article XIII C. If the Article XIII D definitions are not held to limit the scope of Article XIII C initiative powers, then the Article XIII C initiative power could potentially apply to revenue sources that currently constitute a substantial portion of general fund revenues. No assurance can be given that the voters of the County will not, in the future, approve initiatives that repeal, reduce or prohibit the future imposition or increase of local taxes, assessments, fees or charges.

## **Proposition 62**

On November 4, 1986, California voters adopted Proposition 62, an initiative statute that, among other things, requires (i) that any new or increased general purpose tax be approved by a two-thirds vote of the local governmental entity’s legislative body and by a majority vote of the voters voting in an election on the issue, (ii) that any new or increased special purpose tax be approved by a two-thirds vote of the local governmental entity’s legislative body and by a two-thirds vote of the voters voting in an election on the issue, and (iii) that the revenues from a special tax be used for the purposes or for the services for which the special tax was imposed.

On September 28, 1995, the California Supreme Court filed its decision in *Santa Clara County Local Transportation Authority v. Guardino*, 11 Cal. 4th 220 (1995) (the “Santa Clara decision”), which upheld a Court of Appeal decision invalidating a one-half cent countywide sales tax for transportation purposes levied by a local transportation authority. The California Supreme Court based its decision on the failure of the authority to obtain a two-thirds vote for the levy of a “special tax” as required by Proposition 62. The Santa Clara decision did not address the question of whether it should be applied retroactively. In *McBrearty v. City of Brawley*, 59 Cal. App. 4th 1441 (1997), the Court of Appeal, Fourth District, concluded that the Santa Clara decision is to be applied retroactively to require voter approval of taxes enacted after the adoption of Proposition 62 but before the Santa Clara decision.

Following the California Supreme Court’s decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association et al. v. City of La Habra*, 25 Cal. 4th 809 (2011). In this case, the court held that the public agency’s continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to

Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

Proposition 62 as an initiative statute does not have the same level of authority as a constitutional initiative, but is analogous to legislation adopted by the State Legislature, except that it may be amended only by a vote of the State's electorate. Since the passage of Proposition 218, however, certain provisions of Proposition 62 (e.g., voter approval of taxes) are governed by the California Constitution. The requirements of Proposition 218 and Proposition 62 are not in complete harmony, and so where they diverge, the local governmental entity must meet both standards. For a discussion of taxes affected by Proposition 218, see "–Article XIII C and Article XIII D of the California Constitution" above. If a court determined that a jurisdiction imposed a tax in violation of Proposition 62, Proposition 62 would require that the portion of the one percent general *ad valorem* property tax levy allocated to that jurisdiction be reduced by \$1 for every \$1 in revenue attributable to the tax for each year that the tax had been collected.

### **Proposition 1A**

The California Constitution and existing statutes give the Legislature authority over property taxes, sales taxes and the vehicle license fee (the "VLF"). The Legislature has authority to change tax rates, the items subject to taxation and the distribution of tax revenues among local governments, schools, and community college districts. The State has used this authority for many purposes, including increasing funding for local services, reducing State costs, reducing taxation, addressing concerns regarding funding for particular local governments, and restructuring local finance. The California Constitution generally requires the State to reimburse the local governments when the State mandates a new local program or higher level of service. Due to the ongoing financial difficulties of the State in recent years, it has not provided reimbursements for many mandated costs. In other cases, the State has suspended mandates, eliminating both responsibility of the local governments for complying with the mandate and the need for State reimbursements.

On November 3, 2004, the voters of the State approved Proposition 1A, which amended the California Constitution to, among other things, reduce the State Legislature's authority over local government revenue sources by placing restrictions on the State's access to local government's property, sales and vehicle license fee revenues. Proposition 1A generally prohibits the shift of property tax revenues from cities, counties and special districts, except to address a "severe state financial hardship," which must be approved by a two-thirds vote of both houses of the Legislature, and only then if, among other things, such amounts were agreed to be repaid with interest within three years. The measure also (a) protects the property tax backfill of sales tax revenues diverted to pay the State's economic recovery bonds, and the reinstatement of the sales tax revenues once such bonds are repaid, and (b) protects local agency vehicle license fee revenue (or a comparable amount of backfill payments from the State).

If the State reduces the VLF rate below its current level of 0.65 percent of the vehicle value, Proposition 1A requires the State to provide local governments with equal replacement revenues. Proposition 1A provides two significant exceptions to the above restrictions regarding sales and property taxes. First, the State may shift to schools and community colleges up to 8 percent of local government property tax revenues if the Governor proclaims that the shift is needed due to a severe State financial hardship, the legislature approves the shift with a two-thirds vote of both houses and certain other conditions are met. The State must repay local governments for the diversion of their property tax revenues, with interest, within three years. Second, Proposition 1A allows the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county.

Proposition 1A amends the California Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their

costs to comply with the mandates. If the State does not provide funding for the activity that has been determined to be mandated, the requirement on cities, counties or special districts to abide by the mandate would be suspended. In addition, Proposition 1A expands the definition of what constitutes a mandate to encompass State action that transfers to cities, counties and special districts financial responsibility for a required program for which the State previously had complete or partial financial responsibility. This provision does not apply to mandates relating to schools or community colleges, or to those mandates relating to employee rights.

Proposition 1A restricts the State's authority to reallocate local tax revenues to address concerns regarding funding for specific local governments or to restructure local government finance. For example the State could not enact measures that changed how local sales tax revenues are allocated to cities and counties. In addition, measures that reallocated property taxes among local governments in a county would require approval by two-thirds of the members of each house of the legislature (rather than a majority vote). As a result, Proposition 1A could result in fewer changes to local government revenues than otherwise would have been the case.

### **Proposition 22**

Proposition 22 ("Proposition 22") which was approved by California voters in November 2010, prohibits the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services and prohibits fuel tax revenues from being loaned for cash-flow or budget balancing purposes to the State General Fund or any other State fund. In addition, Proposition 22 generally eliminates the State's authority to temporarily shift property taxes from cities, counties, and special districts to schools, temporarily increase a school and community college district's share of property tax revenues, prohibits the State from borrowing or redirecting redevelopment property tax revenues or requiring increased pass-through payments thereof, and prohibits the State from reallocating vehicle license fee revenues to pay for State-imposed mandates. The County is unable to predict how Proposition 22 will be interpreted, or to what extent the measure will affect the revenues in the general fund of local agencies, although it could eventually provide greater stability in local agency revenues.

Due to the prohibition with respect to the State's ability to take, reallocate, and borrow money raised by local governments for local purposes, Proposition 22 supersedes certain provisions of Proposition 1A (2004). However, borrowings and reallocations from local governments during 2009 are not subject to Proposition 22 prohibitions. In addition, Proposition 22 supersedes Proposition 1A of 2006. Accordingly, the State is prohibited from borrowing sales taxes or exercise taxes on motor vehicle fuels or changing the allocations of those taxes among local governments except pursuant to specified procedures involving public notices and hearings.

### **Proposition 26**

On November 2, 2010, the voters of the State approved Proposition 26 ("Proposition 26"), revising certain provisions of Articles XIII A and XIII C of the California Constitution. Proposition 26 re-categorizes many State and local fees as taxes, requires local governments to obtain two-thirds voter approval for taxes levied by local governments, and requires the State to obtain the approval of two-thirds of both houses of the State Legislature to approve State laws that increase taxes. Furthermore, pursuant to Proposition 26, any increase in a fee beyond the amount needed to provide the specific service or benefit is deemed to be a tax and the approval thereof will require a two-thirds vote. In addition, for State imposed charges, any tax or fee adopted after January 1, 2010 with a majority vote which would have required a two-thirds vote if Proposition 26 were effective at the time of such adoption is repealed as of November 2011 absent the re-adoption by the requisite two-thirds vote.

Proposition 26 amends Article XIII C of the State Constitution to state that a “tax” means a levy, charge or exaction of any kind imposed by a local government, except: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property or the purchase, rental or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law, including late payment fees, fees imposed under administrative citation ordinances, parking violations, etc.; (6) a charge imposed as a condition of property development; or (7) assessments and property related fees imposed in accordance with the provisions of Article XIII D. Fees, charges and payments that are made pursuant to a voluntary contract that are not “imposed by a local government” are not considered taxes and are not covered by Proposition 26.

Proposition 26 applies to any levy, charge or exaction imposed, increased, or extended by local government on or after November 3, 2010. Accordingly, fees adopted prior to that date are not subject to the measure until they are increased or extended or if it is determined that an exemption applies. If the local government specifies how the funds from a proposed local tax are to be used, the approval will be subject to a two-thirds voter requirement. If the local government does not specify how the funds from a proposed local tax are to be used, the approval will be subject to a fifty percent voter requirement. Proposed local government fees that are not subject to Proposition 26 are subject to the approval of a majority of the governing body. In general, proposed property charges will be subject to a majority vote of approval by the governing body although certain proposed property charges will also require approval by a majority of property owners.

### **Future Initiatives**

The laws and Constitutional provisions described above were each adopted as measures that qualified for the ballot pursuant to the State’s initiative process. From time to time other initiative measures could be adopted, further affecting revenues of the County, the County’s ability to expend revenues. Neither the Authority nor the County can anticipate the nature or impact of such measures.

## **THE AUTHORITY**

The Authority is a joint powers authority, organized pursuant to an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 16, 2015 (the “JPA Agreement”), by and between the County and the Contra Costa County Flood Control and the Water Conservation District (the “District”). The JPA Agreement amended and restated the Joint Exercise Powers Agreement, dated as of April 7, 1992, between the County and the Contra Costa County Redevelopment Agency (the “Agency”) and provided for the addition of the District and the withdrawal of the Successor to the Agency as members of the Authority. The JPA Agreement was entered into pursuant to the California Government Code, commencing with Section 6500. The Authority is a separate entity constituting a public instrumentality of the State of California and was formed for the public purpose of assisting in financing and refinancing projects for the benefit of the County and the District.

The Authority is governed by a five member Board of Directors. The Board of Supervisors of the County constitutes the Board of Directors of the Authority. The Executive Director and Secretary of the Authority is the County Administrator; the Assistant Executive Director of the Authority is the County Public Works Director; the Deputy Executive Directors of the Authority are the Chief Assistant County Administrator and the County Finance Director; the Treasurer of the Authority is the County Auditor-Controller; and the Assistant Secretary of the Authority is the County Finance Director. The Authority's powers include, but are not limited to, the power to issue bonds and to sell such bonds to public or private purchasers at public or by negotiated sale. The Authority is entitled to exercise the powers common to its members and necessary to accomplish the purposes for which it was formed. These powers include the power to make and enter into contracts; to employ agents and employees; to acquire, construct, manage, maintain and operate buildings, works or improvements; to acquire, hold or dispose of property within the County; and to incur debts, liabilities or obligations.

## THE COUNTY

The County of Contra Costa lies northeast of the San Francisco Bay and is the ninth most populous county in California. The County seat is in the City of Martinez. Major industries in the County include petroleum refining and telecommunications. The General Fund Final Budget for Fiscal Year 2019-20 was approximately \$[1.878] billion and for Fiscal Year 2020-21 is approximately [1.790] billion.

For certain economic, demographic and financial information with respect to the County, see APPENDIX A—"GENERAL COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION," APPENDIX B—"COUNTY FINANCIAL INFORMATION" and APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020."

## RATINGS

Moody's Investors Service ("Moody's") and S&P Global Ratings ("S&P") have assigned ratings of "\_\_\_" and "\_\_\_," respectively, to the 2021 Bonds.

Certain information was supplied by the Authority and the County to Moody's and S&P to be considered in evaluating the 2021 Bonds. A rating reflects only the view of the agency giving such rating and is not a recommendation to buy, sell or hold the 2021 Bonds. An explanation of the significance of the rating may be obtained from the rating agency at the following addresses: Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007 and S&P Global Ratings, 55 Water Street, New York, New York 10041.

There is no assurance that such ratings will continue for any given period of time or that they will not be reduced or withdrawn entirely by the rating agencies, or either of them, if in their or its, judgment, circumstances so warrant. The Authority, the County, and the Trustee undertake no responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal may have an adverse effect on the market price of the 2021 Bonds.

In providing a rating on the 2021 Bonds, the rating agencies may have performed independent calculations of coverage ratios using their own internal formulas and methodology which may not reflect the provisions of the 2021 Indenture. The Authority and the County make no representation as to any such calculations, and such calculations should not be construed as a representation by the Authority or the County as to past or future compliance with any bond covenants, the availability of particular revenues for the payment of debt service on the 2021 Bonds or for any other purpose.



The County will covenant in the Continuing Disclosure Certificate to file on EMMA, notices of any ratings changes on the 2021 Bonds. See “CONTINUING DISCLOSURE” and APPENDIX G–“PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT.” Notwithstanding such covenants, information relating to ratings changes on the 2021 Bonds may be publicly available from the rating agencies prior to such information being provided to the County and prior to the date notice of such rating change is obligated to be filed on EMMA. Purchasers of the 2021 Bonds are directed to the rating agencies and their respective websites and official media outlets for the most current ratings changes with respect to the 2021 Bonds following the initial issuance of the 2021 Bonds.

## **LITIGATION MATTERS**

At the time of delivery of and payment for the 2021 Bonds, the County and the Authority will each certify that there is no action, suit, litigation, inquiry or investigation before or by any court, governmental agency, public board or body served, or to the best knowledge of the County or the Authority threatened, against the County or the Authority in any material respect affecting the existence of the County or the Authority or the titles of their officers to their respective offices or seeking to prohibit, restrain or enjoin the sale or delivery of the 2021 Bonds, the execution of the Trust Agreement, the Facilities Lease, the Site Leases or the payment of Base Rental Payments or challenging, directly or indirectly, the location of the Facilities, or the proceedings to lease the Facilities from the Authority.

Various other legal actions are pending against the County. The aggregate amount of the uninsured liabilities of the County which may result from all legal claims currently pending against it will not, in the opinion of the County, materially affect the County’s finances or impair its ability to make Base Rental Payments under the Facilities Lease.

## **TAX MATTERS**

### **Federal Income Taxes**

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements that must be met subsequent to the issuance and delivery of the 2021 Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the 2021 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the 2021 Bonds. Pursuant to the Trust Agreement and the Tax Certificate, by and between the Authority and the County (the “Tax Certificate”), the Authority and the County have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the 2021 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the County have made certain representations and certifications in the Trust Agreement and the Tax Certificate. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the Authority and the County described above, interest on the 2021 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

In rendering these opinions, Bond Counsel has relied upon representations and covenants of the Authority and the County in the Tax Certificate concerning the property financed or refinanced with proceeds of the 2021 Bonds, the investment and use of Bond proceeds and the rebate to the federal government of certain earnings thereon. In addition, Bond Counsel has assumed that all such representations are true and correct and that the Authority and the County will comply with such covenants. Bond Counsel has expressed no opinion with respect to the exclusion of the interest on the 2021 Bonds from gross income under Section 103(a) of the Code in the event that any of such Authority or County representations are untrue or the Authority or the County fails to comply with such covenants, unless such failure to comply is based on the advice or the opinion of Bond Counsel.

### **State Taxes**

Bond Counsel is also of the opinion that interest on the 2021 Bonds is exempt from personal income taxes of the State of California under present State law. Bond Counsel expresses no opinion as to other State or local tax consequences arising with respect to the 2021 Bonds nor as to the taxability of the 2021 Bonds or the income therefrom under the laws of any state other than California.

### **Original Issue Discount**

Bond Counsel is further of the opinion that the excess of the principal amount of a maturity of the 2021 Bonds over its issue price (i.e., the first price at which price a substantial amount of such maturity of the 2021 Bonds was sold to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (each, a “Discount Bond” and collectively the “Discount Bonds”) constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the 2021 Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such issue price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

### **Original Issue Premium**

Bonds sold at prices in excess of their principal amounts are “Premium Bonds”. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser’s adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

## **Ancillary Tax Matters**

Ownership of the 2021 Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the 2021 Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the 2021 Bonds is subject to information reporting to the Internal Revenue Service (the “IRS”) in a manner similar to interest paid on taxable obligations. In addition, interest on the 2021 Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinions attached as Appendix F. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the 2021 Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

## **Changes in Law and Post Issuance Events**

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the 2021 Bonds for federal or state income tax purposes, and thus on the value or marketability of the 2021 Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the 2021 Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the 2021 Bonds may occur. Prospective purchasers of the 2021 Bonds should consult their own tax advisors regarding the impact of any change in law on the 2021 Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the 2021 Bonds may affect the tax status of interest on the 2021 Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the 2021 Bonds, or the interest thereon, if any action is taken with respect to the 2021 Bonds or the proceeds thereof upon the advice or approval of other counsel.

## **LEGAL MATTERS**

Nixon Peabody LLP, San Francisco, California, Bond Counsel, will render an opinion with respect to the validity of the 2021 Bonds. Copies of such approving opinion will be available at the time of delivery of the 2021 Bonds. The form of the legal opinion proposed to be delivered by Bond Counsel is included as APPENDIX F to this Official Statement. Bond Counsel undertakes no responsibility for the accuracy, completeness, or fairness of this Official Statement. Certain legal matters will be passed upon for the County and the Authority by County Counsel, and by Schiff Hardin LLP, San Francisco, California, Disclosure Counsel, and for the Underwriter by Katten Muchin Rosenman, New York, New York. Compensation paid to Bond Counsel, Disclosure Counsel and Underwriter's Counsel is contingent on the delivery of the 2021 Bonds.

## **MUNICIPAL ADVISOR**

The County has retained Montague DeRose and Associates, LLC, Walnut Creek, California as Municipal Advisor (the "Municipal Advisor") to the County and the Authority in connection with the issuance of the 2021 Bonds. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or negotiable instruments. The Municipal Advisor has not audited, authenticated, or otherwise verified the information set forth in this Official Statement or other information relating to the 2021 Bonds. The Municipal Advisor makes no guaranty, warranty or other representation on any matter related to the information contained in this Official Statement. The compensation of the Municipal Advisor is [not] contingent upon the successful delivery of the 2021 Bonds.

## **CONTINUING DISCLOSURE**

The County will undertake all responsibilities for any continuing disclosure to Owners of the 2021 Bonds as described below.

The County will enter into a Continuing Disclosure Agreement with Digital Assurance Certification, L.L.C., as Dissemination Agent, to be dated the date of delivery of the 2021 Bonds (the "Continuing Disclosure Agreement"), which provides for certain disclosure obligations on the part of the County. Pursuant to the Continuing Disclosure Agreement, the County will covenant for the benefit of Owners and Beneficial Owners of the 2021 Bonds to provide certain financial information and operating data relating to the County by not later than nine months after the end of its fiscal year (which fiscal year currently ends on June 30), commencing with the report for the fiscal year ending June 30, 2021 (the "Annual Report"), and to provide notices of the occurrence of certain specified events (the "Specified Events"). The Annual Report and notices of Specified Events will be filed by the County or the Dissemination Agent, through the Electronic Municipal Market Access site maintained by the MSRB. These covenants will be made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule"). For a form of the Continuing Disclosure Agreement, see APPENDIX G—"PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT."

During the last five years, the County has regularly filed its annual reports and notices of Specified Events in accordance with its prior continuing disclosure undertakings. However, in connection with the County of Contra Costa Public Financing Authority Lease Revenue Bonds (Refunding and Capital Projects), 2015 Series A and 2015 Series B, the County failed to provide the construction status of the 2015 Project as of June 30, 2016, as required by the continuing disclosure certificate. A remedial filing on EMMA to supplement the 2016 Operating Data filing was made on March 2, 2018.

The County has established procedures intended to ensure compliance with its continuing disclosure undertakings, including the appointment of Digital Assurance Certification, L.L.C., as Dissemination Agent for *all* bond transactions for which it has continuing disclosure undertakings; adoption of a Debt Management Policy, including disclosure procedures, which is reviewed annually by the Board of Supervisors; and the designation of the County Administrator, the Director of Conservation and Development, and the County Finance Director, or their written designees as the Disclosure Representative for the County.

## UNDERWRITING

Pursuant to the terms of a Bond Purchase Agreement with respect to the 2021 Bonds, dated \_\_\_\_\_, 2021 (the "Purchase Agreement"), by and among the Authority, the County and Barclays Capital Inc. (the "Underwriter"), the Underwriter will purchase all of the 2021 Bonds, if any are purchased. The obligation of the Underwriter to make such purchase is subject to the terms and conditions set forth in the Purchase Agreement.

The Underwriter purchased the 2021 Bonds at a price of \$\_\_\_\_\_ (which represents the aggregate principal amount of the 2021 Bonds plus an aggregate net original issue premium in the amount of \$\_\_\_\_\_ and less an aggregate Underwriter's discount in the amount of \$\_\_\_\_\_).

The Underwriter may change the initial public offering prices and yields set forth on the inside cover pages of this Official Statement. The Underwriter may offer and sell the 2021 Bonds to certain dealers and others at prices lower or yields higher than the public offering prices and yields set forth on the inside cover pages hereof.

## MISCELLANEOUS INFORMATION

References are made herein to certain documents, reports and laws that are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents, reports and laws for full and complete statements of the contents thereof. Copies of documents referred to herein are available upon written request from the County: 1025 Escobar Street, 4th Floor, Martinez, California 94553-0663; Attention: Finance Director. The County may impose a charge for copying, mailing and handling.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority or the County and the purchasers or Owners of any of the 2021 Bonds.

The execution and delivery of this Official Statement has been duly authorized by the Board of Directors of the Authority and approved by the County Board of Supervisors.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By: \_\_\_\_\_  
Monica Nino  
Executive Director

**APPENDIX A**

**GENERAL COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION**

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## APPENDIX A

### GENERAL COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION

*This Appendix A contains general information concerning the historic economic and demographic conditions in the County. The information was obtained from the sources indicated and is limited to the time periods indicated. The information is historic in nature and reflects information available as of its dated date; it is not possible to predict whether the trends shown will continue in the future. The County makes no representation as to the accuracy or completeness of data obtained from parties other than the County. In particular, certain of the information provided in under this Appendix predates the COVID-19 pandemic. See “Certain Bondowners’ Risks – Potential Impacts of Corona Virus and Other Health-Related Risks.”*

#### **General**

The County of Contra Costa, California (the “County”) was incorporated in 1850 as one of the original 27 counties of the State of California (the “State”), with the City of Martinez as the County seat. It is one of the nine counties in the San Francisco-Oakland Bay Area. The County covers about 733 square miles and extends from the northeastern shore of the San Francisco Bay easterly about 50 miles to San Joaquin County. The County is bordered on the south and west by Alameda County and on the north by the Suisun and San Pablo Bays. The western and northern shorelines are highly industrialized, while the interior sections are suburban/residential, commercial and light industrial. The County contains 19 incorporated cities, including Richmond in the west, Antioch in the northeast, and Concord in the middle.

A large part of the County is served by the San Francisco Bay Area Rapid Transit District (“BART”), which has enabled the expansion of both residential and commercial development throughout much of the County. In addition, economic development along the Interstate 680 corridor in the County has been substantial and has accounted for significant job creation in the Cities of Concord, Walnut Creek and San Ramon.

#### **County Government**

The County has a general law form of government. A five-member Board of Supervisors, each member of which is elected to a four-year term, serves as the County’s legislative body. Also elected are the County Assessor, Auditor-Controller (the “County Auditor-Controller”), Clerk-Recorder, District Attorney-Public Administrator, Sheriff-Coroner and Treasurer-Tax Collector (the “County Treasurer”). A County Administrator appointed by the Board of Supervisors runs the day-to-day business of the County. The current County Administrator is Monica Nino.



**Contra Costa County  
Elected Officials**

*[Terms and Offices to be updated on January 4, 2021]*

Name	Office	Expiration of Current Term
John M. Gioia	Supervisor, District 1	January 2, 2023
Candace Andersen	Supervisor, District 2, <i>Chair</i>	January 4, 2021
Diane Burgis	Supervisor, District 3, <i>Vice Chair</i>	January 4, 2021
Karen Mitchoff	Supervisor, District 4	January 2, 2023
Federal D. Glover	Supervisor, District 5	January 4, 2021
Robert R. Campbell	Auditor-Controller	January 2, 2023
Russell V. Watts	Treasurer-Tax Collector	January 2, 2023
Gus S. Kramer	Assessor	January 2, 2023
Deborah Cooper	Clerk Recorder	January 2, 2023
Diana Becton	District Attorney	January 2, 2023
David O. Livingston	Sheriff-Coroner	January 2, 2023

Brief resumes of key County officials are set forth below.

**Monica Nino, County Administrator.** Ms. Nino was appointed County Administrator by the Board of Supervisors on December 8, 2020 and is responsible for the overall administration of County government. Prior to her appointment, she served as the County Administrator for San Joaquin County, California, from 2013 to 2020 where she oversaw 26 county departments, an annual operating budget of \$1.9 billion, and over 7,500 county employees serving 765,000 residents. Prior to that, Ms. Nino served as the Chief Executive Officer for Stanislaus County, where she began her career in local government in 1988. Ms. Nino also served on the San Joaquin Health Commission, Sex Offender Management Board (appointed by Governor Brown), the Council of Governments Management & Finance Committee, and iHub San Joaquin. Ms. Nino received her \_\_\_\_\_ degree from \_\_\_\_\_. [Summary of professional memberships, board memberships, accolades – *To Come*].

**Robert R. Campbell, Auditor-Controller.** Mr. Campbell was elected Auditor-Controller of the County in June 2010 and is the chief accounting officer for the County. Prior to his election to the Office of Auditor-Controller, Mr. Campbell was the Chief Accountant over the property tax division. Mr. Campbell has worked for the County for more than 30 years. He received a Bachelor of Science degree in business administration from the California State University, Hayward. Mr. Campbell was appointed by the State Controller as the County Auditors’ Association representative to the California Uniform Construction Cost Accounting Commission in 2011 and by the State Treasurer as a member of the State Task Force on Bond Accountability in 2015. Mr. Campbell is also an active member of the State Association of County Auditors, a member of the Government Finance Officers Association and the Association of Government Accountants. Mr. Campbell is a former president of the State Association of County Auditors Property Tax and Payroll Managers’ committees, and served as a member on various State Association’s Property Tax Guideline Committees.

**Russell V. Watts, Treasurer-Tax Collector.** Mr. Watts was elected Treasurer-Tax Collector in June 2010. In this capacity he also serves as ex officio member on the Board of Trustees of the Contra Costa County Employees’ Retirement Association, representing the County at large. Mr. Watts also serves on the County’s Debt Advisory Committee and the OPEB Trust Advisory Group, and is the Plan Administrator for the Public Agencies Post-Retirement Health Care Plan Trust. Mr. Watts is a member of the California Association of County Treasurer-Tax Collectors and serves on both the Executive and Legislative Committees. He is also a member of the Government Finance Officers Association. Mr. Watts has sat on the Contra Costa County Treasury Oversight Committee since 2003. Mr. Watts received his Bachelor of Arts from Brigham Young University and earned his Masters in Public Administration at the

University of North Carolina-Chapel Hill. He has worked in tax administration and treasury management since 1994.

### **Population**

The County is the ninth most populous county in California, with its population reaching approximately 1,153,561 as of January 1, 2020. This represents an increase of approximately 0.22% compared to the County's population as of January 1, 2019. The availability of rapid transit, close proximity to major employment hubs in San Francisco and Oakland, and relatively affordable existing and new housing have combined to attract more residents to the County over the past decade.

Population growth in the County has been strongest in unincorporated areas as well as in the cities of Antioch, Brentwood, Hercules, Oakley, Pittsburg and San Ramon.

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The following is a summary of the County's population levels since 2016.

**Table A-1**  
**County of Contra Costa**  
**Population<sup>†</sup>**  
**(as of January 1)**

<u>Incorporated Cities</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Antioch	111,425	112,062	112,094	112,423	112,520
Brentwood	59,559	61,453	62,993	64,365	65,118
Clayton	11,361	11,378	11,364	11,347	11,337
Concord	129,220,	129,825,	130,269	130,435	130,143
Danville	44806	43,826	43,881	43,923	43,876
El Cerrito	24,559	24,608	24,675	24,852	24,953
Hercules	24,870	25,339,	25,339	25,488	25,530
Lafayette	25,380	25,484	26,504	25,644	25,604
Martinez	37,305,	37,414	37,439	37,424	37,106
Moraga	16,741	16,799	16,908	16,939	16,946
Oakley	39,725	40,474	41,232	41,979	42,461
Orinda	18,722	18,746	18,822	18,911	19,009
Pinole	19,430	19,498	19,546	19,563	19,505
Pittsburg	69,867	71,530	73,215	73,565	74,321
Pleasant Hill	34,272	34,300	34,292	34,286	34,267
Richmond	109,449	110,103	110,585	110,793	111,217
San Pablo	30,899	31,073	31,341	31,481	31,413
San Ramon	79,483,	80,812	81,580	82,100	83,118
Walnut Creek	69,549	70,031	70,031	70,958	70,860
SUBTOTAL INCORPORATED	955,622	964,755	971,468	976,476	979,304
Unincorporated	172,783	174,106	173,673	174,145	174,257
TOTAL	1,128,405	1,138,861	1,145,141	1,150,621	1,153,561
California	39,131,307	39,398,702	39,586,646	39,695,376	39,782,870

<sup>†</sup> Columns may not total due to independent rounding.

Source: State of California, Department of Finance, Table 2: E-4 Population Estimates for Cities, Counties and State, 2011-2020 with 2010 Benchmark, Sacramento, California, May 2020.

## Industry and Employment

As shown below, the County's civilian labor force was 561,700 in 2019 (the most recent year for which annual data is available). With average 2019 unemployment rates of 3.1% and 4.0% for the County and the State, respectively, the County has achieved a lower unemployment rate than that of the State in each of the prior five calendar years. Preliminary State Development Department data for December 2020 indicates that the unemployment rate (not seasonally adjusted) for the County was \_\_% compared to \_\_% for the State.

**Table A-2**  
**County of Contra Costa**  
**Employment and Unemployment of**  
**Resident Labor Force**  
**Wage and Salary Employment by Industry**  
**Annual Averages**  
**(Not Seasonally Adjusted)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019<sup>†</sup></u>
County Civilian Labor Force <sup>(1)</sup>	545,100	553,600	559,200	560,900	561,700
Employment	517,700	528,900	537,800	542,800	544,500
Unemployment	27,400	24,800	21,400	18,100	17,300
Unemployment Rate:					
County	5.0%	4.5%	3.8%	3.2%	3.1%
State of California	6.2%	5.5%	4.8%	4.2%	4.0%
United States	5.3%	4.9%	4.4%	3.9%	3.7%
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Wage and Salary Employment <sup>(2)</sup>					
Farm	700	800	800	700	
Natural Resources, Mining and Construction	22,800	25,400	25,500	26,200	
Manufacturing	15,000	14,900	15,600	15,600	
Durable Goods	6,700	6,600	6,500	6,400	
Nondurable Goods	8,300	8,300	9,100	9,200	
Trade, Transportation and Utilities	62,500	64,900	65,200	64,200	
Information	8,300	8,100	8,000	7,800	
Financial Activities	26,300	27,000	27,400	26,900	
Professional and Business Services	50,900	52,100	54,300	55,200	
Educational and Health Services	64,100	67,300	69,300	70,600	
Leisure and Hospitality	38,300	40,500	40,700	41,500	
Other Services	12,700	13,000	13,000	13,400	
Government	49,300	50,400	50,500	50,900	
TOTAL <sup>(3)</sup>	<u>365,900</u>	<u>379,300</u>	<u>385,900</u>	<u>388,600</u>	

† Most recent annual data available. Wage and Salary employment by industry for 2019 is not yet available.

(1) Based on place of residence.

(2) Based on place of work.

(3) Columns may not total due to independent rounding.

Source: State of California, Employment Development Department, and Labor Market Information Division, March 2019 Benchmark and Census 2010 population controls at the State level, and United States Bureau of Labor Statistics.

## Major Employers

Major industries in the County include petroleum refining, telecommunications, financial and retail services, steel manufacturing, prefabricated metals, chemicals, electronic equipment, paper products and food processing. Most of the County's heavy manufacturing is located along the County's northern boundary fronting on the Suisun Bay and San Pablo Bay leading to San Francisco Bay and the Pacific Ocean.

The following Table A-3 provides a listing of major employers headquartered or with locations in the County who participated in the data collection survey and their estimated firm-wide employment levels.

**Table A-3**  
**County Contra Costa**  
**Principal Employers<sup>†</sup>**  
**2020**  
*[To be Updated]*

<b>Employer</b>	<b>Estimated Employees</b>	<b>% of Total County Employment</b>
Chevron Corporation	10,000+	1.84%
Bay Alarm Co.	1,000-4,999	0.56
St. Mary's College	1,000-4,999	0.55
Bio-Rad Laboratories, Inc.	1,000-4,999	0.55
Job Connections	1,000-4,999	0.55
John Muir Medical Center	1,000-4,999	0.55
Kaiser Permanente	1,000-4,999	0.55
La Raza Market	1,000-4,999	0.55
Martinez Medical Offices	1,000-4,999	0.55
USS POSCO Industries	1,000-4,999	0.55
Doctors Medical Center	1,000-4,999	0.55
Contra Costa Newspapers, Inc.	1,000-4,999	0.55
All Others	506,800	93.20
<b>TOTAL</b>	<b>543,800<sup>(4)</sup></b>	<b>100.00%</b>

<sup>†</sup> Government employers excluded.

Sources: State of California Employment Development Department, June 2019.

## Personal Income

The United States Department of Commerce, Bureau of Economic Analysis (the "BEA") produces economic account statistics that enable government and business decision-makers, researchers, and the public to follow and understand the performance of the national economy.

The BEA defines "personal income" as income received by persons from all sources, including income received from participation in production as well as from government and business transfer payments. Personal income represents the sum of compensation of employees (received), supplements to wages and salaries, proprietors' income with inventory valuation adjustment and capital consumption adjustment (CCAdj), rental income of persons with CCAdj, personal income receipts on assets, and personal current transfer receipts, less contributions for government social insurance. Per capita personal income is calculated as the personal income divided by the resident population based upon the Census Bureau's annual midyear population estimates.

Table A-4 below presents the latest available total income and per capita personal income for the County, the State and the nation for the calendar years 2015 through 2019 (the most recent annual data available). The County has traditionally had per capita income levels significantly higher than those of the State and the nation.

**Table A-4**  
**County of Contra Costa**  
**Personal Income**  
**Calendar Years 2015 through 2019<sup>†</sup>**

<b>Year and Area</b>	<b>Personal Income (millions of dollars)</b>	<b>Per Capita Personal Income (dollars)</b>
<b>2019<sup>†</sup></b>		
County	\$98,423	\$85,324
State	2,632,280	66,619
United States	18,542,262	56,490
<b>2018</b>		
County	\$93,701	\$81,442
State	2,514,503	63,720
United States	17,883,255	54,606
<b>2017</b>		
County	88,448	77,211
State	2,383,130	60,549
United States	16,893,582	51,118
<b>2016</b>		
County	82,677	72,698
State	2,273,557	58,048
United States	16,151,881	50,015
<b>2015</b>		
County	77,847	69,234
State	2,172,930	55,833
United States	15,717,140	49,019

<sup>†</sup> Most recent annual data available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, Last Updated September 24, 2020 –revised statistics for 2013-2019.

## Commercial Activity

Commercial activity comprises an important part of the County’s economy, with taxable transactions totaling approximately \$18.0 billion in calendar year 2019. Presented in Table A-5 below is a summary of taxable transactions in the County since 2015.

**Table A-5**  
**COUNTY OF CONTRA COSTA**  
**TAXABLE TRANSACTIONS<sup>†</sup>**  
**CALENDAR YEARS 2015 TO 2019**  
**(\$ in Thousands)**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Motor Vehicle and Parts Dealers	\$2,245,947	\$2,389,936	\$2,466,061	\$2,524,584	\$2,441,947
Furniture and Home Furnishings Stores	686,740	718,157	710,526	779,695	700,037
Building Materials and Garden Equipment and Supplies	1,002,124	1,069,948	1,159,632	1,247,703	1,229,980
Food and Beverage Stores	816,995	841,672	894,222	911,240	924,880
Gasoline Stations	1,341,604	1,249,397	1,409,204	1,638,072	1,611,849
Clothing and Clothing Accessories Stores	902,810	940,766	956,380	1,006,195	1,027,195
General Merchandise Stores	1,567,416	1,598,156	1,651,647	1,711,123	1,704,564
Food Services and Drinking Places	1,613,644	1,704,675	1,786,381	1,853,159	1,959,850
Other Retail Group	1,359,781	1,413,795	1,467,381	1,532,116	1,718,142
Total Retail and Food Services	11,537,063	11,926,501	12,501,433	13,163,368	13,318,443
All Other Outlets	3,142,689	4,177,784	4,256,199	4,444,000	4,762,302
<b>TOTAL ALL OUTLETS</b>	<b>\$15,786,868</b>	<b>\$16,104,285</b>	<b>\$16,757,632</b>	<b>\$17,607,890</b>	<b>\$18,080,746</b>
% CHANGE		2.01%	4.06%	5.07%	2.69%

<sup>†</sup> Columns do not total due to independent rounding.

Sources: California Department of Tax and Fee Administration, formerly the California State Board of Equalization, Taxable Sales in California—Taxable Sales—Counties by Type of Business (Taxable Table 3).

Much of the County’s commercial activity is concentrated in central business districts of its cities and unincorporated towns. Regional shopping centers, numerous smaller centers and several “big box” warehouse stores serve County residents. The County is served by all major banks including Bank of America and Wells Fargo Bank. In addition there are numerous local banks and branches of smaller California and foreign banks.

See also APPENDIX B—“COUNTY FINANCIAL INFORMATION.”

## Construction Activity

The value of building permits in the County decreased by 17.8% in calendar year 2019 compared to calendar year 2018 levels.

The following Table A-6 provides a summary of residential building permit valuations and number of new dwelling units authorized in the County from calendar year 2015 through calendar year 2019.

**Table A-6**  
**COUNTY OF CONTRA COSTA**  
**BUILDING PERMIT VALUATIONS**  
**CALENDAR YEARS 2014 THROUGH 2018<sup>2</sup>**  
**(\$ in Thousands)**

<b>Residential</b>								
<b>Year</b>	<b>Single Family</b>		<b>Multifamily</b>		<b>Alterations and Additions</b>	<b>Total Residential</b>	<b>Nonresidential Valuation</b>	<b>Total<sup>(2)</sup></b>
	<b>Units</b>	<b>Valuation</b>	<b>Units</b>	<b>Valuation</b>				
2015	1,909	\$629,639	629	\$123,089	\$301,222	\$1,053,949	\$526,816	\$1,580,765
2016	1,853	605,152	1,043	155,052	312,967	1,073,170	668,425	1,741,595
2017	1,732	541,941	272	55,155	354,341	951,436	607,769	1,559,205
2018	1,647	576,116	1,161	169,461	337,089	1,082,667	729,898	1,812,564
2019	1,573	502,568	1,229	213,698	300,066	1,016,332	472,956	1,489,288

(1) Most recent annual data available.

(2) Total represents the sum of residential building permit valuations. Data may not total due to independent rounding.

Source: Construction Industry Research Board.

**Urban Limit Line.** In 1990, County voters approved a measure limiting urban development to no more than 35% of the land in the County and requiring that at least 65% be preserved for agriculture, opens pace, wetlands, parks, and other non-urban uses, and established an Urban Limit Line (a “ULL”). In 2006 County voters passed Measure L, that: (i) extended the term of the ULL to 2026; (ii) requires 4/5 Board of Supervisors approval and voter approval to expand the ULL by more than 30 acres; (iii) adopted a new ULL Map; (iv) retained the 65/35 land preservation standard and protections for the prime agricultural land in the County and, (v) established new review procedures.

On April 3, 2007, the County received a letter from the Contra Costa Transportation Authority acknowledging that through the passage of Measure L, the County had a voter-approved Urban Limit Line in compliance with the GMP under Measure J. To date, the County, and the cities of Antioch, Brentwood, Pittsburg and San Ramon each have voter-approved ULL in compliance with the Measure C GMP.

## Transportation

Availability of a broad transportation network has been one of the major factors in the County’s economic and population growth. Interstate 80 connects the western portion of the County to San Francisco and the central portion of the County to Sacramento and points north via Interstate 5, the major north-south highway from Mexico to Canada. Interstate 680 connects the central County communities to the rest of the Bay Area and portions of the Central Valley of the State via State Routes 4 and 24, the County’s major east-west arteries.



Ground transportation is available to County residents from several service providers, as described below:

- Central Contra Costa Transit Authority provides local bus service to the central area of the County including Walnut Creek, Pleasant Hill and Concord.
- BART connects the County to Alameda County, including the Oakland International Airport, San Francisco, including the San Francisco International Airport, and Daly City and Colma in San Mateo County with two main lines, one from the San Francisco area to Richmond and one to the Concord/Walnut Creek/Pittsburg/Bay Point area. BART is expanding service into Santa Clara County in two phases. The first phase, with stops in Milpitas, and Berryessa/North San Jose opened for service on June 13, 2020. Construction of the second phase, extending the line six miles into downtown San Jose and terminate in Santa Clara, is currently expected to commence in 2022. BART currently has 50 stations and more than 131 miles of roadway in its system.
- AC Transit provides local bus service and connects Contra Costa communities to San Francisco and Oakland.
- Other bus service is provided by Greyhound.
- Commuter rail service is provided by the Capital Corridor, with daily runs between the Bay Area and Sacramento that stop at the intermodal facility in Martinez, the County seat.
- The Santa Fe and Union Pacific Railroads' main lines serve the County, both in the industrial coastal areas and in the inland areas.

Commercial water transportation and docking facilities are available through a number of port and marina locations in the County. The Port of Richmond on San Francisco Bay and several privately owned industrial docks on both San Pablo and Suisun Bays serve the heavy industry located in the area. The Port of Richmond, owned and operated by the City of Richmond, is comprised of five City owned terminals, five dry docks and 10 privately owned terminals, covers approximately 202 acres and handles more than 20 million metric tons of general, liquid and dry bulk commodities annually. The majority of the shipments are bulk liquids, primarily petroleum, petroleum products, chemicals and petrochemicals, coconut and other vegetable oils, tallow and molasses. Imports of automobiles, agricultural products, vehicles, steel products, scrap metals and other diversified bulk cargo are significant components of Port activities.

Major scheduled airline passenger and freight transportation for County residents is available at either Oakland or San Francisco International Airports, located about 20 and 30 miles, respectively, from the County. In addition, there are two general aviation fields, one located in Byron and the other in Concord.

### **Environmental Control Services**

**Water.** The East Bay Municipal Utility District (“EBMUD”) and the Contra Costa County Water District (“CCWD”) supply water to the County. EBMUD supplies water to the western part of the County, including Alamo, Crockett, Danville, Diablo, Hercules, Lafayette, Moraga, Orinda, Pinole, portions of Pleasant Hill, Richmond, Rodeo, San Pablo, San Ramon, Selby and portions of Walnut Creek. Approximately 89% of its supply is from the Mokelumne River watershed stored at the 69.4 billion gallon capacity Pardee Dam in Ione, California. EBMUD is entitled to 325 million gallons per day under a contract with the State Water Resources Control Board, plus an additional 119 million gallons per day in

a single dry year under a contract with the U.S. Water and Power Resources Service (formerly the U.S. Bureau of Reclamation).

CCWD obtains its water from the Sacramento-San Joaquin Delta and serves approximately 500,000 customers in the central and eastern part of the County, including Antioch, Bay Point, Clayton, Clyde, Concord, Martinez, Oakley, portions of Pleasant Hill, Pittsburg and portions of Walnut Creek. It is entitled under a contract with the U.S. Water and Power Resources Service to purchase 195,000 acre-feet per year. Water purchased by CCWD has ranged between 80,000 and 110,000 acre-feet annually. In addition, a number of industrial users and several municipalities draw water directly from the San Joaquin River under their own riparian rights, so that actual water usage in the service area averages about 125,000 acre-feet annually. To provide expanded water storage capacity, CCWD constructed the Los Vaqueros Reservoir with a capacity of 100,000 acre-feet south of the City of Antioch. In 2012, construction of the first phase expanding the Los Vaqueros Reservoir to a capacity of up to 160,000 acre-feet was completed. The final environmental documents for the second phase of the expansion project to increase the capacity up to 275,000 acre-feet were noticed in the Federal Register on February 28, 2020. Design and construction of the second phase is expected to commence in 2022 and be completed in 2029.

**Sewer.** Sewer services in the County are provided by approximately 20 sanitation districts and municipalities. Federal and State environmental requirements, plus grant money available from these two sources, resulted in upgrading, expanding and/or building new facilities by approximately 14 agencies.

**Flood Control.** The Contra Costa County Flood Control and Water Conservation District (the “Control District”) has been in operation since 1951 to plan, build, and operate flood control projects in unincorporated areas of the County except for the Delta area on its eastern border. The Delta is interspersed with inland waterways that fall under the jurisdiction of the U.S. Army Corps of Engineers and the State Department of Water Resources. The Control District is responsible for meeting requirements set forth by the Environmental Protection Agency (“EPA”) with respect to addressing potential pollutants in nonspecific groundwater runoff. The County is not presently able to estimate the cost of compliance with EPA requirements, although such costs may be significant.

## **Education and Health Services**

**Education.** Public school education in the County is available through nine elementary school districts, two high school districts, and seven unified school districts, one independent charter and the County Department of Education. School enrollment for Fiscal Year 2019-20 numbered approximately 178,400 students including approximately 11,930 in nonpublic, non-sectarian district schools.

Higher education is available in the County through a combination of two-year community colleges and four-year colleges, including the Contra Costa County Community College District which has campuses in Richmond, Pleasant Hill and Pittsburg; California State University East Bay which operates a branch campus, called Contra Costa Center, in the City of Concord where late afternoon and evening classes in business, education and liberal arts are offered; and St. Mary’s College of California, a four-year private institution, located on a 100-acre campus in Moraga. Also located within the County is the John F. Kennedy University with campuses in Pleasant Hill and Pittsburg, the UC Berkeley Extension Contra Costa Center in San Ramon and the University of Phoenix Campus in Concord.

**Health Services.** There are seven privately operated hospitals and one public hospital in the County, with a combined total of approximately 1,666 beds. The major public hospital is the Contra Costa Regional Medical Center located in Martinez. See “–Contra Costa Regional Medical Center.” Three of the private hospitals are run by Kaiser, the largest health maintenance organization in the United States. The John Muir/Mt. Diablo Health System operates hospitals in Walnut Creek, Concord, and San Ramon. Sutter Health operates Sutter Delta Center in Antioch.

Contra Costa Regional Medical Center. The public hospital in the County is Contra Costa Regional Medical Center (“CCRMC”), a 167-bed facility, including a public health/clinical laboratory, located in Martinez. The County converted former Los Medanos Hospital into the Pittsburg Health Center, completed construction of an ambulatory care clinic on the campus of CCRMC, and expanded clinics in Antioch, Concord, and Brentwood. The Bay Point Family Health Center in Pittsburg was reopened in February 2009, following extensive renovations, including construction of a state-of-the-art children’s dental clinic. The County also operates the foot West County Health Center in Richmond, which includes a behavioral health center and medical clinic expansion that opened on March 9, 2020.

Closure of Doctors Medical Center. An acute care community hospital, Doctors Medical Center, located in the western portion of the County with a population of approximately 250,000 (many of whom are low income), was operated by the West Contra Costa Healthcare District (the “Healthcare District”) until Doctors Medical Center was closed on April 21, 2015.

Prior to closure, Doctors Medical Center had been experiencing financial difficulties for many years and in 2006 the Healthcare District filed a voluntary petition for Chapter 9 bankruptcy protection. A bankruptcy reorganization plan was approved in 2008, and the bankruptcy case was concluded in 2010.

Since 2006, the County provided approximately \$25.6 million in emergency funding to Doctors Medical Center through various property tax transfer agreements with the Healthcare District. In return, the Healthcare District authorized allocations of its *ad valorem* property taxes to the County pursuant to various property tax transfer agreements that are administered by the Auditor-Controller.

On December 2, 2014, the Board of Supervisors adopted a resolution authorizing a permanent waiver of up to \$9 million in *ad valorem* property tax transfers to the County that would only go into effect if, prior to October 30, 2015, the Healthcare District secured additional funding of at least \$15 million per year for Fiscal Years 2015-16 through 2017-18 to support a full-service hospital at Doctors Medical Center.

The Health Care District was not able to secure sufficient funding for Doctors Medical Center to satisfy the permanent waiver condition and, as stated previously, the hospital closed. For this reason, the permanent waiver *did not* go into effect. The County continues to receive allocations of *ad valorem* property pursuant to the Transfer Agreements until the amounts required to be transferred have been satisfied.

In October 2016 the Healthcare District filed a second Chapter 9 bankruptcy petition. A Second Amended Plan for Adjustment of Debts dated July 1, 2017 (the “Plan”) allocating significant revenues of the Health Care District to the repayment of debt through 2027 was confirmed by order of the Bankruptcy Court and entered January 3, 2018. The Effective Date of the Plan occurred on the date the hospital was sold on April 3, 2018. A Motion for Order Closing case is anticipated to be filed in early 2021.

As of June 2020, the aggregate amount of *ad valorem* property taxes transferred to the County under the Transfer Agreements was \$26,559,582.65. The *ad valorem* property tax transfers to the County under the Transfer Agreements will be completed in Fiscal Year 2021-22.

**APPENDIX B**

**COUNTY FINANCIAL INFORMATION**

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## APPENDIX B

### COUNTY FINANCIAL INFORMATION

*Certain statements contained in this Appendix B are “forward-looking statements.” Particularly because of the evolving nature of the current public health crisis, no assurance can be given that any estimates of future impact discussed herein will be achieved, and actual results may differ materially from the potential impact described herein. In this respect, the words “estimate,” “forecast,” “project,” “anticipate,” “expect,” “intend,” “believe,” “budget” and similar expressions are intended to identify forward-looking statements. All projections, forecasts, assumptions and other forward-looking statements in this Appendix B are expressly qualified in their entirety by this cautionary statement.*

#### **Introduction**

California counties administer numerous health and social service programs as the administrative agent of the State and pursuant to State law. Many of these programs have been either wholly or partially funded with State revenues which have been subject each year to the State budget and appropriation process. Currently, the County is required to provide health care to all indigents, administer welfare programs, provide justice facilities (courts and jails) and administer the property tax system and real estate recordings. Due to competing program priorities and the lack of available State funds, some of these programs have had reduced State support without a corresponding reduction in program responsibilities for county governments. The result has been that the County has increased its contribution to maintain mandated services while optional local services have been reduced. The Board of Supervisors has responded to this trend in part by instituting measures to improve management, thereby reducing costs while increasing productivity and maintaining services with diminished funding.

The level of intergovernmental revenues that the County received from the State in Fiscal Year 2019-20 and in subsequent Fiscal Years is likely to be affected by the financial condition of the State.

#### **State Budgets**

Approximately 23% of the County’s Fiscal Year 2020-21 General Fund Adopted Budget, as finally determined is expected to consist of payments collected by the State and passed-through to the County or collected by the County and allocated to County purposes by State law. For Fiscal Year 2019-20, approximately 23% (representing approximately \$383.7 million) of the County’s General Fund Budget consisted of payments from the State. The financial condition of the State has an impact on the level of these revenues. See also “–County Budget Process–*Budget Schedule for Fiscal Year 2020-21.*”

To the extent the State should be constrained by its Article XIII B appropriations limit, or its obligation to conform to Proposition 98, or other fiscal considerations, the absolute level, or the rate of growth, of State assistance to local governments may be reduced. Any such reductions in State aid could adversely affect local governments, particularly counties.

Information about the State budget and State spending is regularly available at various State-maintained websites. Text of the budget may be found at the website of the Department of Finance, [www.dof.ca.gov](http://www.dof.ca.gov), under the heading “California Budget.” An impartial analysis of the budget is posted by the Office of the Legislative Analyst at [www.lao.ca.gov](http://www.lao.ca.gov). In addition, various State official statements, many of which contain a summary of the State budgets may be found at the website of the State Treasurer, [www.treasurer.ca.gov](http://www.treasurer.ca.gov) and at the Electronic Municipal Market Access site maintained by the

Municipal Securities Rulemaking Board at [www.emma.msrb.org](http://www.emma.msrb.org). Information on these websites has not been reviewed or verified by the County, the Underwriter or the Municipal Advisor and is not incorporated by reference in this Official Statement.

## County Budget Process

**General.** The County's Fiscal Year spans from July 1 to June 30; however, the budget development process begins as early as December with the Board of Supervisors setting a Preliminary Budget Schedule for preparation of the upcoming budget.

The County Administrator typically presents the Board of Supervisors, department heads and the public with an analysis of key issues and budget projections at an annual retreat in January. In 2020, that retreat was cancelled due to the COVID-19 pandemic and budget hearings were not held until April 28, 2020. See "*Budget Schedule for Fiscal Year 2020-21*." Following the annual retreat in a typical year, the County Administrator releases budget instructions, then works with departments on annual budget submissions, meeting with department administrative staff through February to develop final budget recommendations. In March, the County Administrator's Office develops a Recommended Budget in addition to the State Controller's Office required Budget Schedules for consideration by the Board of Supervisors in April. Chapter 1, Division 3, Title 3 of the State Government Code, commencing with Section 29000 *et. seq.* (the "County Budget Act") requires that each county adopt a recommended budget no later than June 30 of each year and an adopted (or final) budget no later than October 2 of each year. The adoption of a recommended budget by each June 30 provides counties with spending authority until a final budget is passed. In the County, the State schedules are presented with the recommended budget companion document, which includes detailed information and narrative regarding the County, including its current and projected financial situation; the programs/services and administrative/program goals of individual departments; and the County Administrator's budgetary recommendations for the upcoming budget year. After public hearings and budget deliberations, the Board of Supervisors adopts the Recommended Budget by May 31 (pursuant to Board of Supervisors Policy). After the State budget is passed (legally due by June 15) and County Fiscal Year-end closing activities are completed in August, a Final Budget is prepared for consideration by the Board of Supervisors to allow incorporation of any needed adjustments resulting from the final State budget. If significant changes to programs or revenues are required based upon the final State budget and/or closing activities, public budget hearings regarding the Final Budget may be scheduled.

The practice of the County is to adopt its Final Budget no later than mid-September of each year.

The County Administrator monitors actual expenditures and revenue receipts each month, and mid-year adjustments may be made in order to ensure that the budget remains in balance throughout the Fiscal Year. Annually, the County Administrator's staff prepares a report presented to the Board of Supervisors detailing the activity within each budget category and providing summary information on the status of the budget at mid-year. Actions that are necessary to ensure a healthy budget status at the end of the Fiscal Year are recommended in the budget status report; other items which have major fiscal impacts are also reviewed. Supplemental appropriations, which are normally financed by unanticipated revenues during the Fiscal Year, and any amendments or transfers of appropriations between summary accounts or departments, must be approved by the Board of Supervisors. Pursuant to adoption of a resolution by the Board of Supervisors, the County Administrator is authorized to approve transfers of appropriations among summary accounts within a department as deemed necessary and appropriate. Accordingly, the legal level of budgetary control by the Board of Supervisors is at the department level. The County's ability to increase its revenues is limited by State laws that prohibit the imposition of fees to raise general revenue, except to recover the cost of regulation or provision of services. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS."

**Budget Schedule for Fiscal Year 2020-21.** On January 14, 2020, the Board of Supervisors established the budget schedule for Fiscal Year 2020-21. Budget hearings were designated to be held on April 14, 2020 with final adoption of the Recommended County and Special Districts Budgets scheduled for May 12, 2020.

In light of the COVID-19 pandemic and efforts to control its spread, specifically the requirements to maintain social distancing, the Board of Supervisors did not hold its budget hearings for Fiscal Year 2020-21 until April 28, 2020 and adopted the Adopted Budget as Finally Determined on September 15, 2020. As previously indicated, this allowed for expenditure authority beginning on July 1, 2020 until a final budget was passed prior to October 2, 2020.

The County anticipates negative economic impacts due to COVID-19, which may result in modifications to the Fiscal Year 2021-22 Recommended County and Special Districts Budgets that may result in program and service level reductions.

In addition, the County Budget Policy requires a review of the current budget at mid-year (*i.e.* after January 1st). The County will review the Fiscal Year 2020-21 budget position at that time in concert with the annual budget development process for the Fiscal Year 2021-22 budget.

### **Recent County General Fund Budgets**

The County derives its revenues from a variety of sources including taxes (property and sales), licenses, permits and franchises issued by the County, fines, forfeits, forfeitures and penalties collected by the County, use of County property and money, aid from other governmental agencies, charges for services provided by the County and other miscellaneous revenues.

Set forth in Table B-1 is a description of the County's comparative Final Budgets for Fiscal Years 2015-16 through 2020-21. Base Rental Payments are included in and allocated to individual department budgets. Complete General Fund budgets, including, but not limited to, key assumptions and certain projections relating to the County's retirement expenses, which are incorporated into this Official Statement by this reference, are available on County's website. For a summary of the audited financial results of the County for Fiscal Year 2015-15 through Fiscal Year 2019-20, see TABLE B-6—"GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FISCAL YEAR 2015-16 THROUGH 2019-20." See also "COMPREHENSIVE FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020" in APPENDIX B.

**Fiscal Year 2020-21.** The County's Fiscal Year 2020-21 budget, adopted by the Board of Supervisors on September 15, 2020 (the "Fiscal Year 2020-21 Final Budget"), reflects a General Fund budget of \$1.85 billion, which was approximately 10% or \$175.5 million higher than the Fiscal Year 2019-20 actuals. The Fiscal Year 2020-21 Final Budget assumes an increase in assessed valuation of 4.5%. Proposition 172 sales tax revenue, a significant source of revenue for public safety departments, is budgeted at \$76.9 million, which was approximately 8.7% or \$6.7 million lower than the Fiscal Year 2019-20 final budget.

**Fiscal Year 2019-20.** The County's Fiscal Year 2019-20 budget, adopted by the Board of Supervisors on September 17, 2019 (the "Fiscal Year 2019-20 Final Budget"), reflected a General Fund budget of \$1.8 billion, which was approximately 7.9% or approximately \$101.4 million higher than the Fiscal Year 2018-19 Final Budget. The Fiscal Year 2019-20 Final Budget assumed an increase in assessed valuation of 5%. On July 1, 2019, the County Assessor announced that the Countywide increase in assessed valuation was 5.3%. Proposition 172 sales tax revenue, a significant source of revenue for



public safety departments, was budgeted at \$85.5 million, which was approximately 1.0 million higher than the Fiscal Year 2018-19 actuals.

A summary of Final General Fund Budgets for Fiscal Years 2015-16 through 2019-20 is presented in Table B-1.

**Table B-1**  
**County of Contra Costa**  
**General Fund Budget Summary**  
**for Fiscal Years 2015-16 through 2019-20<sup>†</sup>**  
**(\$ in 000's)**

	<b>Final Budget 2015-16</b>	<b>Final Budget 2016-17</b>	<b>Final Budget 2017-18</b>	<b>Final Budget 2018-19</b>	<b>Final Budget 2019-20</b>
<b>Requirements</b>					
General Government	\$203,850	\$223,862	\$243,822	\$244,331	\$286,364
Public Protection	428,979	444,197	469,125	481,222	486,644
Health and Sanitation	307,706	329,021	390,742	394,659	463,053
Public Assistance	459,864	461,313	454,622	484,789	498,910
Public Ways and Facilities	52,061	44,205	44,063	44,471	45,878
Reserves and Debt Service	<u>7,672</u>	<u>10,750</u>	<u>9,030</u>	<u>10,000</u>	<u>10,000</u>
TOTAL REQUIREMENTS	<u>1,460,132</u>	<u>1,513,348</u>	<u>1,611,404</u>	<u>1,659,472</u>	<u>1,790,849</u>
<b>Available Funds</b>					
Property Taxes	320,580	343,791	362,855	382,300	403,000
Fund Balance Available	37,128	43,089	48,891	45,725	85,751
Other Taxes	20,660	20,683	24,080	27,480	26,500
Licenses, Permits and Franchises	11,476	10,829	10,819	10,519	11,838
Fines, Forfeitures and Penalties	26,422	26,213	24,643	13,840	23,883
Use of Money and Property	11,300	3,259	5,283	7,079	21,527
Intergovernmental	549,444	554,131	566,756	593,402	609,931
Charges for Current Services	217,492	229,560	253,397	257,448	259,648
Other Revenue	<u>265,630</u>	<u>281,793</u>	<u>314,680</u>	<u>329,123</u>	<u>348,771</u>
TOTAL AVAILABLE FUNDS	<u>\$1,460,132</u>	<u>\$1,513,348</u>	<u>\$1,611,404</u>	<u>\$1,659,472</u>	<u>\$1,790,849</u>

<sup>†</sup> Columns may not total due to independent rounding.  
Source: County Auditor-Controller.

## County Financial Management Policies

The Board of Supervisors has adopted a comprehensive set of financial management policies to provide for: (i) the annual adoption of a policy for the prudent investment of County funds; (ii) establishing a Treasury Oversight Committee; (iii) establishing and maintaining a General Fund reserve (iv) establishing formal fiscal policies regarding the adoption and maintenance of an annual balanced budget, and (v) establishing parameters for issuing and managing debt. Each of these financial management policies is described below.

**Investment Policy.** Since June 2014, the County annually adopts an investment policy (the “Investment Policy”) governing the County’s investment of funds in the County Treasurer’s Investment Pool, which as of June 30, 2020 held assets in the - par amount of \$3.98 billion. The most recent update to the Investment Policy was approved by the Board of Supervisors on June 16, 2020. For a description of the Investment Policy and investments held in the County Treasurer’s Investment Pool, see APPENDIX D– “COUNTY INVESTMENT POLICY.”

**Treasury Oversight Committee.** In November 1995, the Board of Supervisors adopted an Order establishing a committee (the “Treasury Oversight Committee”). The Treasury Oversight Committee is composed of seven members: the County Superintendent of Schools or his/her designee; a representative selected by a majority of the presiding officers of the governing bodies of the school districts and community college districts in the County; a representative selected by a majority of the presiding officers of the legislative bodies of the special districts in the County that are required or authorized to deposit funds in the County treasury; a representative appointed by the Board of Supervisors; and three members of the public nominated by the County Treasurer-Tax Collector (the “County Treasurer”). Members of the Treasury Oversight Committee are appointed to four year terms.

The Treasury Oversight Committee is responsible for reviewing and monitoring the County Treasurer’s annual investment policy and ensuring an annual audit is conducted to determine the County Treasurer’s compliance with Government Code sections 27130-27137.

**General Fund Reserve Policy.** In January 2006, the Board of Supervisors adopted a General Fund Reserves Policy, as revised in June 2011 to comply with GASB 54–“Fund Balance Reporting and Governmental Fund Type Definitions” (the “Reserves Policy”). The Reserves Policy requires the County to maintain a General Fund balance equal to a minimum of 10% of General Fund revenues and an unreserved balance equal to a minimum of 5% of General Fund revenues. Reserves exceeding the minimum are applied only to one-time uses such as additional reserves or capital projects up to an amount equal to 1% of General Fund revenues. The reserves can be used only in emergency situations and only if accompanied by a Board-approved plan to restore reserves to the target levels. Since Fiscal Year 2005-06, the County’s audited financial reports confirm compliance with the Reserves Policy. For Fiscal Year 2019-20, the total General Fund balance (approximately \$631.4 million) was approximately 36.7% of actual revenues and the unassigned portion (approximately \$351.7 million) is projected to be approximately 20.4%.

**Budget Policy.** In November 2006, the Board of Supervisors adopted a Budget Policy (the “Budget Policy”) to establish best practices for the budget process and require the preparation of multi-year budget projections. Among other things, the Budget Policy requires: (i) the adoption of structurally balanced budgets; (ii) preparation of mid-year departmental updates on budget status, with corrective actions presented to the Board of Supervisors within 30 days for any cost centers over budget; and (iii) adoption of an annual budget early enough (and no later than May 31) to allow all impacts on programs and/or revenues to be in effect on the first day of the Fiscal Year (July 1).

***Debt Management Policy.*** In December 2006, the Board of Supervisors adopted a Debt Management Policy, most recently revised on March 10, 2020, that formalizes the parameters for issuing and managing outstanding debt, guidance regarding the timing and purpose for which various types of debt instruments and other financial obligations may be issued, the types and amounts of which permissible debt, and the methods of sale and structural features may be incorporated in debt transactions. The Debt Management Policy provides that the County prepare a multi-year capital program and sets forth guidelines for the term of debt issues, refunding savings targets and other structural debt features.

The Debt Management Policy established a Debt Affordability Advisory Committee (the “Advisory Committee”) that annually reviews and evaluates existing and proposed debt and other findings; assesses the ability of the County to generate and repay debt; and issues an annual report to the County Administrator defining the debt capacity of the County, which report is an important element of the budget process and includes recommendations made by the Advisory Committee regarding how much new debt can be authorized by the County without overburdening itself with debt service payments. The Advisory Committee is composed of the Auditor-Controller, the County Treasurer-Tax-Collector, the Director/Conservation and Development, and the County Director of Finance.

The Advisory Committee examines specific statistical measures to determine debt capacity and relative debt position and compares these ratios to other counties, rating agency standards and County historical ratios to determine debt affordability.

From Moody’s Investors Service, the Advisory Committee evaluates the County against debt ratios from the most recently available national medians for counties in the “Aa” rating tier with population of at least one million.

The Advisory Committee also evaluates the County against a group of cohort counties, namely, other large urban counties in the State. The Advisory Committee utilizes each respective cohort county’s most recently available comprehensive audited financial report to measure the comparative performance of the County on the various debt measures calculated by Moody’s and S&P as noted above, and also against the additional ratios below:

1. Direct debt per capital; and
2. Debt payments as a percentage of General Fund revenues.

***Workers’ Compensation Confidence Level Policy.*** In September 2007, the Board of Supervisors adopted a Workers’ Compensation Internal Services Fund Funding Policy that established a targeted minimum confidence level (the measure of probability that the workers’ compensation trust fund will have sufficient money to cover all benefits and claims that have been incurred) of 80%. The actuarial report dated as of June 30, 2020 indicated that the total County self-insurance reserves reflected an approximately 94% confidence level on a discounted basis.

## **Major General Fund Revenues**

The County derives its revenues from a variety of sources including taxes (property and sales), licenses, permits and franchises issued by the County, fines, forfeits, forfeitures and penalties collected by the County, use of County property and money, aid from other governmental agencies, charges for services provided by the County and other miscellaneous revenues.

The County receives a significant portion of its funding from subventions by the State. In Fiscal Year 2019-20, approximately 23% of the General Fund Budget consisted of payments from the State, and for Fiscal Year 2020-21, approximately 23% of the General Fund Budget is expected to come from such sources. The actual audited amounts for Fiscal Years 2017-18 through 2019-20, the adopted budget as finally determined for Fiscal Year 2019-20, and the approximate percentages of the County’s total General Fund revenues are presented in Table B-2 below.

**Table B-2**  
**County of Contra Costa**  
**General Fund Revenues by Source**  
**Fiscal Years 2017-18 through 2019-20 Audited Actuals, and**  
**Fiscal Year 2019-20 Final Budget<sup>†</sup>**  
**(\$ in thousands)**

	Actual 2017-18		Actual 2018-19		Actual 2019-20		Final Budget 2020-21	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Intergovernmental <sup>(1)</sup>	\$552,539	36.08%	\$582,822	34.91%	\$652,905	37.93%	\$709,338	40.07%
Taxes (Property and Sales) <sup>(2)</sup>	404,317	26.40	431,626	25.85	451,362	26.22	461,313	26.06
Other Revenues <sup>(3)</sup>	290,926	19.00	352,493	21.11	341,748	19.85	363,088	20.51
Charges for Services <sup>(4)</sup>	235,014	15.35	252,284	15.11	236,019	13.71	193,947	10.95
Use of Money and Property	11,007	0.72	33,839	2.03	4,395	0.26	5,672	0.32
Licenses, Permits and Franchises	12,470	0.81	12,045	0.72	22,417	1.30	12,734	0.72
Fines, Forfeits, Forfeitures and Penalties	24,959	1.63	4,374	0.26	12,428	0.72	24,371	1.38
<b>TOTAL</b>	<b>\$1,531,232</b>	<b>100.00%</b>	<b>\$1,659,472</b>	<b>100.00%</b>	<b>\$1,721,274</b>	<b>100.00%</b>	<b>\$1,770,463</b>	<b>100.00%</b>

<sup>†</sup> Columns may not total due to independent rounding.

(1) See “–Intergovernmental.”

(2) See “–Ad Valorem Property Taxes” and “–Sales and Use Taxes.”

(3) See “–Other Revenues.”

(4) See “–Charges for Services.”

Source: County Auditor-Controller, Treasurer-Tax Collector, County Administrator.

***Intergovernmental.*** This major source of revenue represents amounts received by County primarily from the State to fund various programs such as social services and public health. For the last Five Fiscal Years this source of revenue has ranged from approximately 37.9% to approximately 35.8% of General Fund revenues (excluding transfers in). For Fiscal Year 2019-20, the County received approximately \$609.9 million, representing approximately 35.8% of General Fund revenues (excluding transfers in) from this source, and the County estimates that for Fiscal Year 2020-21, it will collect approximately \$\_\_\_ million, representing approximately \_\_\_% of General Fund revenues (excluding transfers in).

### ***Ad Valorem Property Taxes***

General. The County administers the property tax levy and collection system for the County and all local governments in the County. Taxes are levied for each fiscal year on taxable real and personal property that is situated in the County as of the preceding January 1. For assessment and collection purposes, property is classified either as “secured” or “unsecured,” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State assessed property and property secured by a lien on real property which is sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is assessed on the “unsecured roll.”

*Ad valorem* property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. All taxes due November 1, if unpaid, are delinquent at 5 p.m., or the close of business, whichever is later, on December 10, and thereafter a delinquent penalty of 10% is attached. All taxes due on February 1, if unpaid, become delinquent at 5 p.m., or the close of business, whichever is later, on April 10, and thereafter a delinquent penalty of 10% is attached. In addition, property on the secured roll with respect to which taxes are delinquent is declared to be in default after the close of business on June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a redemption penalty of one and one half percent per month to the time of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is declared to be subject to the power of sale by the County Treasurer and may be subsequently sold by the County Treasurer.

Legislation established the “supplemental roll” in 1984, which directs the Assessor to re-assess real property, at market value, on the date the property changes ownership or upon completion of construction. *Ad valorem* property taxes on the supplemental roll are eligible for billing 30 days after the reassessment and notification to the new assessee. The resultant charge (or refund) is a one-time levy on the increase (or decrease) in value for the period between the date of the change in ownership or completion of construction and the date of the next regular tax roll upon which the assessment is entered.

Billings are made on a monthly basis and are due on the date mailed. If mailed between the months of July through October, the first installment becomes delinquent at 5 p.m. on December 10 of the same year and the second becomes delinquent at 5 p.m. on April 10 of the next year. If mailed within the months of November through June, the first installment becomes delinquent at 5 p.m. on the last day of the month following the month in which the bill is mailed. The second installment becomes delinquent at 5 p.m. on the last day of the fourth calendar month following the date the first installment is delinquent.

*Ad valorem* property taxes on the unsecured roll are due as of the January 1 lien date and are delinquent at 5:00 p.m., or the close of business, whichever is later, on August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of one and one-half percent per month begins to accrue beginning November 1. The taxing authority has four ways of collecting unsecured personal property taxes: (1) by filing a civil action against the taxpayer; (2) by filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on

certain property of the taxpayer; (3) by filing a certificate of delinquency for recordation in the County Recorder's office, in order to obtain a lien on certain property of the taxpayer; and (4) by the seizure and sale of personal property, improvements or possessory interest, belonging to the taxpayer.

The County and its political subdivisions operate under the Teeter Plan pursuant to provisions of Sections 4701 through 4717 of the California Revenue and Taxation Code. See “–The Teeter Plan.” Pursuant to those sections, the accounts of all political subdivisions that levy *ad valorem* taxes on the County tax rolls are credited with 100% of their respective tax levies regardless of actual payments and delinquencies. The County Treasury's cash position (from taxes) is protected by a special fund (the “Tax Losses Reserve Fund”) into which all County-wide delinquent penalties are deposited. The County has used this method since Fiscal Year 1950-51. See the “–*Tax Losses Reserve Fund.*”

At the closing of the Fiscal Year 2019-20 tax roll, the County had received 99.03% of total property taxes due (first and second installments) compared to 98.22% at the same time in Fiscal Year 2018-19. This demonstrates that total property tax collections were relatively stable for Fiscal Year 2019-20.

Fiscal Year 2020-21 secured *ad valorem* property tax revenues are expected to comprise approximately 14.9% of General Fund revenues of the County.

Assessment Appeals. Property values determined by the County Assessor, which are used to determine property taxes, may be subject to an appeal by the property owners or property taxpayer (the “Applicant”) by filing a timely assessment appeal. The County Assessment Appeals Board (the “Appeals Board”) hears and determines the assessment appeals. The Appeals Board hears appeals within two years of the filing date, except when this period has been extended. The decision of the Appeals Board may result in a reduction to the County Assessor's enrolled property value and a tax refund to the taxpayer.

Historically, Chevron has filed Property tax assessment appeals challenging the assessed value of its refinery located in the City of Richmond.

On September 17, 2013, the County Board of Supervisors approved execution of a Settlement Agreement and Release (the “Settlement Agreement”) among Chevron USA, Chevron Corporation, the County, the County Assessor, and the City of Richmond, which became effective upon the approval of a Stipulated Settlement by the Appeals Board. Pursuant to the Settlement Agreement, assessment appeals by Chevron for the years 2004 through 2012 were resolved, and Chevron agreed to dismiss the three pending court cases challenging the assessed value, withdraw or dismiss the pending appeals before the Appeals Board, and forgo an approximately \$8 million refund. In addition, Chevron agreed not to file or re-file assessment appeals for any prior fiscal year up to and including Fiscal Year 2013-14 and to annually meet and confer with the County about the value of the refinery facilities. As agreed to by Chevron and the County Assessor, the assessed value of the refinery was determined to be \$3.437 billion for Fiscal Year 2020-21, as of October 23, 2020. The County cannot predict whether additional appeals will be filed by Chevron or any other major property taxpayer in the future, or if filed whether or to what extent such appeals will be successful.

Proposition 8 Appeals. In 1978, the voters of the State passed Proposition 8 (“Proposition 8”), a constitutional amendment to Article XIII A that allows a *temporary* reduction in assessed value when real property suffers a decline in value. A decline in value occurs when the *current market* value of real property is less than the *current assessed* (taxable) factored base year value as of the lien date, January 1.

A property owner may apply for a Proposition 8 reduction of the *ad valorem* property tax assessment for such owner's property by filing a written application, in the form prescribed by the State Board of Equalization, with the appropriate county assessment appeals board (a “Proposition 8” appeal).

In addition to reductions in assessed value resulting from Proposition 8 appeals, Proposition 8 also allows assessors to reduce assessed value unilaterally to reflect reductions in market value.

Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which written application is filed. The assessed value increases to its pre-reduction level for fiscal years following the year for which the reduction application is filed. However, if the taxpayer establishes through proof of comparable values that the property continues to be overvalued (known as “ongoing hardship”), a county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year as well. In a similar manner, a county assessor may reassert the pre-appeal level of assessed value depending on the county assessor’s determination of current value.

In addition to reductions in assessed value resulting from Proposition 8 appeals, California law also allows assessors to reduce assessed value unilaterally based on a general decline in market value of an area. Although Proposition 8 reductions are temporary only for those property that are not sold to new owners, and are otherwise expected to be eliminated under Proposition 13 if and when market conditions improve, no assurance is given that such reductions will be eliminated.

The Teeter Plan. In 1949, the California Legislature enacted an alternative method for the distribution of secured *ad valorem* property taxes to local agencies. This method, known as the Teeter Plan, is set forth in Sections 4701-4717 of Revenue and Taxation Code of the State of California (the “Law”). Generally, the Teeter Plan provides for a tax distribution procedure by which secured roll taxes are distributed to taxing agencies within the County included in the Teeter Plan on the basis of the tax levy, rather than on the basis of actual tax collections. The County deposits in the Tax Losses Reserve Fund all future delinquent tax payments, penalties and interest, and a complex tax redemption distribution system for all participating taxing agencies is avoided. While the County bears the risk of loss on delinquent taxes that go unpaid, it benefits from the penalties associated with these delinquent taxes when they are paid. In turn, the Teeter Plan provides participating local agencies with stable cash flow and the elimination of collection risk. The constitutionality of the Teeter Plan was upheld in *Corrie v. County of Contra Costa*, 110 Cal. App. 2d 210 (1952). The Teeter Plan was named after Desmond Teeter, the then Auditor-Controller of the County who originated this method of tax distribution. The County was the first Teeter Plan county in the State.

Effect of COVID-19 on Property Tax Collections. In response to COVID-19, on May 6, 2020, the Governor signed Executive Order N-61-20 suspending provisions of the Revenue and Taxation Code requiring for residential real property occupied by the taxpayer, and real property owned and operated by a taxpayer qualifying as a small business under the regulations of the Small Business Administration that impose penalties, costs or interest for failure to pay secured and unsecured property taxes or supplemental taxes by the due date. To be eligible for this relief, the property taxes owed must not have been delinquent prior to March 4, 2020, the taxpayer must timely file a claim for relief, and must demonstrate that it has suffered economic hardship due to COVID-19 that makes them unable to render payment.

The County is unable to predict the extent that this order will have on the willingness of taxpayers to make timely payment of their property tax, however, at the closing of the Fiscal Year 2019-20 tax roll, the County had received 99.03% of total property taxes due compared to 98.22% at the same time in Fiscal Year 2018-19. See “–General.” The County does not believe that any such delays or foregone revenue will have a material effect on the finances of the County.

The County Assessor has informed taxpayers that it will proactively review all assessments within the County as of January 1, 2021 to determine if property value has been impacted by COVID-19, with reductions, if any, reflected in the assessed value for Fiscal 2021-22.

Proposition 19. On November 3, 2020, the voters of the State passed Proposition 19—“Changes Certain Property Tax Rules. Legislative Constitutional Amendment” (“Proposition 8”), a constitutional amendment to Article XIII A that, among other things, changes the rules for tax assessment transfers. This Proposition permits eligible homeowners (*i.e.* persons over 55 years old, persons with severe disabilities, and victims of natural disasters and hazardous waste contamination) to transfer their tax assessments to a different home of greater market value anywhere in the State, allowing such homeowners to move to a more expensive homes without paying higher property taxes. Proposition 19 also eliminated the parent-to-child and grandparent-to-grandchild exemption of the first \$1 million from reassessment where the child or grandchild does not use the inherited property as their principal residence. The County has not yet completed any projections of the effects of Proposition 19 on revenues, however the County does not believe such effects will have any material negative implications.

Tax Losses Reserve Fund. Pursuant to the Law, the County is required to establish the Tax Losses Reserve Fund to cover losses that may occur in the amount of tax liens as a result of special sales of tax-defaulted property (*i.e.*, if the sale price of the property is less than the amount owed). During each fiscal year, the Tax Losses Reserve Fund is reviewed and when the amount of the fund exceeds certain levels, the excess may be credited to the County General Fund as provided by Sections 4703 and 4703.2 of the California Revenue and Taxation Code. State law allows any county to draw down their tax losses reserve fund to a balance equal to (i) 1% of the total of all taxes and assessments levied on the secured roll for that year, or (ii) not less than 25% of the current year delinquent secured tax levy.

As of June 30, 2020, the balance in the Tax Losses Reserve Fund was approximately \$89.7 million.

Delinquencies. As described above, once an installment of property tax becomes delinquent, penalties are assessed commencing on the applicable delinquency date until the delinquent installment(s) and all assessed penalties are paid. In the event of foreclosure and sale of property by a mortgage holder, all past due property taxes, penalties and interest are required to be paid before the property can be transferred to the purchaser/new owner. However, in response to the COVID-19 pandemic, Executive Order N-61-20 suspends the collection of interest, penalties, and costs on certain property specified in the Order through May 6, 2021. See “—Effect of COVID-19 on Property Tax Collections.

In addition, as required under the Teeter Plan (described above), the County maintains a Tax Losses Reserve Fund, to cover potential losses that may result if tax-defaulted property is sold by the County for less than the amount of the taxes owed.

A 10-year history of secured County tax levies, delinquencies and the Tax Losses Reserve Fund cash balances as of June 30 of each year is shown in Table B-3 below.



**Table B-3**  
**County of Contra Costa**  
**Summary of Secured Assessed Valuations<sup>(1)</sup> and Ad Valorem Property Taxation**  
**Fiscal Years 2011-12 through 2020-21**

Fiscal Year (June 30)	Secured Assessed Valuation <sup>(1)</sup>	Secured Property Tax Levies	Current Year Tax		Balance in Delinquent Property Tax (June 30)	Total Tax Losses Reserve Fund	Tax Losses Reserve Fund as % of Total Delinquencies
			Delinquencies	% Delinquent			
2011-12	\$138,382,133,511	\$1,973,645,892	\$54,993,259 <sup>(2)</sup>	2.79%	\$96,699,117	\$101,354,611	104.81%
2012-13	139,353,572,756	1,974,837,555	21,622,707	1.09	58,162,000	96,423,523	165.78
2013-14	144,725,591,361	2,092,731,716 <sup>(3)</sup>	20,610,514	0.99	51,636,396	90,648,537	175.55
2014-15	158,026,299,690	2,286,997,538	20,281,677	0.89	46,986,870 <sup>(4)</sup>	84,019,204	179.00
2015-16	170,368,542,713	2,425,971,799	20,735,057	0.85	43,767,386	77,371,819	177.00
2016-17	180,813,194,404	2,554,065,674	21,342,994	0.84	43,206,946	69,309,831	160.00
2017-18	191,190,578,610	2,707,458,628	20,550,218	0.76	43,455,808	62,091,211	143.00
2018-19	203,089,152,567	2,875,385,332	23,184,063	0.81	46,155,928	76,175,894	165.00
2019-20	213,519,088,284	3,055,014,187	29,239,776	0.96	53,513,612	89,694,521	168.00
2020-21 <sup>(5)</sup>	223,758,847,763	3,152,510,994	N/A	N/A	N/A	N/A	N/A

(1) Assessed values are those defined under California Revenue and Taxation Code Sections: 601 and 721 *et. seq.* Article XIII A, added to California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value which appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased to reflect: (i) annual inflation up to 2%; (ii) current market value at time of ownership change; and (iii) market value for new construction.

(2) Adjusted on January 3, 2019 from the original amount reported of \$54,933,259.

(3) Adjusted on January 5, 2015 from the original amount reported of \$2,083,809,768.

(4) Adjusted on January 3, 2019 from the original amount of \$46,987,870.

(5) Estimated.

Source: County Auditor-Controller-Property Tax Division.

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The 10 largest property taxpayers in the County, as shown on the Fiscal Year 2020-21 secured tax roll and the approximate amounts of their *ad valorem* property tax payments and the 10 largest property taxpayers by assessed value are shown below in Table B-4A and Table B-4B, respectively.

**Table B-4A**  
**County of Contra Costa**  
**Ten Largest Property Taxpayers**  
**By Taxes Paid**  
**Fiscal Year 2020-21<sup>(1)</sup>**

Taxpayer	Total Taxes Paid <sup>(2)</sup>	Percent of Total County Tax Roll
Chevron USA Inc.	\$48,811,613	1.60%
Pacific Gas & Electric	43,707,532	1.43
Equilon Enterprises LLC	18,542,959	0.61
Phillips 66 Company	13,946,518	0.46
Tesoro Refining & Marketing	13,009,547	0.43
Golden Rain Foundation of WC TRE	12,090,512	0.40
BRE Properties Inc.	9,765,260	0.32
SDC 7	9,477,386	0.31
MCD-RCCA-El Cerrito LLC	8,557,544	0.28
Sierra Pacific Properties Inc.	8,413,848	0.28
SUBTOTAL TEN LARGEST TAXPAYERS	\$186,322,718	6.11%
Other Taxpayers	2,865,142,657	93.89
TOTAL	\$3,051,465,375	100.00%

(1) Estimated as of October 23, 2020.  
(2) Column does not total due to rounding.  
Source: County Treasurer-Tax Collector.

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**Table B-4B**  
**County of Contra Costa**  
**Ten Largest Property Taxpayers**  
**By Taxable Assessed Value (Secured and Unitary)<sup>(1)</sup>**  
**Fiscal Year 2019-20**

Taxpayer	Taxable Assessed Value <sup>(2)</sup>	Percent of Total
Chevron USA Inc.†	\$3,436,949,809	1.57%
Equilon Enterprises LLC	1,573,436,287	0.72
Phillips 66 Company	1,139,677,920	0.52
Tesoro Refining & Marketing	1,019,738,684	0.47
Golden Rain Foundation of WC TRE	911,609,310	0.42
SDC 7	817,539,671	0.37
Mcd-Rcca-El Cerrito LLC	643,314,664	0.29
BRE Properties Inc.	635,235,271	0.29
Sierra Pacific Properties Inc.	583,564,893	0.27
Marsh Landing LLC	456,000,000	0.21
SUBTOTAL TEN LARGEST TAXPAYERS	\$11,217,066,509	5.12%
Other Taxpayers	218,949,260,049	94.88
TOTAL	\$219,061,430,714	100.00%

(1) Ranking is based on assessed valuation which may be different from taxes paid due to special purpose levies by some taxpayers.

(2) Estimated as of October 23, 2020

Source: County Treasurer-Tax Collector.

Taxation of State-Assessed Utility Property. The State Constitution provides that most classes of property owned or used by regulated utilities be assessed by the State Board of Equalization (the “SBE”) and taxed locally. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as “unitary property,” a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and “operating nonunitary” property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for unitary property of regulated railways and certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year. In 1999, the SBE adopted a rule that provides for local assessment of certain investor-owned electric utility facilities. As a result of this rule, the County Assessor currently assesses three power plants located in the County. However, assessment of certain power plants has been transferred to the SBE, so the portion of the County’s total net assessed valuation constituting unitary property subject to SBE assessment has increased (see further discussion below).

For Fiscal Year 2019-20, approximately 1.54% of the County’s total net assessed valuation constituted property subject to State assessment by the SBE, for which approximately \$57.185 million of property taxes are expected to be collected in Fiscal Year 2019-20. The portion of Fiscal Year 2019-20 tax collections through the SBE assessment methodology attributable to the County General Fund for Fiscal Year 2019-20 is estimated to be \$8.09 million.

For Fiscal Year 2020-21, approximately 1.49% of the County’s total net assessed valuation constituted property subject to State assessment by the SBE, for which approximately \$62.392 million of

property taxes are expected to be collected in Fiscal Year 2020-21. The portion of Fiscal Year 2020-21 tax collections through the SBE assessment methodology attributable to the County General Fund are expected to be approximately \$8.05 million.

***Sales and Use Taxes.*** The sales tax is an excise tax imposed on retailers for the privilege of selling tangible personal property. The use tax is an excise tax imposed on a person for the storage, use or other consumption of tangible personal property purchased from any retailer. The proceeds of sales and use taxes imposed within the boundaries of the unincorporated areas of the County. For the last five Fiscal Years, this source of revenue has represented approximately 1% of General Fund revenues (excluding transfers in).

On November 3, 2020, the voters of the county passed Measure X, authorizing the imposition of a one-half cent transaction and use tax within the incorporated and unincorporated areas of the County for 20 years commencing in 2021. Approval of Measure X required a simple majority vote and passed with 58.45% of the vote. Prior to the election, the County estimated that this transaction and use tax would generate approximately \$81 million annually. Since the passage of Measure X, the County received an updated revenue estimate for Fiscal Year 2021-22 of \$96,107,385; however, this estimate was generated prior to the Governor's action of November 16, 2020 bringing much of the State back into the most restrictive tier of the California Health Equity Metric. See “CERTAIN RISK FACTORS–Potential Impacts of Coronavirus and Other Health-Related Risks– *State Responses and Actions*” The County has not yet determined the amount of Measure X revenues to be budgeted for Fiscal Year 2021-22; however, the County anticipates that amount will at least \$81 million.]

Commercial activity comprises an important part of the County’s economy, with taxable transactions totaling approximately \$2.5 billion in calendar year 2019, the most recent year for which complete annual data is available. For calendar year 2019, the approximately 18.9% increase in total taxable transactions was due primarily to increases in gasoline stations (175.4%), motor vehicle and parts dealers (150.6%); and other retail group (30.9%). Presented in Table B-5B below is a summary of taxable transactions in the County since 2015.

**Table B-5**  
**County of Contra Costa**  
**Taxable Transactions<sup>†</sup>**  
**Calendar Years 2015 to 2019**  
**(\$ in thousands)**

	2015	2016	2017	2018	2019
Motor Vehicle and Parts Dealers	\$2,758	\$4,363	\$4,029	\$6,336	\$15,878
Home Furnishings and Appliance Stores	103,183	105,676	100,483	87,389	101,726
Building Materials and Garden Equipment and Supplies Dealers	44,542	46,354	52,834	75,001	72,649
Food and Beverage Stores	1,479	1,016	1,157	2,066	1,726
Gasoline Stations	21,520	12,081	15,181	9,256	25,082
Clothing and Clothing Accessories Stores	131,588	145,737	159,213	189,735	211,057
General Merchandise Stores	80,172	92,388	116,013	138,769	159,154
Food Services and Drinking Places	4,200	8,224	6,670	2,864	3,108
Other Retail Group	358,579	408,677	476,101	538,244	704,824
Total Retail and Food Services	746,706	824,515	931,687	1,049,429	1,295,206
All Other Outlets	1,564,486	1,627,857	1,606,471	1,482,966	1,716,756
TOTAL ALL OUTLETS	\$2,311,192	\$2,452,372	\$2,538,158	\$2,532,395	\$3,011,962
% CHANGE		6.1%	3.5%	(0.2%)	18.9%

<sup>†</sup> Columns do not total due to independent rounding.

Sources: Taxable Sales in California (Sales and Use Tax) Annual Reports, California Department of Tax and Fee Administration, formerly the California State Board of Equalization.

Much of the County’s commercial activity is concentrated in central business districts of its cities and unincorporated towns. Regional shopping centers, numerous smaller centers and several “big box” warehouse stores serve County residents. The County is served by all major banks including Bank of America and Wells Fargo Bank. In addition there are numerous local banks and branches of smaller California and foreign banks.

### **Dissolution of Redevelopment Agency**

**No revenues of the Contra Costa County Redevelopment Agency (the “Former Agency”) have ever been pledged as a payment source for County indebtedness in the past and such revenues are not pledged to the payment of the Series 2020 Bonds. No General Fund expenses of the County have ever been paid from Former Agency revenues.**

Two bills enacted as part of the 2011 State Budget Act (ABx1 26 and ABx1 27 (Chapter 6, Statutes of 2011-12, First Extraordinary Session) (the “Dissolution Act” and “AB 27,” respectively) dissolved all redevelopment agencies, and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the dissolved redevelopment agencies and to administer the wind down and dissolution of the dissolved redevelopment agencies. The California Supreme Court upheld the Dissolution Act, resulting in the formal dissolution of all redevelopment agencies in the State, including the Former Agency, effective February 1, 2012.

All revenues that would have been allocated to redevelopment agencies, including the Former Agency, will be allocated to the applicable redevelopment property tax trust fund created by the county auditor-controller for the “successor agency.” Such funds will to be used for payments on indebtedness

and other “enforceable obligations” (as defined in the Dissolution Act), and to pay certain administrative costs and any amounts in excess of that amount are to be distributed to taxing agencies.

In addition, under the Dissolution Act tax increment is no longer deemed to flow to the successor agency and the requirement to deposit a portion of the tax increment into a low and moderate income housing fund is also no longer required.

Pursuant to California Health and Safety Code Section 34173(d), the Board of Supervisors declared that the County would act as the “successor agency” to the Former Agency (the “Successor Agency”) under the Dissolution Act. Pursuant to Assembly Bill No. 1484, the Successor Agency is a separate public entity from the County. The Dissolution Act also required that an oversight board for each successor agency be established no later than May 1, 2012. The Successor Agency duly established the Oversight Board of the Successor Agency to the Contra Costa County Redevelopment Agency (the “Oversight Board”) pursuant to California Health and Safety Code Section 34179(a). As of July 1, 2018, the County established a Countywide oversight board (the “Oversight Board”) to oversee the activities of all successor agencies within the County, including the Successor Agency.

The Dissolution Act expressly limits the liabilities of a successor agency in performing duties under the Dissolution Act to the amount of property tax revenues received by such successor agency under the Dissolution Act (generally equal to the amount of former tax increment received by the former redevelopment agency) and the assets of the former redevelopment agency. The Dissolution Act does not provide for any new sources of revenue, including general fund revenues of the County, for any Former Agency bonds (but as discussed below, the costs to the County of performing its obligations under the Dissolution Act and of pursuing the economic development goals of the Former Agency are uncertain and could be significant).

*Under the Dissolution Act, the County Auditor-Controller is required to determine the amount of property taxes that the redevelopment agencies would have received had they not been dissolved pursuant to the Dissolution Act, using assessed values on the last equalized roll on August 20, statutory formulas or contractual agreements with taxing entities, and deposit such amount in the Redevelopment Property Tax Trust Fund. The Redevelopment Property Tax Trust Fund is administered by the County Auditor-Controller for the benefit of the holders of enforceable obligations and the taxing entities that receive pass-through payments and property tax distributions.*

Although provisions have been made under the Dissolution Act to provide funds (*i.e.* property tax revenues) to continue certain enforceable obligations, the costs of the Successor Agency in performing its duties under the Dissolution Act, including performing all enforceable obligations of the Former Agency, and pursuing community development goals that the Former Agency undertook and that are not covered by enforceable obligations are uncertain, and could impose significant costs on the General Fund not offset by property tax revenues.

The Successor Agency does not issue separate financial statements. Although a separate legal entity from the County, the financial results for the Successor Agency are reported as fiduciary funds in the CAFR of the County.

## Accounting Policies, Reports and Audits

The County believes that its accounting policies used in preparation of its audited financial statements conform to generally accepted accounting principles applicable to counties. The County's governmental funds use the modified accrual basis of accounting. This system recognizes revenues when they become available and measurable. Expenditures are recognized when the fund liability is incurred. Proprietary funds and fiduciary funds (except for Agency funds) use the accrual basis of accounting, whereby revenues are recognized when they are earned and become measurable, while expenses are recognized when the liabilities are incurred.

The County Treasurer also holds certain trust and agency funds not under the control of the Board of Supervisors, such as those of school districts, which are accounted for on a cash basis.

The California Government Code requires every county to prepare an annual financial report. The County Auditor-Controller prepares the Comprehensive Annual Financial Report for the County. This annual report covers financial operations of the County, County districts and service areas, and various trust transactions of the County Treasury. Under California law, independent audits are required of all operating funds under the control of the Board of Supervisors. The County has had independent audits for more than 40 years. See APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020."

In addition to the above-mentioned audits, the County Grand Jury may also conduct management audits of certain offices of the County.

The County, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into these categories as follows: (i) governmental funds; (ii) proprietary funds; and (iii) fiduciary funds.

**Governmental Funds:** used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of resources that are available for spending as well as on balances of resources that are available for spending at the end of the Fiscal Year.

The County maintains 26 individual governmental funds (*e.g.* General Fund, special revenue funds, debt service funds, capital projects funds, and permanent fund) for reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Contra Costa County Fire Protection District Special Revenue Fund.

**Proprietary Funds:** used to account for information of the same type as the government-wide financial statements, only in more detail. These are of two different types: (i) enterprise funds (used to report the same functions presented as business-type activities in the government-wide financial statements) and (ii) internal service funds (used to accumulate and allocate costs internally among the County's various functions and to account for its administrative costs and payment of claims for its various insurance programs to protect County assets and employees).

**Fiduciary Funds:** used to account for resources held for the benefit of entities legally separate from the County and individuals, which are not part of the reporting entity. Fiduciary Funds are not

reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

Presented in Table B-6 on the following page is the County's Schedule of Revenues, Expenditures and Changes in Fund Balances for the County General Fund as of June 30 for the five most recent fiscal years for which audited financial statements are available. More detailed information from the County's audited financial report for the fiscal year ending June 30, 2020 appears in APPENDIX C to this Official Statement.

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**Table B-6**  
**County of Contra Costa**  
**General Fund Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Fiscal Years 2015-16 through 2019-20**  
**(\$ in thousands)**

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
<b>REVENUES</b>					
Taxes	\$364,391	\$385,577	\$404,317	\$431,626	
Licenses, permits & franchises	13,142	12,779	12,470	12,045	
Fines, forfeitures & penalties	27,606	27,807	24,959	4,374	
Use of money & property <sup>†</sup>	7,500	4,475	11,007	33,839	
Intergovernmental revenues <sup>†</sup>	515,374	541,797	552,539	582,822	
Charges for services <sup>†</sup>	219,953	224,147	235,014	252,284	
Other revenue <sup>†</sup>	261,356	275,551	290,926	352,493	
<b>TOTAL REVENUES</b>	<u>1,409,322</u>	<u>1,472,133</u>	<u>1,531,232</u>	<u>1,669,483</u>	
<b>EXPENDITURES</b>					
<b>Current:</b>					
General government	167,259	181,643	212,603	245,425	
Public protection	393,841	410,458	425,495	439,066	
Health & sanitation	273,042	287,681	319,231	363,619	
Public assistance	416,021	435,145	429,732	439,283	
Education	-	-	-	-	
Public ways and facilities	35,341	36,383	35,112	35,829	
Recreation and culture	-	-	-	-	
<b>Debt service:</b>					
Principal	92	96	-	-	
Interest	38	34	-	-	
<b>TOTAL EXPENDITURES</b>	<u>1,285,634</u>	<u>1,351,440</u>	<u>1,422,173</u>	<u>1,523,222</u>	
Excess (deficiency) of Revenues over (under) Expenditures	123,688	120,693	109,059	146,261	
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	435	552	3,501	3,905	
Transfers out	(50,844)	(52,293)	(58,489)	(63,579)	
Issuance of debt	-	-	-	-	
Premium on debt issues	-	-	-	-	
Capital lease financing	1,542	1,203	863	2,677	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(48,867)</u>	<u>(50,538)</u>	<u>(54,125)</u>	<u>(56,997)</u>	
<b>NET CHANGE IN FUND BALANCES</b>	74,821	70,155	54,934	89,264	
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	295,337	370,158	440,313	495,247	
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$370,158</u>	<u>\$440,313</u>	<u>\$495,247</u>	<u>\$584,511</u>	

<sup>†</sup> The terms "Use of money and property," "Intergovernmental revenues," "Charges for services," and "Other revenue" are defined in "Accounting Standards and Procedures for Counties." Revision No. 2, Effective May 1, 2014. California State Controller's Office.  
Source: County Auditor-Controller.

## County Employees

A summary of the total number of County full-time equivalent (FTE) employees for the last 10 years and budgeted for Fiscal Year 2020-21 is set forth below:

**Table B-7**  
**County of Contra Costa**  
**Full-Time Equivalent County Employees<sup>(1)</sup>**

<u>As of June 30</u>	<u>Number of FTE Employees</u>
2011	8,142
2012	8,329
2013	8,391
2014	8,852
2015	9,273
2016	9,778
2017	9,877
2018	9,718
2019	9,823
2020	9,751
2021 <sup>(2)</sup>	9,812

(1) As of June 30, 2020.

(2) Budgeted.

Source: County Administrator's Office.

## Contract Negotiations

County employees are represented in 34 bargaining units by 16 labor organizations, the principal ones being Teamsters, Local 856, Local 2700 of the American Federation of State County and Municipal Employees ("AFSCME"), Professional and Technical Engineers, Local 21 (AFL-CIO), Deputy Sheriff's Association, and Local 1021 of the Service Employees International Union ("SEIU") which, combined, represent approximately 69% of all permanent County and Contra Costa County Fire District employees in a variety of classifications.

All employee organizations are currently under contract and Memoranda of Understanding (the "MOUs") with the employee organizations are current and remain in full force and effect. Table B-8 summarizes the labor organizations at the County, contract expiration dates, and status of negotiations.

**Table B-8**  
**County of Contra Costa**  
**Labor Organization Unit Contract Expiration Dates**  
**(As of November 1, 2020)**

<b>Labor Organization</b>	<b>Contract Expiration Date</b>	<b>Total Number of Employees<sup>(1)</sup></b>
AFSCME Local 512, Professional and Technical Employees	06/30/22	234
AFSCME Local 2700, United Clerical, Technical and Specialized Employees	06/30/22	1,474
California Nurses Association	09/30/21	767
Contra Costa County Defenders Association	06/30/22	95
Contra Costa County Deputy District Attorneys Association	06/30/22	87
Deputy Sheriff's Association, Management Unit, Rank and File , and Probation	06/30/23	1,035
District Attorney Investigator's Association	06/30/23	19
Contra Costa County Firefighters Association, IAFF, Local 1230	06/30/23	332
Management Classified, Exempt and Management Project	N/A <sup>(2)</sup>	418
Physicians and Dentists of Contra Costa	10/31/22	254
Professional and Technical Engineers, Local 21, AFL-CIO	06/30/22	1,129
Public Employees Union, Local One	06/30/22	541
SEIU Local 1021, Rank and File and Service Line Supervisors Units	06/30/22	847
Teamsters, Local 856	06/30/22	1,821
United Chief Officers' Association	06/30/23	12
Western Council of Engineers	06/30/22	25
TOTAL		9,090

(1) Figures represent permanent employee counts.

(2) Negotiations are in process and the employees continue to work for the County pursuant to the terms of the existing MOU for this labor organization.

(3) Not represented.

Source: Contra Costa County Human Resources Department.

**Pension Plan** [*Section to be conformed with 2019-20 CAFR*]

**Description.** The Contra Costa County Employees' Retirement Association ("CCCERA") is a cost-sharing multiple-employer defined pension benefit plan governed by the County Employees' Retirement Law of 1937, as amended (the "1937 Act"), and the Public Employees' Pension Reform Act of 2013 ("PEPRA" and together with the 1937 Act, the "Retirement Law"). The plan covers substantially all of the employees of the County, its special districts, the Housing Authority of the County, First 5 children and Families Commission, and 12 other member agencies. CCCERA issues a stand-alone financial report, which is available at its office located at 1355 Willow Way, Suite 221, Concord, California 94520 and on their website at <http://www.cccera.org/publicationssample.html>. For additional information on the County's pension plan, see APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Note 14—Employees' Retirement Plan."

**Benefits Provided.** CCCERA provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the county or participating agencies become members of CCCERA effective on the first day of the first full pay period after employment. Part-time employees in permanent positions must work at least 20 hours a week in order to be a member of CCCERA. There are separate retirement plans for General and Safety member employees.

For members with membership dates before January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation. There is no final compensation limit in the maximum retirement benefit for members with membership dates on or after January 1, 2013.

Final average compensation consists of the highest 12 consecutive months for General Tier 1, General Tier 3 (non-disability) and Safety Tier A members and the highest 36 consecutive months for General Tier 2, General Tier 3 (disability), PEPRA General Tier 4, PEPRA Tier 5, Safety Tier C, PEPRA Safety Tier D, and PEPRA Safety Tier E members.

CCCERA provides an annual cost of living adjustment (a "COLA") benefit to all retirees. The COLA, based on the Consumer Price Index for the San Francisco-Oakland-San Jose Area, is capped at 3.0% for General Tier 1, General Tier 3 (non-disability benefits), PEPRA General Tier 4, PEPRA General Tier 5 (3% non-disability benefits), Safety Tier A and PEPRA Safety Tier D. The COLA is capped at 4.0% for General Tier 3 (disability benefits), General Tier 2 and PEPRA General Tier 5 (3% disability benefits). The COLA is capped at 2.0% for General Tier 5, Safety Tier C and PEPRA Safety Tier E.

Safety Plan. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain other "Safety" classifications. There are currently five tiers applicable to Safety members. Safety members with membership dates before January 1, 2013, are included in Tier A (Enhanced and Non-Enhanced). County Sheriff's Department Safety members hired on or after January 1, 2007, but before January 1, 2013, are placed in Safety Tier C Enhanced. Any new Safety Member who becomes a member on or after January 1, 2013, is designated PEPRA Safety Tier D or E (Safety Members from certain bargaining units) and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code §7522 et seq. Safety members prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 50, and have acquired five years of retirement service credit.

Safety member benefits are calculated pursuant to the provisions of California Government Code Sections 31664 and 31664.1 of the Retirement Law for Non-Enhanced and Enhanced formulae, respectively. The monthly allowance is equal to 1/50th (or 2%) of final compensation times years of accrued retirement service credit times age factor from Section 31664 (Non-Enhanced) or 3% of final compensation times years of accrued retirement service credit times age factor from Section 31664.1 (Enhanced). For those Safety members with membership dates on or after January 1, 2013, (PEPRA Safety Tier D and Tier E) benefits are calculated pursuant to the provisions found in California Government Code Section 7522.25(d) of the Retirement Law. The monthly allowance is equal to the final compensation multiplied by years of accrued retirement service credit multiplied by the age factor from Section 7522.25(d) of the Retirement Law.

General Plan. All other employees are classified as General members. There are currently eight tiers applicable to General members. General Tier 1 (Enhanced and Non-Enhanced) includes general members hired before July 1, 1980, and electing not to transfer to Tier 2 Plan. In addition, certain General members with membership dates before January 1, 2013, hired by specific employers who did not adopt Tier 2 are placed in Tier 1. General Tier 2 includes most General members hired on or after August 1, 1980, and all General members hired before July 1, 1980, electing to transfer to the Tier 2 plan. Effective October 1, 2002, for the County, Tier 2 was eliminated and all County employees (excluding CNA employees) in Tier 2 were placed in Tier 3 (Enhanced and Non-Enhanced). Effective January 1, 2005, all CNA employees in Tier 2 were placed in Tier 3. New General Members who become a member on or after January 1, 2013, are designated as PEPRA General Tier 4 (hired by specific employers who did not

adopt Tier 2) and Tier 5 (with 2%/3% maximum COLAs) and are subject to the provisions of California Government Code §7522 et seq. General members prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 52, and have acquired five years of retirement service credit.

General Tier 1 and Tier 3 benefits are calculated pursuant to the provisions of Sections 31676.11 and 31676.16 of the Retirement Law for Non-Enhanced and Enhanced benefit formulae, respectively. The monthly allowance is equal to 1/60th (Non-Enhanced) and 1/50th (Enhanced) of final compensation times years of accrued retirement service credit times age factor from either section 31676.11 (Non-Enhanced) or 31676.16 (Enhanced). General Tier 2 benefit is calculated pursuant to the provisions of Sections 31752 of the Retirement Law. General member benefits for those with membership dates on or after January 1, 2013, (PEPRA General Tier 4 and 5) are calculated pursuant to the provisions found in California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a) of the Retirement Law.

Contributions. The County and participating agencies contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from the CCCERA actuary after the completion of the annual actuarial valuation. The average employer contribution rate as of December 31, 2018, for Fiscal Year 2018-19 beginning July 1, 2018, (based on the December 31, 2016, valuation) was 38.08% of compensation. Contributions in relation to the actuarially determined contribution were \$262,317,000.

Members are required to make contributions to CCCERA based on the retirement plan or tier in which they are included. The average member contribution rate as of December 31, 2018, for Fiscal Year 2018-19, (based on the December 31, 2016, valuation) was 12.08% of compensation.

A copy of CCCERA's Comprehensive Annual Financial Report for calendar year end December 31, 2018, can be located at [www.cccera.org](http://www.cccera.org).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pension. At June 30, 2019, the County reported a liability of \$1,138,158,000 for its proportionate share of the Net Pension Liability (the "NPL") which includes Pension Obligation Bond proceeds. The NPL was measured as of December 31, 2018. The County's proportion of the NPL was based on a projection of the County's covered payroll for Fiscal Year 2018-2019 relative to the covered payroll of all Pension Plan participants. At December 31, 2018, the County's proportion was 79.70%, an increase from 75.74% at December 31, 2017.

For Fiscal Year 2018-19, the County recognized pension expense of \$255,967,000. Pension expense represents the change in the NPL during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/lost, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

For the reported deferred outflows and inflows of resources see APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY OF CONTRA COSTA FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Note 14—Employees' Retirement Plan."

Actuarial Assumptions. The Total Pension Liability (the “TPL”) as of December 31, 2018, was determined by actuarial valuation as of December 31, 2018. The actuarial assumptions used were based on the results of an experience study for the period January 1, 2016, through December 31, 2018. They are the same as the assumptions used in the CCCERA funding valuations as of December 31, 2018, and December 31, 2017. In particular, the following actuarial assumptions were applied to all periods included in the measurement for both the December 31, 2017, and December 31, 2016, actuarial valuations:

Inflation	2.75%
Salary increases	General: 3.75% to 15.25% Safety: 4.25% to 16.25%, varying by service, including inflation
Investment rate of return	7.00%

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

The long-term expected rate of return on pension plan investments was determined in 2016 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. Those returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

For the target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Large Cap U.S. Equity	5.00%	5.44%
Developed International Equity	13.00	6.54
Emerging Markets Equity	11.00	8.73
Short-Term Govt/Credit	23.00	0.84
U.S. Treasury	3.00	1.05
Risk Diversifying Strategies	7.00	3.53
Global Infrastructure	3.00	7.90
Private Credit	12.00	5.80
REIT	1.00	6.80
Value Add Real Estate	5.00	8.80
Opportunistic Real Estate	4.00	12.00
Risk Parity	5.00	5.80
Private Equity	8.00	9.27
TOTAL	100.00%	

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

Discount Rate. The discount rate used to measure the TPL was 7.00%. The projection of cash flows used to determine the discount rate assumed employer and employee contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer

contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2018.

Sensitivity of the County's Proportionate Share of the NPL to Changes in the Discount Rate. The following presents the County's proportionate share of the NPL of the CCCERA as of December 31, 2018, which is allocated to all employers, calculated using the discount rate of 7.00%, as well as what the county's NPL would be if it were calculated using a discount rate that is 1- percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate (in thousands):

	<b>1% Decrease 6.00%</b>	<b>Discount Rate 7.00%</b>	<b>1% Increase 8.00%</b>
County's proportionate share of the net pension plan liability	\$2,204,366	\$1,138,158	\$264,662

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

**Other Post Employment Benefit (OPEB)** *[Section to be conformed with 2019-20 CAFR]*

**Plan Description.** The County administers a single-employer defined benefit healthcare plan. This plan provides post-employment medical and dental insurance benefits to eligible retired employees and their dependents. Health benefit provisions for active employees are established and may be amended through negotiations between the County and the respective bargaining units. The county does not issue a separate audit report for its OPEB. The contribution requirements for retired employees participating in County health plans may be modified by the Board of Supervisors, and the contribution requirements for retired employees participating in PERS are as required by State statute. The County contracts with Kaiser Permanente, Health Net, Contra Costa Health Plans, and the California Public Employees' Retirement System to provide medical benefits, and Delta Dental and PMI Deltacare for dental benefits.

The Board of Supervisors appointed the Auditor-Controller, Chief Administrative Officer, Director of Finance, Contra Costa Regional Medical Center Finance Director, and the Treasurer-Tax Collector as the Plan's Board of Trustees. The Treasurer-Tax Collector has been designated as the Plan Administrator. As of June 30, 2019, Public Agency Retirement Services is the Trust Administrator.

The Board of Supervisors has the right at any time and for any reason, in its sole discretion, to modify, alter, or amend the Plan in whole or in part, in any manner and without limit, including reducing or eliminating the payment of any benefits. Benefits provided under this plan for a retired employee of an employer and his or her spouse or dependent shall be paid from the assets contributed to the Public Agencies Post-Retirement Health Care Plan (Trust) by the employee's employer and not from the assets contributed by any other employer. Union Bank of California (Trustee) shall, upon the written direction of the Plan Administrator, make distributions from the assets of the Trust to the insurers, third party administrators, health care and welfare providers or other entities providing Plan benefits or services, or to the employer for reimbursement of Plan benefits and expenses paid by the employer.

***Contributions***

Benefits Provided. The County contracts with Kaiser Permanente, Health Net, Contra Costa Health Plans, and the California Public Employees’ Retirement System (CalPERS) to provide medical benefits and Delta Dental and PMI Deltacare for dental benefits.

The Board of Supervisors has adopted changes to the subsidy the County currently pays toward eligible retirees’ monthly medical and dental premiums for both safety and non-safety employees. This subsidy varies by bargaining unit and date of hire.

Currently, eligible County retirees may participate in the plans upon retirement from the County (drawing a pension from CCCERA). Currently, eligible members in deferred retirement status may participate in County health plans as retirees, so long as they begin receiving a pension from CCCERA within 24 months of separation from the County.

	<u>Primary Government</u>
Active plan members	9,041
Retirees and beneficiaries receiving benefits	6,735

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

For a summary of the current subsidy for each bargaining unit, see APPENDIX C–“COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY OF CONTRA COSTA FOR THE FISCAL YEAR ENDED JUNE 30, 2020–Note 15–Other Postemployment Benefit (OPEB)–Benefits Provided.”

Contributions. The County makes all contributions to the trustee. All contributions are paid to the trustee for investment and reinvestment pursuant to the terms of the Public Agencies Post-Retirement Health Care Plan Trust Agreement. The contribution requirements for active employees and the County are established and may be amended through negotiations between the County and the respective bargaining units. For Fiscal Year 2018-19, the funding was based on the “pay-go” basis plus a contribution of \$21,090,000 to the Contra Costa County Other Employee Benefit Trust Fund. For Fiscal Year 2018-19, the County paid \$47,297,000 as the “pay-go” cost (approximately 60.85% of total contributions).

The contributions for fiscal year ended June 30, 2019, were as follows (in thousands):

	<u>Retirees</u>
Total blended premiums at \$7,023 per plan member	\$47,297
Implicit rate subsidy	9,334
Employer pre-funding contributions	21,090
Total Employer Contributions	<u>\$77,721</u>

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

Certain plan members and survivors of retirees receiving benefits contributed \$16,222,000 or approximately 20.87% of the total contributions, through their required contribution.



Investments. The Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Plan Administrator. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan. The following was the adopted asset allocation policy as of June 30, 2019:

	<b>Expected 1-Year Nominal Return</b>	<b>Targeted Asset Allocation</b>
Total Domestic Equity		
Large Cap	7.10%	17.00%
Mid Cap	7.70	6.00
Small Cap	8.42	8.00
Global Equity (Developed)	7.83	7.00
International Equity	8.43	9.00
U.S. Fixed Income	4.98	38.00
Real Estate	7.79	4.00
Cash (Money Market)	3.08	1.00
Alternatives	6.69	10.00

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

Annual OPEB Expense and Net OPEB Liability. For the purposes of allocating the net OPEB liability within the County’s CAFR, prior retiree eligibility was used. The allocation is determined by a ratio of retirees and the department from which the retiree retired.

At June 30, 2019, the county reported \$650,074,000 for the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of January 1, 2018. The County’s net OPEB liability was based on a projection of the County’s covered payroll of \$758,797,000.

Plan Fiduciary Net Position (plan assets) was valued as of the measurement date while the total OPEB liability was determined based upon rolling forward the total OPEB liability from actuarial valuations as of January 1, 2018. As of June 30, 2019, the Plan Fiduciary Net Position was \$308,514,000.

For the year ended June 30, 2019, the County recognized OPEB expense of \$60,261,000. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for service cost, interest on the total OPEB liability, and expected investment return, net of investment expense.

For the components of the OPEB liability as of June 30, 2019 and a summary of the deferred outflows and inflows of resources, see APPENDIX C–“COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY OF CONTRA COSTA FOR THE FISCAL YEAR ENDED JUNE 30, 2020–Note 15–Other Postemployment Benefit (OPEB)–OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB.”

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The County began pre-funding benefits at a rate of \$20 million per year in Fiscal Year 2008-19. The Board of Supervisors has budgeted \$20,000,000 to pre-fund the OPEB liability in Fiscal Year 2019-20. Until January 1, 2015, CCCERA personnel were employees of the County. The OPEB liability of employees of CCCERA who retired as county employees before January 1, 2015, is included with the county's data.

The total OPEB liability was determined by an actuarial valuation as of January 1, 2018, using the actuarial assumptions summarized in APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY OF CONTRA COSTA FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Note 15—Other Postemployment Benefit (OPEB)—OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB—Actuarial Methods and Assumptions."

Discount Rate. In the January 1, 2019, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 6.15% discount rate. This rate was derived based on the OPEB fund's investment policy for a partially funded plan and includes a 2.75% long-term inflation assumption.

The actuarial cost method used for determining the benefit obligations is the individual Entry Age Normal Cost Method. Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of expected salary for each year of employment between entry age (defined as age at hire) and assumed exit.

The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the sum of (a) the actuarial value of the assets, and (b) the actuarial present value of future normal costs is called the Unfunded Actuarial Accrued Liability (the "UAAL").

A discount rate of 6.15% was used in the valuation to reflect the county's current policy of partially funding its OPEB liabilities. This rate is derived based on the fund's investment policy, level of partial funding, and includes a 2.75% long-term inflation assumption. County OPEB Irrevocable Trust assets are invested in the Public Agency Retirement Services' Highmark Portfolio. Based on the portfolio's target allocation, the average return of Trust assets over the next 50 years is expected to be 6.12%.

Sensitivity of the County's Net OPEB Liability to Changes in the Discount Rate. The following presents the county's net OPEB liability as of June 30, 2019, calculated using the discount rate of 6.15%, as well as what the county's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.15%) or 1-percentage-point higher (7.15%) than the current rate (in thousands):

	<b>1% Decrease 5.15%</b>	<b>Discount Rate 6.15%</b>	<b>1% Increase 7.15%</b>
Net OPEB Liability as of June 30, 2019	\$754,076	\$650,074	\$562,580

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the Plan, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates (in thousands):

	<b>1% Decrease In Healthcare Costs Trend Rate</b>	<b>Current Healthcare Costs Trend Rate</b>	<b>1% Increase In Healthcare Costs Trend Rate</b>
Net OPEB Liability as of June 30, 2019	\$589,551	\$650,074	\$724,382

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

### **Long Term Obligations**

The County has never defaulted on the payment of principal or interest on any of its indebtedness. Following is a brief summary of the County’s general obligation debt, lease obligations and direct and overlapping debt.

***No General Obligation Debt.*** The County has no direct general obligation bonded indebtedness and has no authorized and unissued general obligation debt.

***Lease Obligations.*** The County has made use of various lease arrangements with private and public financing entities, nonprofit corporations, the County of Contra Costa Public Financing Authority and the Contra Costa County Employees’ Retirement Association for the use and acquisition of capital assets. These capital lease obligations have terms ranging from five to 30 years. The longest capital lease ends in 2040. Certain of the lease obligations of the County reflect annual payments made for debt service on lease revenue bonds issued to finance capital projects. As of June 30, 2020, the County had approximately [\$261.8] million in lease revenue obligations outstanding. For a summary of the County’s outstanding lease revenue obligations, see APPENDIX C—“COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Basic Financial Statements.”

***Pension Obligation Bonds.*** The County issued pension obligation bonds in 1994, a portion of which were restructured in 2001, and again in 2003 (of which [\$85.7] million principal amount are outstanding as of June 30, 2020) to refund debentures issued to evidence its statutory obligation to make pension payments with respect to its UAAL to CCCERA. See also “–Pension Plan.”

Fiscal Year debt service for the County’s lease revenue obligations and pension obligation bonds outstanding as of June 30, 2020 is shown in Table B-9 below.

**Table B-9**  
**County of Contra Costa**  
**Outstanding Lease Revenue Obligations and**  
**Pension Obligation Bonds**  
**(As of June 30, 2020)**

<b>Fiscal Year Ending (June 30)</b>	<b>Total Lease Debt Service<sup>(1)</sup></b>	<b>Total POB Debt Service</b>	<b>Total Debt Service</b>
2021	37,577,704	\$45,452,243	83,029,947
2022	35,067,292	47,382,398	82,449,689
2023	35,045,074	–	35,045,074
2024	25,031,119	–	25,031,119
2025	22,824,201	–	22,824,201
2026	20,446,724	–	20,446,724
2027	19,244,912	–	19,244,912
2028	12,863,233	–	12,863,233
2029	11,551,472	–	11,551,472
2030	11,553,281	–	11,553,281
2031	11,558,786	–	11,558,786
2032	11,555,508	–	11,555,508
2033	3,519,416	–	3,519,416
2034	3,520,893	–	3,520,893
2035	3,523,444	–	3,523,444
2036	2,470,618	–	2,470,618
2037	2,471,885	–	2,471,885
2038	2,475,073	–	2,475,073
2039	2,474,988	–	2,474,988
2040	2,471,630	–	2,471,630
TOTAL <sup>(2)</sup>	\$277,247,253	\$92,834,641	\$370,081,894

(1) Includes debt service on the Refunded Bonds and on privately placed Series 2012 Lease Revenue Bonds and 2017 Series A and 2017 Series B Lease Revenue Bonds. Excludes capital leases, debt service on the 2020 Bonds and federal subsidy receipts for certain Build America Bonds and Recovery Zone Bonds payable by the County. See “PLAN OF FINANCE–Refunding.”

(2) Totals may not add due to independent rounding.

Source: County Administrator’s Office.

**Direct and Overlapping Debt.** The County contains numerous municipalities, school districts and special purpose districts, as well as the overlapping East Bay Municipal Utility District, which has issued general obligation bonded and lease indebtedness. Set forth in Table B-10 below is a direct and overlapping debt report (the “Debt Report”) prepared by California Municipal Statistics Inc. that summarizes such indebtedness as of January 1, 2021. The Debt Report is included for general information purposes only and the County does not guaranty the completeness or accuracy of the information contained in the Debt Report.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the County. Such long-term obligations generally are not payable from revenues of the County (except as indicated) nor are they necessarily obligations secured by land within the County. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

**Table B-10**  
**Contra Costa County**  
**Direct and Overlapping Bond Debt**

*[To Come]*

### **Future Capital Projects** *[County to Update]*

The County expects to submit an application for construction grant funding pursuant to Senate Bill 863 (Chapter 37, Statutes of 2014) – “Construction of Adult Local Criminal Justice Facilities” (“Senate Bill No. 863”) for an expansion of the West County Detention Facility in Richmond, California with a focus on rehabilitation and re-entry programming for inmates. Pursuant to Senate Bill No. 863, the State will award up to \$500 million to counties for the acquisition, design, renovation, or construction of adult local criminal justice facilities. The State will allocate available funds to counties through a competitive process. The maximum allocation for large counties, such as the County, is \$80 million. Senate Bill No. 863 requires applicants to provide a minimum 10% match of the total project costs.

The County is also undertaking a comprehensive update of future and existing maintenance needs of certain facilities owned by the County. A draft report identified a 10 year deferred maintenance/capital renewal cost of \$272.2 million when adjusted for surplus and uninhabitable buildings. The County continues to assess this situation.

### **Insurance and Self-Insurance Programs** *[Section to be conformed with 2019-20 CAFR]*

The County is exposed to various risks of loss related to liabilities and damages to the public at large, as well as damage to, loss of, and destruction of assets and has obligations to provide its employees with negotiated and mandated benefits.

The County self-insures its employee dental, state unemployment, management long-term disability, workers’ compensation, automotive liability, public liability, and medical liability exposures. The County reports the activities of these exposures through its internal service funds.

With respect to the workers’ compensation, automotive liability, public liability and medical liability exposures, the County purchases the following excess insurance:

- Workers’ compensation in excess of \$750,000 per incident, with excess coverage provided by CSAC-EIA (the California State Association of Counties Excess Insurance Pooling Fund).
- General and auto liability in excess of \$1 million per incident, to a limit of \$50 million.
- Medical malpractice in excess of \$1 million per incident, to a limit of \$21.5 million above \$1 million.

The County is self-insured for most insurable risk, except for insurance coverage provided by commercial insurance and reinsurance companies that are subject to the following:

- Airports liability and property damage coverage to a limit of \$100 million with no deductible.
- Property insurance - all risk in excess of \$50,000 per incident, to a limit of \$600 million from loss by fire, lightning, and other perils.
- Property insurance - flood damage in excess of \$50,000 per incident, to a limit of \$300,000.

- Property insurance – earthquake in excess of 2% per unit, \$100,000 minimum deductible per occurrence, to a limit of \$465 million.
- Property insurance – terrorism to a limit of \$750 million shared aggregate with a \$500,000 deductible.
- Crime bond coverage in excess of \$100,000 per incident, to a limit of \$20 million for fidelity coverage, computer, and funds transfer fraud.
- Watercraft liability to a limit of \$50 million.
- Sheriff’s helicopters to a limit of \$50 million per incident.
- Boiler and machinery to a limit of \$100 million with a \$5,000 deductible.
- Pollution liability to a limit of \$10 million.
- Cyber liability to a limit of \$2 million, plus costs up to 250,000 notifications.

During the past four years, there have been no instances of the amount of claim settlements exceeding insurance coverage and there has not been a significant reduction in coverage in Fiscal Year 2019-20.

Internal service funds are used to account for the County’s self-insurance activities. The County’s policy is to provide in each Fiscal Year, by charges to affected operating funds, amounts sufficient to cover the estimated expenditures for self-insured claims and the cost of insurance. Charges to operating funds are recorded as expenditures/expenses of such funds and revenues of the internal service funds. Accrual and payment of claims are recorded in the internal service funds.

The County has accrued a liability of [\$173,752,000/\$174,835,000] at June 30, 2020, for all self-insured claims in the internal service funds. The self-insurance reserve is based on actuarially determined amounts for workers’ compensation, public and automobile liability, and medical liability and based on management’s estimates for all other reserves. The actuarially determined claims liabilities, including incurred but not reported claims are based on the estimated ultimate cost of settling the claims, using past experience adjusted for current trends, and any other factors that modify past experience. It also includes incremental claim adjustment expenses. In addition, estimated recoveries on settled and unsettled claims were evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims.

**Health Plans** *[Section to be conformed with 2019-20 CAFR]*

The County administers two health plans: HMO Medi-Cal and HMO Commercial Plans (Plans); which are reported as enterprise funds. The Plans have fee-for-service arrangements in which providers, including the County Hospital, bill for individual services provided to enrollees. These arrangements result in claim submission by providers subsequent to services being rendered. Claims expenses are presented as part of services and supplies expense in the statement of revenues, expenses, and changes in net position. Estimated liabilities for incurred but not reported claims are presented as part of accounts payable and accrued liabilities in the statement of net position. The provision for claims incurred but not reported claims is developed in-house using principles and assumptions that consider among other things,

contractual requirements, historical utilization trends and payment patterns, benefit changes, medical inflation, product mix, seasonality, membership, and other relevant factors.

Changes to the liability amount for Fiscal Years 2017-18 and 2018-19 are as follows (in thousands):

	Internal Service Funds	HMO Medi-Cal Plan Enterprise Fund
Liability at June 30, 2017	\$172,189	\$50,337
FY 2017-18 claims and changes in estimates	28,338	629,754
FY 2017-18 claim payments	<u>(23,995)</u>	(607,276)
Liability at June 30, 2018	176,532	72,815
FY 2018-19 claims and changes in estimates	30,693	617,548
FY 2018-19 claim payments	<u>(33,473)</u>	<u>(623,494)</u>
Liability at June 30, 2019	<u>\$173,752</u>	<u>\$66,869</u>

The actuarially determined claims liabilities, including incurred but not reported claims, are based on the estimated ultimate cost of settling the claims, using past experience adjusted for current trends, and any other factors that modify past experience. It also includes incremental claim adjustment expenses. In addition, estimated recoveries on settled and unsettled claims were evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims.

For additional information on the County’s insurance coverage, see APPENDIX C– “COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020–NOTES TO THE BASIC FINANCIAL STATEMENTS.”



**APPENDIX C**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**APPENDIX D**  
**COUNTY INVESTMENT POLICY**

**APPENDIX E**

**SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS**

**APPENDIX F**

**PROPOSED FORM OF BOND COUNSEL OPINION**

## APPENDIX G

### PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated \_\_\_\_\_, 2021, is executed and delivered by the County of Contra Costa, California (the “County”), and acknowledged and agreed to by Digital Assurance Certification, L.L.C., as dissemination agent, in connection with the issuance by the County of Contra Costa Public Financing Authority (the “Authority”) of \$\_\_\_\_\_,000 aggregate principal amount of its Lease Revenue Refunding Bonds (Capital Projects and Refunding), 2021 Series, comprised of \$\_\_\_\_\_ 2021 Series A (Capital Projects) and \$\_\_\_\_\_ 2021 Series A (Refunding) (together, the “2021 Bonds”). The 2021 Bonds are being issued pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”), by and between the Authority and the Trustee and acknowledged by the County. Pursuant to a Facilities Lease, dated as \_\_\_\_\_ 1, 2021 (the “Facilities Lease”), the County has covenanted to comply with its obligations under this Disclosure Agreement and to assume all obligations for continuing disclosure with respect to the 2020 Bonds. The County and the Dissemination Agent covenant and agree as follows:

**SECTION 1. Purpose of the Disclosure Agreement** This Disclosure Agreement is being executed and delivered by the County and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the 2021 Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

**SECTION 2. Definitions.** In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“*Beneficial Owner*” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning the ownership of any 2021 Bonds (including persons holding a 2021 Bonds through nominees, depositories or other intermediaries).

“*Business Day*” shall mean any day of the year which is not a Saturday or Sunday, or a day on which banking institutions located in California are required or authorized to remain closed, or on which the Federal Reserve system is closed.

“*Disclosure Representative*” shall mean the County Administrator, the Director of Conservation and Development, and the County Finance Director or his or her designee, or such other officer or employee as the County shall designate in writing to the Trustee from time to time.

“*Dissemination Agent*” shall initially mean Digital Assurance Certification, L.L.C., or any successor Dissemination Agent which may be designated in writing by the County and which has filed with the County a written acceptance of such designation.

“*Filing Date*” shall mean March 31 of each Fiscal Year of the County (or the next succeeding Business Day if such day is not a Business Day), commencing March 31, 2021.

“*Financial Obligation*” means a debt obligation; derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or a

guarantee of a debt obligation or derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation. The term “Financial Obligation” excludes municipal securities for which a final offering memorandum has been provided to the MSRB consistent with the Rule.

“*Fiscal Year*” shall mean the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other twelve-month period hereafter selected and designated as the official fiscal year period of the County and certified to the Trustee in writing by an Authorized Representative of the County.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“*Official Statement*” means the Official Statement dated \_\_\_\_\_, 2021 relating to the 2021 Bonds.

“*Participating Underwriter*” shall mean the original underwriter of the 2021 Bonds required to comply with the Rule in connection with offering of the 2021 Bonds.

“*Rule*” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“*Specified Event*” shall mean any of the events listed in Section 5(a) or Section 5(b) of this Disclosure Agreement and any other event legally required to be reported pursuant to the Rule.

“*State*” shall mean the State of California.

### SECTION 3. Provision of Annual Reports.

(a) The County shall provide, or shall cause the Dissemination Agent to provide, to the MSRB not later than the Filing Date, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report shall be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; *provided*, that the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Specified Event under Section 5.

(b) Not later than thirty (30) days prior to each Filing Date, the Dissemination Agent shall give notice to the County that the Annual Report is so required to be filed in accordance with the terms of this Disclosure Agreement. Not later than fifteen (15) Business Days prior to the Filing Date, the County shall provide the Annual Report to the Dissemination Agent (if other than the County). If by said date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall notify the County of such failure to receive the Annual Report.

(c) The Dissemination Agent shall:

1. If the County is unable to provide to the Dissemination Agent an Annual Report by the Filing Date, and if not previously filed by the County, send a notice in a timely manner, in electronic format, to the MSRB in substantially the form attached hereto as Exhibit A.
2. File a report with the County certifying that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided.

SECTION 4. Content of Annual Reports. The County's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the County's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) A maturity schedule for the outstanding 2021 Bonds.

(c) Numerical and tabular information for the immediately preceding Fiscal Year of the type contained in the Official Statement under the following captions:

1. Table B-1—"County of Contra Costa General Fund Budget Summary;"
2. Table B-3—"County of Contra Costa Summary of Secured Assessed Valuations and *Ad Valorem* Property Taxation;"
3. Table B-6—"County of Contra Costa General Fund Statement of Revenues, Expenditures and Changes in Fund Balances;"
4. Table B-9—"Contra Costa County Outstanding Lease Revenue Obligations and Pension Obligation Bonds").

***[Other tables- to be discussed]***

(d) In addition to any of the information expressly required to be provided under Sections 4(a) and 4(b), the County shall provide such other information, if any, necessary to the required statements, in light of the circumstances under which they were made, not misleading.

(e) The presentation and format of the Annual Report may be modified from time to time as determined in the judgment of the County to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the County to reflect changes in the business, structure, or operations of the County; provided that any such modifications shall comply with the requirements of the Rule.

(f) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the County or related public entities, which, have been made available to the public on the MSRB website. The County shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Specified Events.

(a) Pursuant to the provisions of this Disclosure Agreement, the County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2021 Bonds, no later than ten (10) Business Days after the occurrence of such event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed (Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2021 Bonds, or other material events affecting the tax status of the 2021 Bonds;
7. Modifications to rights of the 2021 Bond Holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property, if any, securing repayment of the 2021 Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the County or other obligated person;
13. The consummation of a merger, consolidation, or acquisition involving the County or an obligated person, or the sale of all or substantially all of the assets of the County or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.



(b) Wherever the County obtains knowledge of the occurrence of Specified Event, the County shall, or shall cause the Dissemination Agent (if not the County) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) Business Days after the occurrence of the Specified Event.

(c) The County acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(10), (a)(12), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier “if material.” The County shall cause a notice to be filed as set forth in this Section 5 with respect to any such event only to the extent that it determines the event’s occurrence is material for purposes of U.S. federal securities law. Whenever the County obtains knowledge of the occurrence of any of these Specified Events, the County will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the County will cause a notice to be filed as set forth in Section 5(c).

(d) If in response to a request under Section 5(b), the County determines that the Specified Event would not be material under applicable federal securities laws, the County shall so notify the Trustee in writing and instruct the Dissemination Agent not to report the occurrence.

(e) If the Dissemination Agent has been instructed by the County to report the occurrence of a Specified Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Specified Events described in Section 5(a)(viii) and (ix) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Trust Agreement.

(f) For purposes of this Disclosure Agreement, any event described in Section 5(a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County in a proceeding under the United States Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County.

(g) The Dissemination Agent may conclusively rely on an opinion of counsel that the instructions of the County to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

SECTION 6 CUSIP Numbers. Whenever providing information to the Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements and notices of Specified Events, the County shall indicate the full name of the 2021 Bonds and the nine-digit CUSIP numbers for the 2021 Bonds as to which the provided information relates.

SECTION 7 Termination of Reporting Obligation. The County’s obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2021 Bonds. If such termination occurs prior to the final maturity of the 2021 Bonds, the County shall give notice of such termination in the same manner as for a Specified Event under Section 5(c).

SECTION 8. Dissemination Agent. (a) The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

(b) The initial Dissemination Agent shall be Digital Assurance Certification, L.L.C. If at any time there is no designated Dissemination Agent appointed by the County, or if the Dissemination Agent so appointed is unwilling or unable to perform the duties of the Dissemination Agent hereunder, the County shall be the Dissemination Agent and undertake or assume its obligations hereunder. The Dissemination Agent (other than the County) shall not be responsible in any manner for the content of any notice or report required to be delivered by the County pursuant to this Disclosure Agreement.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Specified Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any Annual Report or notice of occurrence of a Specified Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Specified Event.

SECTION 10. Amendment; Waiver Notwithstanding any other provision of this Disclosure Agreement, the County may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to such 2021 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2021 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the affected Series of 2021 Bonds in the same manner as provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interest of the Holders or Beneficial Owners of such 2021 Bonds.

(e) In the event of any amendment or waiver of a provision of this Disclosure Agreement, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Specified Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 11. Default. In the event of a failure of the County to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Holders or Beneficial Owners of the 2021 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Disclosure Agreement; provided that any such action may be instituted only in the Superior Court of the State of California in and for the County of Contra Costa or in the U.S. District Court in the County of Contra Costa. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the County to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2021 Bonds.

SECTION 13. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the County:	County of Contra Costa County Administrator's Office 1025 Escobar Street, 4th Floor Martinez, CA 94553-0063 Attention: Tim Ewell, Chief Assistant County Administrator Telephone: 925-335-1036 Email: timothy.ewell@cao.ccounty.us
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If to the Dissemination Agent:	Digital Assurance Certification, L.L.C. 315 E. Robinson Street, Suite 300 Orlando, FL 32801-1674 Attention: Customer Assistance Telephone: 888-824-2663 Email: support@DACBond.com
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Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the 2021 Bonds, and shall create no rights in any other person or entity.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Dated: \_\_\_\_\_, 2021

COUNTY OF CONTRA COSTA

By \_\_\_\_\_

Chair of the Board of Supervisors  
County of Contra Costa,  
State of California

DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Dissemination Agent

By: \_\_\_\_\_

Dissemination Agent

**EXHIBIT A**

**FORM OF NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT**

Name of District: County of Contra Costa

Name of Bond Issue: County of Contra Costa Public Financing Authority Lease Revenue Refunding Bonds (Capital Projects and Refunding), 2021 Series, comprised of 2021 Series A (Capital Projects) and Series 2021 B (Refunding)

Date of Issuance: \_\_\_\_\_, 2021

NOTICE IS HEREBY GIVEN that the County of Contra Costa (the "County") has not provided an Annual Report with respect to the above-named Bonds as required by Section 8.08 of the Subleases, each dated as of \_\_\_\_\_ 1, 2021, by and between the County of Contra Costa Public Financing Authority and the County. The County anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as  
Dissemination Agent

By: \_\_\_\_\_  
Dissemination Agent

cc: County of Contra Costa

## APPENDIX H

### DTC AND THE BOOK-ENTRY ONLY SYSTEM

*The following description of the procedures and record keeping with respect to beneficial ownership interests in the 2021 Bonds, payment of principal, redemption premium, if any, and interest with respect to the 2021 Bonds to DTC, its Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the 2021 Bonds and other related transactions by and between DTC, its Participants and the Beneficial Owners is based solely on the understanding of the County of such procedures and record keeping from information provided by DTC. Accordingly, no representations can be made concerning these matters and neither DTC, its Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or its Participants, as the case may be. The County, the Trustee and the Underwriter understand that the current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and that the current “Procedures” of DTC to be followed in dealing with Participants are on file with DTC.*

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the 2021 Bonds. The 2021 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of each Series of the 2021 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of the 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2021 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the

2021 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2021 Bonds, except in the event that use of the book-entry system for the 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the 2021 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Indenture. For example, Beneficial Owners of the 2021 Bonds may wish to ascertain that the nominee holding the 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC, if less than all of the 2021 Bonds within a maturity are being redeemed. DTC's practice is to determine by lot the amount of the interest of each Direct Participant in each issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, premium, if any, and interest on the 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest on the 2021 Bonds to Cede (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2021 Bonds at any time by giving reasonable notice to the County or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The foregoing information concerning DTC concerning and DTC's book-entry system has been provided by DTC, and neither the County nor the Trustee take any responsibility for the accuracy thereof.

NEITHER THE COUNTY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO THE PAYMENTS OR THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS OR THE SELECTION OF BONDS FOR REDEMPTION.

Neither the County nor the Trustee can give any assurances that DTC, DTC Participants, Indirect Participants or others will distribute payments of principal of, premium, if any, and interest on the 2021 Bonds paid to DTC or its nominee, as the registered Owner, or any redemption or other notice, to the Beneficial Owners or that they will do so on a timely basis or that DTC will serve and act in a manner described in this Official Statement.

In the event that the book-entry system is discontinued as described above, the requirements of the Indenture will apply.

The County and the Trustee cannot and do not give any assurances that DTC, the Participants or others will distribute payments of principal, interest or premium, if any, evidenced by the 2021 Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. Neither the County nor the Trustee are responsible or liable for the failure of DTC or any Participant to make any payment or give any notice to a Beneficial Owner with respect to the 2021 Bonds or an error or delay relating thereto.



## FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated \_\_\_\_\_, 2021, is executed and delivered by the County of Contra Costa, California (the “County”), and acknowledged and agreed to by Digital Assurance Certification, L.L.C., as dissemination agent, in connection with the issuance by the County of Contra Costa Public Financing Authority (the “Authority”) of \$\_\_\_\_\_,000 aggregate principal amount of its Lease Revenue Refunding Bonds (Capital Projects and Refunding), 2021 Series, comprised of \$\_\_\_\_\_ 2021 Series A (Capital Projects) and \$\_\_\_\_\_ 2021 Series A (Refunding) (together, the “2021 Bonds”). The 2021 Bonds are being issued pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”), by and between the Authority and the Trustee and acknowledged by the County. Pursuant to a Facilities Lease, dated as \_\_\_\_\_ 1, 2021 (the “Facilities Lease”), the County has covenanted to comply with its obligations under this Disclosure Agreement and to assume all obligations for continuing disclosure with respect to the 2020 Bonds. The County and the Dissemination Agent covenant and agree as follows:

**SECTION 1. Purpose of the Disclosure Agreement** This Disclosure Agreement is being executed and delivered by the County and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the 2021 Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

**SECTION 2. Definitions.** In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“*Beneficial Owner*” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning the ownership of any 2021 Bonds (including persons holding a 2021 Bonds through nominees, depositories or other intermediaries).

“*Business Day*” shall mean any day of the year which is not a Saturday or Sunday, or a day on which banking institutions located in California are required or authorized to remain closed, or on which the Federal Reserve system is closed.

“*Disclosure Representative*” shall mean the County Administrator, the Director of Conservation and Development, and the County Finance Director or his or her designee, or such other officer or employee as the County shall designate in writing to the Trustee from time to time.

“*Dissemination Agent*” shall initially mean Digital Assurance Certification, L.L.C., or any successor Dissemination Agent which may be designated in writing by the County and which has filed with the County a written acceptance of such designation.

“*Filing Date*” shall mean March 31 of each Fiscal Year of the County (or the next succeeding Business Day if such day is not a Business Day), commencing March 31, 2021.

“*Financial Obligation*” means a debt obligation; derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or a guarantee of a debt obligation or derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation. The term “Financial Obligation” excludes

municipal securities for which a final offering memorandum has been provided to the MSRB consistent with the Rule.

“*Fiscal Year*” shall mean the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other twelve-month period hereafter selected and designated as the official fiscal year period of the County and certified to the Trustee in writing by an Authorized Representative of the County.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“*Official Statement*” means the Official Statement dated \_\_\_\_\_, 2021 relating to the 2021 Bonds.

“*Participating Underwriter*” shall mean the original underwriter of the 2021 Bonds required to comply with the Rule in connection with offering of the 2021 Bonds.

“*Rule*” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“*Specified Event*” shall mean any of the events listed in Section 5(a) or Section 5(b) of this Disclosure Agreement and any other event legally required to be reported pursuant to the Rule.

“*State*” shall mean the State of California.

### SECTION 3. Provision of Annual Reports.

(a) The County shall provide, or shall cause the Dissemination Agent to provide, to the MSRB not later than the Filing Date, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report shall be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; *provided*, that the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Specified Event under Section 5.

(b) Not later than thirty (30) days prior to each Filing Date, the Dissemination Agent shall give notice to the County that the Annual Report is so required to be filed in accordance with the terms of this Disclosure Agreement. Not later than fifteen (15) Business Days prior to the Filing Date, the County shall provide the Annual Report to the Dissemination Agent (if other than the County). If by said date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall notify the County of such failure to receive the Annual Report.

(c) The Dissemination Agent shall:

1. If the County is unable to provide to the Dissemination Agent an Annual Report by the Filing Date, and if not previously filed by the County, send a notice in a timely manner, in electronic format, to the MSRB in substantially the form attached hereto as Exhibit A.

2. File a report with the County certifying that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided.

SECTION 4. Content of Annual Reports. The County's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the County's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) A maturity schedule for the outstanding 2021 Bonds.

(c) Numerical and tabular information for the immediately preceding Fiscal Year of the type contained in the Official Statement under the following captions:

1. Table B-1—"County of Contra Costa General Fund Budget Summary;"

2. Table B-3—"County of Contra Costa Summary of Secured Assessed Valuations and *Ad Valorem* Property Taxation;"

3. Table B-6—"County of Contra Costa General Fund Statement of Revenues, Expenditures and Changes in Fund Balances;"

4. Table B-9—"Contra Costa County Outstanding Lease Revenue Obligations and Pension Obligation Bonds").

*[Other tables- to be discussed]*

(d) In addition to any of the information expressly required to be provided under Sections 4(a) and 4(b), the County shall provide such other information, if any, necessary to the required statements, in light of the circumstances under which they were made, not misleading.

(e) The presentation and format of the Annual Report may be modified from time to time as determined in the judgment of the County to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the County to reflect changes in the business, structure, or operations of the County; provided that any such modifications shall comply with the requirements of the Rule.

(f) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the County or related public entities, which, have been made available to the public on the MSRB website. The County shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Specified Events.

(a) Pursuant to the provisions of this Disclosure Agreement, the County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2021 Bonds, no later than ten (10) Business Days after the occurrence of such event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed (Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2021 Bonds, or other material events affecting the tax status of the 2021 Bonds;
7. Modifications to rights of the 2021 Bond Holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property, if any, securing repayment of the 2021 Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the County or other obligated person;
13. The consummation of a merger, consolidation, or acquisition involving the County or an obligated person, or the sale of all or substantially all of the assets of the County or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) Wherever the County obtains knowledge of the occurrence of Specified Event, the County shall, or shall cause the Dissemination Agent (if not the County) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) Business Days after the occurrence of the Specified Event.

(c) The County acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(10), (a)(12), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier “if material.” The County shall cause a notice to be filed as set forth in this Section 5 with respect to any such event only to the extent that it determines the event’s occurrence is material for purposes of U.S. federal securities law. Whenever the County obtains knowledge of the occurrence of any of these Specified Events, the County will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the County will cause a notice to be filed as set forth in Section 5(c).

(d) If in response to a request under Section 5(b), the County determines that the Specified Event would not be material under applicable federal securities laws, the County shall so notify the Trustee in writing and instruct the Dissemination Agent not to report the occurrence.

(e) If the Dissemination Agent has been instructed by the County to report the occurrence of a Specified Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Specified Events described in Section 5(a)(viii) and (ix) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Trust Agreement.

(f) For purposes of this Disclosure Agreement, any event described in Section 5(a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County in a proceeding under the United States Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County.

(g) The Dissemination Agent may conclusively rely on an opinion of counsel that the instructions of the County to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

SECTION 6 CUSIP Numbers. Whenever providing information to the Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements and notices of Specified Events, the County shall indicate the full name of the 2021 Bonds and the nine-digit CUSIP numbers for the 2021 Bonds as to which the provided information relates.

SECTION 7 Termination of Reporting Obligation. The County’s obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2021 Bonds. If such termination occurs prior to the final maturity of the 2021 Bonds, the County shall give notice of such termination in the same manner as for a Specified Event under Section 5(c).

SECTION 8. Dissemination Agent. (a) The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

(b) The initial Dissemination Agent shall be Digital Assurance Certification, L.L.C. If at any time there is no designated Dissemination Agent appointed by the County, or if the Dissemination Agent so appointed is unwilling or unable to perform the duties of the Dissemination Agent hereunder, the County shall be the Dissemination Agent and undertake or assume its obligations hereunder. The Dissemination Agent (other than the County) shall not be responsible in any manner for the content of any notice or report required to be delivered by the County pursuant to this Disclosure Agreement.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Specified Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any Annual Report or notice of occurrence of a Specified Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Specified Event.

SECTION 10. Amendment; Waiver Notwithstanding any other provision of this Disclosure Agreement, the County may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to such 2021 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2021 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the affected Series of 2021 Bonds in the same manner as provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interest of the Holders or Beneficial Owners of such 2021 Bonds.

(e) In the event of any amendment or waiver of a provision of this Disclosure Agreement, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Specified Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 11. Default. In the event of a failure of the County to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Holders or Beneficial Owners of the 2021 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Disclosure Agreement; provided that any such action may be instituted only in the Superior Court of the State of

California in and for the County of Contra Costa or in the U.S. District Court in the County of Contra Costa. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the County to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2021 Bonds.

SECTION 13. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the County:	County of Contra Costa County Administrator's Office 1025 Escobar Street, 4th Floor Martinez, CA 94553-0063 Attention: Tim Ewell, Chief Assistant County Administrator Telephone: 925-335-1036 Email: timothy.ewell@cao.cccounty.us
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If to the Dissemination Agent:	Digital Assurance Certification, L.L.C. 315 E. Robinson Street, Suite 300 Orlando, FL 32801-1674 Attention: Customer Assistance Telephone: 888-824-2663 Email: support@DACBond.com
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Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the 2021 Bonds, and shall create no rights in any other person or entity.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Dated: \_\_\_\_\_, 2021

COUNTY OF CONTRA COSTA

By \_\_\_\_\_  
Chair of the Board of Supervisors  
County of Contra Costa,  
State of California

DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Dissemination Agent

By: \_\_\_\_\_  
Dissemination Agent



**EXHIBIT A**

**FORM OF NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT**

Name of District: County of Contra Costa

Name of Bond Issue: County of Contra Costa Public Financing Authority Lease Revenue Refunding Bonds (Capital Projects and Refunding), 2021 Series, comprised of 2021 Series A (Capital Projects) and Series 2021 B (Refunding)

Date of Issuance: \_\_\_\_\_, 2021

NOTICE IS HEREBY GIVEN that the County of Contra Costa (the "County") has not provided an Annual Report with respect to the above-named Bonds as required by Section 8.08 of the Subleases, each dated as of \_\_\_\_\_ 1, 2021, by and between the County of Contra Costa Public Financing Authority and the County. The County anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as  
Dissemination Agent

By: \_\_\_\_\_  
Dissemination Agent

cc: County of Contra Costa

## INSTALLMENT SALE AGREEMENT

THIS INSTALLMENT SALE AGREEMENT, (this “Installment Sale Agreement”), dated as of March 1, 2021, is by and between the County of Contra Costa, a political subdivision organized and existing under by virtue of the laws of the State of California (the “County”), and the Contra Costa County Fire Protection District (the “District”), a fire protection district organized and existing under, and by virtue of the laws, of the State of California.

### WITNESSETH:

**WHEREAS**, the District presently owns and operates certain facilities and property for the local provision of fire protection services, rescue services, emergency medical services, hazardous material emergency response services, ambulance services, and other services relating to the protection of lives and property within the service area of the District;

**WHEREAS**, the District wishes at this time to finance the costs of the construction and the acquisition of certain fire stations (the “Project”);

**WHEREAS**, the County Board of Supervisors approved the issuance of the Contra Costa County Public Finance Authority’s Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (the “Lease Revenue Bonds”), a portion of the proceeds of which will be used to construct the Project subject to certain repayment conditions;

**WHEREAS**, the District and the County are entering into this Installment Sale Agreement, pursuant to which the County will provide funds to construct the Project and upon construction of the Project, the County will sell the Project to the District in consideration of the payment by the District of installments of principal and interest as set forth in Exhibit A to this Installment Sale Agreement (the “Installment Payments”); and

**NOW, THEREFORE**, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

## ARTICLE I

### DEFINITIONS AND EXHIBITS

**SECTION 1.1. Definitions.** All capitalized terms used in this Section 1.1 shall for all purposes of this Installment Sale Agreement have the meanings herein specified or as hereinafter defined.

“Closing Date” means the date the County deposits the funds necessary to construct the Project with the District pursuant to Section 3.2.

“Event of Default” means any of the events of default as defined in Section 5.1.

“Federal Securities” means any direct general non-callable obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), or obligations the timely payment of principal of and interest on which are directly guaranteed by the United States of America.

“Installment Sale Agreement” means this Installment Sale Agreement, dated as of March 1, 2021, between the County and the District.

“Installment Payment Date” means the date on which each Installment Payment is due and payable, commencing [June 1, 2021] and continuing to and including the date on which the Installment Payments have been paid in full.

“Installment Payments” means all payments required to be paid by the District on any date pursuant to Section 3.6, including any prepayment thereof pursuant to Section 6.2 or 6.3.

“Project” means the facilities and improvements described in Exhibit B attached hereto and by this reference incorporated herein.

[“Project Fund” means the fund established for the construction and acquisition of the Project, as such fund is described in Section 3.2.]

“Revenues” means all income, receipts and revenues of the District of any kind, including, without limitation, any property tax revenues, license revenues and any other revenues of the District.

“Tax Code” means the Internal Revenue Code of 1986. Any reference herein to a provision of the Tax Code shall include all applicable temporary and permanent regulations promulgated under the Tax Code.

“Term of this Installment Sale Agreement” or “Term” means the time during which this Installment Sale Agreement is in effect, as provided in Section 3.3.

**SECTION 1.2. Exhibits.** The following Exhibits are attached to, and by reference made a part of, this Installment Sale Agreement:

Exhibit A: Schedule of Installment Payments to be paid by the District hereunder, showing the date and amount of each such Installment Payment.

Exhibit B: The description of the Project.

## **ARTICLE II**

### **REPRESENTATIONS, COVENANTS AND WARRANTIES**

**SECTION 2.1. Representations, Covenants and Warranties of the District.** The District represents, covenants and warrants to the County as follows:

(a) Due Organization and Existence. The District is a fire protection district organized and existing under and by virtue of Division 12, commencing with Section 13800 of Health and Safety Code of the State of California.

(b) Authorization. The laws of the State of California authorize the District to enter into this Installment Sale Agreement and to enter into the transactions contemplated hereby and thereby, and to carry out its obligations under this Installment Sale Agreement and the Board of Directors of the District has duly authorized the execution and delivery of this Installment Sale Agreement.

(c) No Violations. Neither the execution and delivery of this Installment Sale Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrances whatsoever upon any of the property or assets of the District, other than as set forth herein.

**SECTION 2.2. Representations, Covenants and Warranties of the County.** The County represents, covenants and warrants to the District as follows:

(a) Due Organization and Existence. The County is a County duly organized and existing under the laws of the State of California.

(b) Authorization. The laws of the State of California authorize the County to enter into this Installment Sale Agreement and to enter into the transactions contemplated hereby and thereby, and to carry out its obligations under this Installment Sale Agreement and the Board of Supervisors of the County has duly authorized the execution and delivery of this Installment Sale Agreement.

(c) No Violations. Neither the execution and delivery of this Installment Sale Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the County is now a party or by which the County is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the County.

(d) No Assignments. Except as provided herein, the County will not assign this Installment Sale Agreement, its right to receive Installment Payments from the District, or its duties and obligations hereunder to any other person, firm or entity so as to impair or violate the representations, covenants and warranties contained in this Section 2.2.

## ARTICLE III

### TERMS OF INSTALLMENT SALE

**SECTION 3.1. Sale.** The County hereby sells the Project to the District, and the District hereby purchases the Project from the County, upon the terms and conditions set forth in this Installment Sale Agreement.

**SECTION 3.2. Deposit of Moneys; Construction and Acquisition of the Project.** [On the Closing Date the County shall deposit the sum of \$[\_\_\_\_\_] to a project fund held by the District (the "Project Fund").][or a project fund held by a trustee] The District shall expend as agent of the County the proceeds in the Project Fund for the purpose of acquiring, constructing and installing the Project. The District shall invest proceeds in the Project Fund in investments authorized by California law [and the District's investment policy]. Any unexpended proceeds in the Project Fund upon the completion of the Project shall be applied by the District towards the payment of Installment Payments.]

The County hereby appoints the District as its agent to carry out all phases of the acquisition, construction and installation of the Project and the District hereby accepts such appointment. The District shall enter into contracts and provide for, as agent for County, the complete acquisition, construction and installation of the Project. The District hereby agrees that it will cause the acquisition, construction and installation of the Project to be diligently performed. It is hereby expressly understood and agreed that the County shall be under no liability of any kind or character whatsoever for the payment of any cost of the Project except for the funds deposited in the Project Fund pursuant to the immediately preceding paragraph and that all such costs and expenses shall be paid by the District, regardless of whether the funds deposited with the District are sufficient to cover all such costs and expenses.

[Furthermore, the County shall cause the costs of issuance to paid as set forth in Exhibit C. ]

**SECTION 3.3. Term.** The Term of this Installment Sale Agreement shall commence on the Closing Date, and shall end on the date on which the District shall have paid all of the Installment Payments and all other amounts due and payable hereunder or provision for such payment shall be made as provided herein.

**SECTION 3.4. Title.** As between the County and the District, title to the Project, and each component thereof, shall be deemed conveyed to and vested in the District upon the acquisition and construction thereof. The County shall, execute deliver and cause to be recorded any and all documents reasonably requested by the District to consummate such transfer of title.

**SECTION 3.5. Disclaimer of Warranties.** THE COUNTY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OF THE PROJECT OR ANY PART THEREOF, OR AS TO THE FITNESS FOR ANY PARTICULAR USE OF THE PROJECT OR ANY PART THEREOF OR AS TO THE FITNESS OF THE PROJECT FOR THE USE CONTEMPLATED BY THE DISTRICT OR

ANY PART THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT THERETO. THE DISTRICT ACKNOWLEDGES THAT THE COUNTY IS NOT A CONTRACTOR OF THE PROJECT, THAT THE DISTRICT PURCHASES THE PROJECT "AS-IS", IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE DISTRICT. IN NO EVENT SHALL THE COUNTY BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE ACQUISITION, CONSTRUCTION, EXISTENCE, FURNISHING, FUNCTIONING OF THE PROJECT OR THE DISTRICT'S USE OF ANY ITEM OR PRODUCTS OR SERVICES PROVIDED FOR IN THIS AGREEMENT. THE DISTRICT ACKNOWLEDGES THAT IT IS SOLELY RESPONSIBLE FOR DETERMINING THE SUITABILITY OF THE PROJECT FOR ITS INTENDED USE.

### **SECTION 3.6. Installment Payments.**

(a) Obligation to Pay. The District hereby agrees to pay to the County, as the purchase price of the Project hereunder, Installment Payments with principal components aggregating \$[\_\_\_\_\_] and interest components (calculated at the rate of [\_\_\_\_\_] % on the basis of a 360-day year of twelve 30-day months) on the unpaid principal components thereof, payable in the respective amounts and on the respective Installment Payment Dates specified in Exhibit A attached hereto payable in the respective amounts and on the respective Installment Payment Dates specified in Exhibit A attached hereto.

(b) Effect of Prepayment. [In the event that the District prepays the Installment Payments in full pursuant to Article VI, the District's obligations under this Installment Sale Agreement shall thereupon cease and terminate, including but not limited to the District's obligation to pay Installment Payments under this Section 3.6; subject however, to the provisions of Section 6.1 in the case of prepayment by application of a security deposit. In the event that the District prepays the Installment Sale in part but not in whole pursuant to Section 6.3, the principal components of the remaining Installment Payments shall be reduced so as to produce equal Installment Payments over the remaining Term of this Installment Sale Agreement.]

(c) Rate on Overdue Payments. [In the event the District should fail to make any of the payments required in this Section 3.6, the payment in default shall continue as an obligation of the District until the amount in default shall have been fully paid, and the District agrees to pay the same with interest thereon, to the extent permitted by law, from the date of default to the date of payment at the rate of [six percent (6%)] per annum].

### **SECTION 3.7. Nature of District's Obligations.**

(a) Unsecured Obligation. The obligation of the District to make Installment Payments and all other obligations of the District are unsecured obligations. The obligations of the District to make the Installment Payments and to perform and observe the other agreements on its part contained in this Installment Sale Agreement shall be absolute and unconditional obligations of the District and are not subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the District or the County of any obligation to the

District or otherwise with respect to the Project, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the District by the County. Until such time as all of the Installment Payments have been fully paid or prepaid, the District:

(i) will not suspend or discontinue payment of any Installment Payments,

(ii) will perform and observe all other agreements contained in this Installment Sale Agreement, and

(iii) will not terminate this Installment Sale Agreement for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project, sale of the Project, the taking by eminent domain of title to or temporary use of any component of the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or the State of California or any political subdivision of either thereof or any failure of the County to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Installment Sale Agreement.

(b) Protection of Rights. If the County fails to perform any such agreements on its part, the District may institute such action against the County as the District deems necessary to compel performance so long as such action does not abrogate the obligations of the District contained in the preceding subsection (a). The District may, however, at the District's own cost and expense and in the District's own name or in the name of the County prosecute or defend any action or proceeding or take any other action involving third persons which the District deems reasonably necessary in order to secure or protect the District's rights hereunder, and in such event the County will cooperate fully with the District and take such action necessary to effect the substitution of the District for the County in such action or proceeding if the District shall so request.

## ARTICLE IV

### COVENANTS OF THE DISTRICT

**SECTION 4.1. Release and Indemnification Covenants.** The District shall indemnify the County and its officers, agents, successors and assigns and hold them harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of the following:

(a) the use, maintenance, condition or management of, or from any work or thing done on or about the Project by the District,

(b) any breach or default on the part of the District in the performance of any of its obligations under this Installment Sale Agreement,

(c) any intentional misconduct or negligence of the District or of any of its agents, contractors, servants, employees or licensees with respect to the Project, and

(d) any intentional misconduct or negligence of any lessee of the District with respect to the Project.

No indemnification is made under this Section 4.1 or elsewhere in this Installment Sale Agreement for willful misconduct, gross negligence, or breach of duty under this Installment Sale Agreement by the County, its officers, agents, employees, successors or assigns.

**SECTION 4.2. Sale or Eminent Domain of Project.** Except as provided herein, the District covenants that the Project will not be encumbered, sold, leased, pledged, any charge placed thereon, or otherwise disposed of, as a whole or substantially as a whole if such encumbrance, sale, lease, pledge, charge or other disposition would materially impair the ability of the District to pay the Installment Payments or the principal of or interest on would materially adversely affect its ability to comply with the terms of this Installment Sale Agreement. The District shall not enter into any agreement which impairs the operation of the Project or which otherwise would impair the rights of the County. If any substantial part of the Project is sold, the payment therefor must either (a) be used for the acquisition or construction of improvements and extensions or replacement facilities or (b) be applied to prepay or redeem the Installment Payments, on a pro rata basis, in the manner provided herein.

Any amounts received as awards as a result of the taking of all or any part of the Project by the lawful exercise of eminent domain, if and to the extent that such right can be exercised against such property of the District, shall either (a) be used for the acquisition or construction of improvements and extension or replacement facilities of the Project, or (b) be applied to prepay or redeem the Installment Payments, on a pro rata basis, in the manner provided herein.

**SECTION 4.3. Insurance.** The District shall at all times maintain with responsible insurers all such insurance on the Project as is customarily maintained with respect to works and properties of like character against accident to, loss of or damage to the Project. All amounts collected from insurance against accident to or destruction of any portion of the Project shall be used to repair or rebuild such damaged or destroyed portion of the Project or if determined not to repair or rebuild such portion and in any event to the extent not so applied, must either (a) be used for the acquisition or construction or improvements and extensions or replacement facilities or (b) be applied to prepay or redeem the Installment Payments, on a pro rata basis, in the manner provided in this Installment Sale Agreement. The District shall also maintain, with responsible insurers, worker's compensation insurance and insurance against public liability and property damage to the extent reasonably necessary to protect the District and the County. Any insurance required to be maintained may be maintained by the District in the form of self-insurance or in the form of participation by the District in a program of pooled insurance.

**SECTION 4.4. Issuance of Additional Indebtedness.** Except for obligations incurred to prepay or post a security deposit for the Installment Sale in whole, the District may not issue or incur any Additional Indebtedness unless:

(a) The District is not then in default under the terms of this Installment Sale Agreement; and



(b) The District receives the County's prior written consent [ or the additional indebtedness does not exceed \$10,000,000].

**SECTION 4.5. Assignment by the County.** The County's rights under this Installment Sale Agreement, including the right to receive and enforce payment of the Installment Payments to be made by the District under this Installment Sale Agreement may be assigned.

**SECTION 4.6. Assignment by the District.** This Installment Sale Agreement may not be assigned by the District, other than to a public agency which shall succeed to the interests of the District in and to the Project and which (by operation of law, by contract or otherwise) becomes legally bound to all of the terms and provisions hereof.

**SECTION 4.7. Amendment of this Installment Sale Agreement.** This Installment Sale Agreement may be amended by the District and the County.

**SECTION 4.8. Tax Covenants.**

(a) [The District shall not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest components of the Installment Payments to become includable in gross income for federal income tax purposes nor shall the District take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest components of the Lease Revenue Bonds to become includable in gross income for federal income tax purposes.

(b) The District shall assure that the proceeds of the Installment Sale are not so used as to cause the Installment Sale to satisfy the private business tests of section 141(b) of the Tax Code or the private loan financing test of section 141(c) of the Tax Code.

(c) The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Installment Payments to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(d) The District shall not take, or permit or suffer to be taken, any action with respect to the proceeds of the Installment Payments which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Installment Payments to be "arbitrage bonds" within the meaning of Section 148(a) of the Tax Code.

(e) The District hereby designates this Installment Sale Agreement for purposes of paragraph (3) of Section 265(b) of the Tax Code and represents that not more than \$[\_\_\_\_\_] aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Tax Code) from gross income for federal income tax purposes (excluding private activity bonds, as defined in Section 141 of the Tax Code, except qualified 501(c)(3) bonds as defined in Section 145 of the Tax Code), including this Installment Sale Agreement, has been or will be issued by the District.

(f) The District shall take any and all actions necessary to assure compliance with section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Installment Sale.]

**SECTION 4.9. Pledge of Revenues.** All Revenues are hereby irrevocably pledged to the payment of the Installment Payments as provided herein. This pledge shall constitute a first pledge and lien on Revenues.

## ARTICLE V

### EVENTS OF DEFAULT AND REMEDIES

**SECTION 5.1. Events of Default Defined.** The following shall be Events of Default under this Installment Sale Agreement.

(a) Failure by the District to pay the County any Installment Payment or to pay other amounts required to be paid hereunder within fifteen (15) days of the time specified herein, and such failure is not cured within ten (10) days after written notice thereof by the County.

(b) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder other than as referred to in the preceding clause (a) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the District by the County *provided, however*, if in the reasonable opinion of the District the failure stated in the notice can be corrected, but not within such thirty (30) day period, the County shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the District within such thirty (30) day period and diligently pursued until the default is corrected.

(c) The filing by the District of a voluntary petition in bankruptcy, or failure by the District promptly to lift any execution, garnishment or attachment, or adjudication of the District as bankrupt, or assignment by the District for the benefit of creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

**SECTION 5.2. Remedies on Default.** Whenever any Event of Default shall have happened and be continuing, the County shall have the rights, at its option and without any further demand or notice to:

(a) declare all principal components of the unpaid Installment Payments, together with all accrued and unpaid interest components of the Installment Payments from the immediately preceding Installment Payment Date on which payment was made, to be immediately due and payable, whereupon the same shall immediately become due and payable; and,

(b) take whatever action at law or in equity may appear necessary or desirable to collect the Installment Payments then due or thereafter to become due during the Term of this Installment Sale Agreement, or enforce performance and observance of any obligation, agreement or covenant of the District under this Installment Sale Agreement.

The provisions of the preceding clause (a) are subject to the condition that if, at any time after the principal components of the unpaid Installment Payments shall have been so declared due and payable pursuant to the preceding clause (a), and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the District shall deposit with the County a sum sufficient to pay all principal components of the Installment Payments coming due prior to such declaration and all matured interest components (if any) of the Installment Payments, with interest on such overdue principal and interest components calculated at the rate set forth in Section 3.4(c) and the reasonable expenses of the County (including any fees and expenses of its attorneys), and any and all other defaults known to the County (other than in the payment of the principal and interest components of the Installment Payments due and payable solely by reason of such declaration) shall have been made good, then, and in every such case, the County may, by written notice to the District rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

**SECTION 5.3. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the County is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Installment Sale Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the County to exercise any remedy reserved to it in this Article V it shall not be necessary to give any notice, other than such notice as may be required in this Article V or by law.

**SECTION 5.4. Agreement to Pay Attorneys' Fees and Expenses.** In the event either party of this Installment Sale Agreement should default under any of the provisions hereof and the prevailing party should employ attorneys (including in-house counsel) or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the prevailing party the reasonable fees of such attorneys (including the allocable cost of in-house counsel) and such other expenses so incurred by the prevailing party.

**SECTION 5.5. No Additional Waiver Implied by One Waiver.** In the event any agreement contained in this Installment Sale Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

## ARTICLE VI

### PREPAYMENT OF INSTALLMENT PAYMENTS

**SECTION 6.1. [Security Deposit.** Notwithstanding any other provision of this Installment Sale Agreement, the District may on any date secure the payment of Installment Payments, in whole, by irrevocably depositing with a fiduciary an amount of cash which, together with other available amounts, is either (a) sufficient to pay all such Installment Payments, including the principal and interest components thereof, when due or (b) invested in whole or in part in Federal Securities in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay all such Installment Payments when due or when due on any optional prepayment date pursuant to Section 6.2, as the District shall instruct at the time of said deposit. In the event of a security deposit pursuant to this Section for the payment of all remaining Installment Payments, all obligations of the District under this Installment Sale Agreement shall cease and terminate, excepting only the obligation of the District to make, or cause to be made, all of Installment Payments from such security deposit. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of such Installment Payments in accordance with the provisions of this Installment Sale Agreement.

**SECTION 6.2. Optional Prepayment.** The District shall have the option to prepay the principal components of the Installment Payments in whole, on any Installment Payment Date, commencing on the [\_\_\_\_\_] Installment Payment Date, by paying the Installment Payment required to be paid on such date plus a prepayment price equal to the principal amount of the Installment Payments to be prepaid, without premium. The District shall give the County written notice of its intention to exercise its option not less than thirty (30) days in advance of the date of exercise.][discuss partial prepayment and refunding of the LRB]

**SECTION 6.3. Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain.** The District shall prepay the unpaid principal components of the Installment Payments in whole on any date or in part, on any Installment Payment Date, from and to the extent the District determines to apply any Net Proceeds of insurance award or condemnation award with respect to the Project for such purpose pursuant to Sections 4.2 or 4.3 at a price equal to the principal components of the Installment Payments to be prepaid. The District and the County hereby agree that such proceeds, to the extent remaining after payment of any delinquent Installment Payments, shall be credited towards the District's obligations under this Section 6.3.

## ARTICLE VII

### MISCELLANEOUS

**SECTION 7.1. Notices.** All written notices to be given under this Installment Sale Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopier or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by telecopier or other form of telecommunication, (b) 48 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The

County or the District may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the District:                   Contra Costa Fire Protection District  
4005 Port Chicago Highway, Suite 250  
Concord, California  
Attention: [\_\_\_\_\_]

If to the County:                   County of Contra Costa  
c/o Clerk of the Board of Supervisors  
County of Contra Costa  
County Administration Building  
1025 Escobar Street  
Martinez, California 94553

**SECTION 7.2. Binding Effect.** This Installment Sale Agreement shall inure to the benefit of and shall be binding upon the County and the District and their respective successors and assigns.

**SECTION 7.3. Severability.** In the event any provision of this Installment Sale Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**SECTION 7.4. Net-net-net Contract.** This Installment Sale Agreement shall be deemed and construed to be a “net-net-net” contract, and the District hereby agrees that the Installment Payments shall be an absolute net return to the County, free and clear of any expenses, charges or set-offs whatsoever.

**SECTION 7.5. Further Assurances and Corrective Instruments.** The County and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Installment Sale Agreement.

**SECTION 7.6. Execution in Counterparts.** This Installment Sale Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 7.7. Applicable Law.** This Installment Sale Agreement shall be governed by and construed in accordance with the laws of the State of California.

**SECTION 7.8. Captions.** The captions or headings in this Installment Sale Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Installment Sale Agreement.

IN WITNESS WHEREOF, the County has caused this Installment Sale Agreement to be executed in its corporate name by its duly authorized officer, and the District has caused this

Installment Sale Agreement to be executed in its name by its duly authorized officer, as of the date first above written.

CONTRA COSTA COUNTY FIRE  
PROTECTION DISTRICT

By: \_\_\_\_\_  
President of the Board

Attest:

\_\_\_\_\_  
Secretary of the Board

COUNTY OF CONTRA COSTA

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Supervisors

**EXHIBIT A**  
**SCHEDULE OF INSTALLMENT PAYMENTS**

PMT #	Due Date	Installment Payment	To Principal	To Interest
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
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35				
36				
37				
38				
39				
40				

**EXHIBIT B**  
**DESCRIPTION OF THE PROJECT**

The project consists of



**EXHIBIT C**  
**COSTS OF ISSUANCE**

<b>Cost of Issuance</b>	<b>Amount</b>
<hr/>	
 <hr/>	
<hr/> <hr/>	

**EXHIBIT D**  
**CLOSING WIRE CONFIRMATION**

# Contra Costa Times

2850 Shadelands Dr., Ste. 101  
Walnut Creek, CA 94598  
925-943-8019

2004197

CLERK OF THE BOARD OF SUPERVISORS  
STEPHANIE MELLO  
1025 ESCOBAR ST., 1ST FLOOR  
MARTINEZ, CA 94553-1275

## PROOF OF PUBLICATION

**FILE NO. 3155 2021 Bonds CCC 12/15/20**

In the matter of

### Contra Costa Times

I am a citizen of the United States. I am over the age of eighteen years and I am not a party to or interested in the above entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Contra Costa Times, a newspaper published in the English language in the City of Walnut Creek, County of Contra Costa, State of California.

I declare that the Contra Costa Times is a newspaper of general circulation as defined by the laws of the State of California as determined by court decree dated October 22, 1934, Case Number 19764. Said decree states that the Contra Costa Times is adjudged to be a newspaper of general circulation for the City of Walnut Creek, County of Contra Costa and State of California. Said order has not been revoked.

I declare that the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

**12/09/2020**

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Executed at Walnut Creek, California.  
On this 10th day of December, 2020.



Signature

Legal No.

**0006537977**

**COUNTY OF  
CONTRA COSTA**

### NOTICE OF PUBLIC HEARING ON PROPOSED ISSUANCE OF BONDS

NOTICE IS HEREBY GIVEN pursuant to Section 6586.5 of the Government Code of the State of California, that a public hearing will be held by the County of Contra Costa, California (the "County"), on December 15, 2020 at 9:30 a.m., at the Chambers of the Board of Supervisors of the County located at 1025 Escobar Street in the City of Martinez, California, which is located within the County, in connection with plans by the County of Contra Costa Public Financing Authority (the "Authority") to issue Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) and 2021 Series B (Refunding) (the "Bonds") in an amount not to exceed \$150,000,000.

The Bonds will be issued to finance and refinance various capital improvements and projects for the County and the Contra Costa County Fire Protection District located within the County, which may include one or more of the following:

#### Potential Uses of the Bond Proceeds:

Refunding the Authority's Lease Revenue Bonds, 2010 Series A-2 (Capital Project I - Taxable Build America Bonds), 2010 Series A-3 (Capital Project I - Taxable Recovery Zone Bonds), 2010 Series B (Refunding), and the Authority's Lease Revenue Obligations, 2012 Series A

Demolition and construction of County Offices, located at and around 651 Pine Street in the City of Martinez;

Expand and Improve Buchanan Field Airport, located at 555 Sally Ride Drive in the unincorporated area of Concord;

Construct the Fire District No. 9, located between Center Avenue and Willow Street in the unincorporated area of Pacheco.

Construct the Fire District No. 86, located between Willow Pass and Goble Drive in the unincorporated area of Bay Point.

Members of the public are invited to attend the aforementioned hearing telephonically, which will provide a reasonable opportunity for interested individuals to express their views on the plan of financing. Information about how to participate in the meeting telephonically will be available on the December 15, 2020 Board of Supervisors meeting agenda once posted.

Dated: December 4, 2020  
COUNTY OF CONTRA COSTA, CALIFORNIA

By: Jami Napier  
Deputy Clerk of the Board of Supervisors of the County of Contra Costa, State of California  
**CCT 6537977; Dec. 9, 2020**



Contra  
Costa  
County

To: Contra Costa County Public Financing Authority

From: David Twa, County Administrator

Date: December 15, 2020

Subject: AUTHORIZE ISSUANCE OF LEASE REVENUE BONDS, 2021 SERIES A & B

---

**RECOMMENDATION(S):**

Acting as the Governing Board of the County of Contra Costa Public Financing Authority:

1. ADOPT Resolution No. 2020/342, approving the issuance by the County of Contra Costa Public Financing Authority of Lease Revenue Bonds, 2021 Series A and 2021 Series B, in an aggregate principal amount not to exceed \$150 million to finance various capital projects and a refunding of outstanding bonds for savings;
2. APPROVE and AUTHORIZE the forms of and directing the execution and delivery of a Trust Agreement, Site Lease, Facilities Lease, Preliminary Official Statement and Continuing Disclosure Agreement;
3. APPROVE and AUTHORIZE the taking of necessary actions and the execution of necessary documents in connection therewith.

**FISCAL IMPACT:**

Issuance of up to \$150 million of Lease Revenue Bonds to fund new capital

- 
- APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Timothy Ewell,  
925-655-2043

By: , Deputy

cc:

## FISCAL IMPACT: (CONT'D)

projects and refunding existing debt obligations for savings. Based on current market conditions, the County anticipates a True Interest Cost (TIC) on the bonds of 2.16% and refunding savings of \$11,071,651 over the remaining life of the bonds. The Net Present Value (NPV) of the savings is estimated at \$6,792,317 (this is the refunding savings amount converted to today's dollars), or 20.42% of refunding bonds.

## BACKGROUND:

On January 31, 2017, the Board of Supervisors accepted a capital projects report, which included a recommendation to replace the existing County Administration and Emergency Operations Center buildings located in Martinez, CA (Agenda Item D.4). Earlier this year, the new County Administration and Emergency Operations Center projects were completed and the 651 Pine Street, Martinez complex was vacated. On November 10, 2020, the Board adopted Resolution No. 2020/304 declaring its official intent to reimburse certain costs for the capital projects to be financed by the bonds to be issued at a future date, including 1) replacement of the 651 Pine Street, Martinez complex, 2) construction of a new Aviation Terminal at the Buchanan Field Airport, and 3) the replacement of Fire Stations No. 9 (Pacheco) and 86 (Bay Point) (collectively the "2021 Projects").

## 2021 Series A Capital Projects

In the current market, the Authority could issue approximately \$100 million for the new capital projects, at a blended Total Interest Cost (TIC) of 2.16% equating to approximately \$6.3 million in annual debt service payments over the next 20 years until the bonds mature. The Contra Costa County Fire Protection District and the County Airport are not funded by the County General Fund and will be responsible for paying the respective debt service amounts apportioned to their capital projects. A summary of each capital project is summarized below:

*Airport Improvements.* This component of the 2021 Project consists of the construction of an approximately 21,000 square foot, one-story multi-function facility to be located at Buchanan Field Airport, a public airport located in Concord. This component of the 2021 Project will replace an existing terminal facility and will include an approximately 12,525 square foot aircraft rescue and firefighting facility (an "ARFF") with up to three apparatus bays, offices, restrooms, meeting space, and ARFF support function spaces (such as for turnouts, self-contained breathing apparatus, and operations areas) for airport personnel; approximately 2,750 square feet of administrative office space; and an approximately 5,460 square foot general aviation terminal. This facility will also include a hold room, restrooms, public meeting space and rentable office spaces in the general aviation terminal section, visitor parking spaces, charging stations, a generator, and a public viewing area. The estimated construction cost for this component of the 2021 Project is \$11.7 million; however, the portion to be funded by the 2021 Bonds is \$6 million. Construction is expected to commence in June 2021 and be completed in October 2022.

*Construction of County Offices at 651 Pine.* This component of the 2021 Project consists of the demolition of the former County Administration complex at 651 Pine Street, Martinez including remediation and demolition of approximately 72,000 square feet in the 12 story tower and approximately 50,000 square feet in the adjacent five story North Wing building. This component also includes the relocation of telecommunications infrastructure located in and on the Tower, including microwave and radio antennas serving the public safety communication system as well as telephone and fiberoptic communications equipment serving multiple County facilities in the downtown Martinez area. Following demolition the County proposes to construct an approximately 20,000 square foot, two-story County office building above approximately 80 new parking spaces (with the first story consisting of parking

and the second story consisting of office space) where the previous Tower and North Wing buildings stood. In addition, there will be public plaza and amenity space constructed across from the existing 651 Pine Street complex to serve both the New Administration Building, located at 1025 Escobar Street, Martinez and the new County office building, located on a portion of the current 651 Pine Street complex. The estimated construction cost for this component of the 2021 Project is \$64 million. Construction is expected to commence December of 2021 and be completed by June of 2024, subject to final review and approval by the Board of Supervisors at the January 2021 Board Retreat. The bonds will not be issued until the Board formally approves the 651 Pine Street replacement project.

*Fire Station No. 9.* This component of the 2021 Project consists of the construction of an approximately 10,000 square foot one-story fire station to be located on an approximately 1 acre site at Center Avenue and Willow Street in Pacheco, California. This fire station will contain approximately 5,000 square feet of living area, including four firefighter dorm rooms, three gender-neutral restrooms, and living quarters for a Battalion Chief, with adjacent office space; approximately 5,000 square feet containing three apparatus bays, a separate support area for turnout, self-contained breathing apparatus (“SCBA”), and cleanup spaces; and visitor parking spaces, secured firefighter parking, and a generator and an emergency fuel tank. The estimated construction cost for this component of the 2021 Project is \$17.5 million, including contingency. Construction is expected to commence on October 2021 and be completed in January 2023.

*Fire Station No. 86.* This component of the 2021 Project consists of the construction of an approximately 10,000 square foot one-story fire station to be located on an approximately 2 acre site at Willow Pass Road and Goble Drive in Bay Point, California. This fire station will contain approximately 5,000 square feet of living area, including seven firefighter dorm rooms and three gender-neutral restrooms; approximately 5,000 square feet containing three apparatus bays, a separate support area on for turnout, SCBA, and cleanup spaces; and visitor parking spaces, secured firefighter parking, and a generator and an emergency fuel tank. The estimated construction cost for this component of the 2021 Project is \$12.5 million, including contingency. Construction is expected to commence on May 2021 and be completed in October 2022.

## 2021 Series B Refunding

In addition to funding new capital projects, the County plans to refund its 2010 Series A, 2010 Series B and 2012 lease revenue bonds for an estimated, blended True Interest Cost (TIC) of 2.16% resulting in a cost savings of \$11,071,651 over the remaining life of the bonds. The Net Present Value (NPV) of the savings is estimated at \$6,792,317 (this is the refunding savings amount converted to today's dollars), or 20.42% of refunding bonds. Since the majority of the original bond proceeds were borrowed for capital projects in the Health Services department, the majority of the cost savings from the proposed refunding will result in budgetary cost savings in that department.

All of the above results are subject to market conditions at the time of financing and will likely change between the time of this writing and the pricing of the bonds.

## Financing Documents

Various documents are necessary to complete the financing, including a Trust Agreement, Site Lease, Facilities Lease, Preliminary Official Statement and Continuing Disclosure Agreement (collectively, the “Financing Documents”). Through the Site Lease, the County leases certain facilities to the Authority. The County then leases those facilities back from the Authority creating a series of lease payments to the Authority under the Facilities Lease. Based on that lease payment revenue, and pursuant to the terms of

the Trust Agreement, the Authority issues bonds to fund the new capital projects and refunding of current bonds as summarized above. The lease payment revenue to the Authority serves as the stream of revenue to pay the annual debt service payments on the bonds. The terms of the Continuing Disclosure Agreement set forth the obligations of the Authority to disclose certain financial and other information to the financial markets over the life of the bonds.

CONSEQUENCE OF NEGATIVE ACTION:

The Authority will be unable to issue the bonds.

ATTACHMENTS

Resolution 2020/342

Resolution No. 2020/342 - Secretary's Certificate

Trust Agreement

Facilities Lease

Site Lease

Preliminary Official Statement

Continuing Disclosure Agreement

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 12/15/2020 by the following vote:

**AYE:**

**NO:**

**ABSENT:**

**ABSTAIN:**

**RECUSE:**



**Resolution No. 2020/342**

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF LEASE REVENUE BONDS, 2021 SERIES A AND 2021 SERIES B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$150,000,000 TO FINANCE VARIOUS CAPITAL PROJECTS AND REFUND VARIOUS OUTSTANDING LEASE REVENUE BONDS AND LEASE REVENUE OBLIGATIONS, AUTHORIZING THE FORMS OF AND DIRECTING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, A SITE LEASE, A FACILITIES LEASE, A BOND PURCHASE AGREEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT, AND RELATED FINANCING DOCUMENTS; AND AUTHORIZING TAKING OF NECESSARY ACTIONS AND EXECUTION OF NECESSARY DOCUMENTS IN CONNECTION THEREWITH**

**WHEREAS**, the County of Contra Costa (the “County”) and the Contra Costa County Flood Control and Water Conservation District have entered into an Amended and Restated Joint Exercise of Powers Agreement, dated June 16, 2015 pursuant to an amendment of the Joint Exercise of Powers Agreement, dated as of April 7, 1992 (as amended, the “Joint Powers Agreement”), between the County and the Contra Costa County Redevelopment Agency which Joint Powers Agreement creates and establishes the County of Contra Costa Public Financing Authority (the “Authority”);

**WHEREAS**, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”) and the Joint Powers Agreement, the Authority is authorized to issue bonds to finance and refinance public capital improvements;

**WHEREAS**, the County Board of Supervisors has requested the Authority assist the County in financing all or a portion of the costs of various capital projects, including but not limited to, (i) demolition and construction of certain County Offices; (ii) expansion and improvement of Buchanan Field Airport; and (iii) acquisition and construction of certain fire stations (collectively, the “2021 Project”);

**WHEREAS**, pursuant to the Act and a Trust Agreement, dated as of November 1, 2010 (the “2010 Trust Agreement”), between the Authority and Wells Fargo Bank, National Association, as trustee, the Authority previously issued its Lease Revenue Bonds consisting of \$13,130,000 2010 Series A-2 (Capital Project I – Taxable Build America Bonds) (the “Series A-2 Bonds”), \$20,700,000 2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds) (the “Series A-3 Bonds”), and \$17,435,000 2010 Series B (Refunding) (the “Series B Bonds”) to finance and refinance capital projects for the County;

**WHEREAS**, pursuant to the Act and a Trust Agreement, dated as of October 1, 2012 (the “2012 Trust Agreement,” and together with the 2010 Trust Agreement, the “Prior Trust Agreements”) the Authority previously issued its \$13,102,304 Lease Revenue Obligations 2012 Series A (the “2012 Series A Obligations,” collectively with the Series A-2 Bonds, the Series A-3 Bonds and the Series B Bonds, the “Prior Obligations”) to finance capital projects for the County;

**WHEREAS**, the County Board of Supervisors has requested the Authority assist the County in the refunding and defeasance of all of the outstanding Prior Obligations in order to produce debt service savings;

**WHEREAS**, the County has requested and approved the Authority’s issuance of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding) 2021 Series A (Capital Projects) and 2021 Series B (Refunding) (the “Bonds”) in an amount sufficient to finance the 2021 Project and refund the Prior Obligations and pay related costs of issuance;

**WHEREAS**, in accordance with the requirements of Section 6586.5 of the Act, a public hearing regarding the financing of the 2021 Project proposed herein was heretofore conducted by the County on December 15, 2020;



**WHEREAS**, notice of such hearing was published at least five days prior to such hearing in a newspaper of general circulation in the County;

**WHEREAS**, the County has determined that the financing of the 2021 Project by the issuance of the Bonds by the Authority will result in significant public benefits to the County, including demonstrable savings in effective interest rate, bond preparation, or bond issuance costs;

**WHEREAS**, it is proposed that the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee") enter into a trust agreement (the "Trust Agreement"), acknowledged by the County, and, pursuant to the Trust Agreement, the Authority will issue the Bonds in an aggregate principal amount not to exceed \$150,000,000;

**WHEREAS**, it is proposed that the Authority enter into a site lease (the "Site Lease") pursuant to which the County will lease certain real property, including the improvements thereon (collectively the "Facilities"), to the Authority;

**WHEREAS**, it is further proposed that the Authority enter into a facilities lease (the "Facilities Lease") pursuant to which it will lease the Facilities back to the County;

**WHEREAS**, under the Facilities Lease, the County will be obligated to make base rental payments to the Authority which the Authority will cause to be used to pay debt service on the Bonds;

**WHEREAS**, the County deems it necessary and desirable to authorize the sale of the Bonds by negotiated sale to Barclays Capital Inc. (the "Underwriter") pursuant to a Bond Purchase Agreement among the County, the Authority, and the Underwriter (the "Bond Purchase Agreement") and has found and determined the following reasons therefor: (1) provide more flexibility in the timing of the sale of the Bonds; (2) provide more flexibility in the debt structure; and (3) increase the opportunity to pre-market the Bonds;

**WHEREAS**, a form of Official Statement describing the Bonds (the "Official Statement") has been prepared, which will be distributed by the Underwriter in preliminary form (the "Preliminary Official Statement") to potential purchasers of the Bonds and in final form to the actual purchasers of the Bonds (the "Final Official Statement");

**WHEREAS**, a form of Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") among the Authority, the County, and Digital Assurance Certification, L.L.C. as dissemination agent, has been prepared;

**WHEREAS**, Montague DeRose and Associates, LLC, is serving as municipal advisor (the "Municipal Advisor") to the County and the Authority, Schiff Hardin LLP is serving as disclosure counsel ("Disclosure Counsel") to the County and the Authority, and Nixon Peabody LLP is serving as bond counsel ("Bond Counsel") to the County and the Authority in connection with the transaction;

**WHEREAS**, this Board has been presented with the substantially final form of each document referred to herein relating to the Bonds, and the Board has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing;

**WHEREAS**, the Authority has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions hereinafter authorized; and

**WHEREAS**, the Authority expects to finance the 2021 Project and refund the Prior Obligations on a tax-exempt basis;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the County of Contra Costa Public Financing Authority, as follows:

Section 1. The foregoing recitals are true and correct and this Board so finds and determines.

Section 2. The issuance and sale of the Bonds by the Authority, in a principal amount not to exceed \$150,000,000, for the financing of the 2021 Project, the refunding of the Prior Obligations and the payment of related transaction costs is hereby authorized and approved.

Section 3. The form of Site Lease on file with the Secretary of the Board of Directors is hereby approved, and the Chair of the Board of Directors, the Vice Chair of the Board of Directors, the Executive Director of the Authority or the Deputy Executive Director of the Authority or any designee of any such official (the "Authorized Signatories") and the Secretary of the Board of Directors or any Assistant Secretary of the Board of Directors (the "Secretary"), each acting alone, are hereby authorized and directed to execute and deliver, and the Secretary to attest, the Site Lease in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term thereof shall end on the date on which all Base Rental Payments and

Additional Payments due and owing under the Facilities Lease are paid in full, not to exceed a term of 31 years.

Section 4. The form of Facilities Lease on file with the Secretary is hereby approved, and any one of the Authorized Signatories, each acting alone, is hereby authorized and directed to execute and deliver, and the Secretary to attest, the Facilities Lease in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the maximum annual base rental payments payable under the Facilities Lease shall not exceed \$15,000,000 and the term of the Facilities Lease (including any extensions) shall end on the date on which all of the Base Rental Payments and Additional Payments have been paid in full; provided that in the event the obligation of the County to pay Base Rental Payments or Additional Payments is abated for any period under the Facilities Lease, the term of the Facilities Lease shall extend until such time as all Base Rental Payments and Additional Payments set forth in the Facilities Lease have been paid in full, *provided* that the term of the Facilities Lease shall not extend more than ten years following the last Base Rental Payment date set forth in the Facilities Lease.

Section 5. The form of Trust Agreement on file with the Secretary is hereby approved. Any one of the Authorized Signatories, each acting alone, is hereby authorized and directed to execute and deliver, and the Secretary to attest, the Trust Agreement in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The form of Bond Purchase Agreement on file with the Secretary of the Authority is hereby approved. Any one of the Authorized Signatories is hereby authorized and directed, for and in the name and on behalf of the Authority, to accept the offer of the Underwriter to purchase the Bonds as reflected in the Bond Purchase Agreement; and to execute and deliver the Bond Purchase Agreement in substantially the form on file with the Secretary of the Authority, with such additions, deletions, changes and corrections therein as such officer determines are necessary or appropriate and are approved by such officer, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however that (i) the interest rate on the Bonds shall not exceed a true interest cost of four percent (4.0%) per annum, (ii) the underwriting discount (excluding any original issue discount) shall not exceed three-tenths percent (0.3%) of the aggregate principal amount of the Bonds, and (iii) the refunding of the Prior Obligations shall result in cost savings in accordance with the County's Debt Management Policy.

Section 7. The form of Official Statement describing the Bonds is hereby approved, along with the form of Continuing Disclosure Agreement attached as an appendix item therein, and any of the Authorized Signatories is hereby authorized and directed to execute and deliver a Final Official Statement in substantially said form with such additions, deletions, changes and corrections therein as such officer determines are necessary or appropriate and are approved by such officer, such approval to be conclusively evidenced by the execution thereof. The Underwriter is hereby directed to distribute copies of the Final Official Statement to all actual purchasers of the Bonds. Distribution by the Underwriter of the Preliminary Official Statement to potential purchasers is hereby approved and any of the Authorized Signatories is hereby authorized and directed to execute a certificate confirming that the Preliminary Official Statement has been "deemed final" by the Authority for purposes of Securities and Exchange Commission Rule 15c2-12, as amended ("Rule 15c2-12").

Section 8. The Authority acknowledges and relies upon the fact that the County has represented that it shall execute the Continuing Disclosure Agreement containing such covenants of the County as shall be necessary to allow the Underwriter to comply with the requirements of Rule 15c2-12. The Authority acknowledges and relies upon the fact that the County has covenanted that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement.

Section 9. The Authorized Signatories are each hereby authorized to enter into one or more investment agreements, float contracts, other hedging products that are authorized under the County's Debt Management Policy from time to time (hereinafter collectively referred to as the "Investment Agreement") providing for the investment of moneys in any of the funds and accounts created under the Trust Agreement, on such terms as the Authorized Signatories shall deem appropriate including providing investments with terms up to the final maturity date of the Bonds. Pursuant to Section 5922 of the California Government Code, this Board hereby finds and determines that the Investment Agreement is designed to reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreement and is designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Bonds or enhance the relationship between risk and return with respect to investments.

Section 10. The County has requested the Authority to issue the Bonds for the purpose of financing certain capital improvements and refunding certain outstanding lease revenue bonds as described herein, and in connection therewith, the Authority approves legal and financial work on behalf of the County and the Authority, and the execution of agreements with the Underwriter, with the Municipal Advisor, with Disclosure counsel and with Bond Counsel. In addition, the Authority adopts and approves the Good Faith Estimates required by Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) ("SB 450") and obtained by the County from the Underwriter and the Municipal Advisor. The Authority confirms, that to the extent

applicable, it adopts the County’s stated debt management policies required by Senate Bill 1029 (“SB 1029”), and further represents that it is in compliance with the applicable SB 1029 pre-issuance requirements and that it expects to comply with all post-issuance requirements of SB 1029 applicable to the Bonds.

Section 11. The Authorized Signatories and other officers of the Authority are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, but not limited to, modifying the bond caption and series designation of the Bonds, executing and delivering documents related to transfers of real property, lease terminations, title clarifications, property acceptances, signature certificates, no-litigation certificates and tax and rebate certificates, certificates concerning the contents of the Official Statement distributed in connection with the sale of the Bonds, and execution of any escrow instructions, escrow agreements or documents in connection with the refunding and defeasance of the Prior Obligations. The Authorized Signatories and the County Finance Director on behalf of the Authority are hereby authorized and directed to execute and deliver any and all certificates, instructions as to investments, written requests and other certificates necessary and desirable to administer the Bonds and the Trust Agreement or other documents authorized hereunder including executing the Written Requests of the Authority authorizing disbursements from the Costs of Issuance Fund for payment of costs of issuance such as legal and municipal advisor fees, trustee’s fees, title insurance premiums, insurance premiums and reserve surety premiums (if any), publication and printing costs and similar expenses of the bond financing. Any one of the Authorized Signatories is hereby authorized and directed, for and in the name of and on behalf of the County, to evaluate and select one or more municipal bond insurers for all or any portion of the Bonds and to execute and deliver such contracts and agreements with such bond insurers as may be approved by the Authorized Signatories executing the same, subject to the provisions of this Resolution, such approval to be conclusively evidenced by such execution and delivery.

Section 12. All actions heretofore taken by the officers and agents of the Authority with respect to the issuance and sale of the Bonds are hereby approved and confirmed.

Section 13. All of the agreements contemplated by this Resolution may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the Authority) and sent by e-mail shall be deemed original signatures, unless stated otherwise in the agreement.

Section 14. This Resolution shall take effect from and after its date of adoption.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**ATTESTED: December 15, 2020**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

**Contact: Timothy Ewell, 925-655-2043**

By: , Deputy

**cc:**

SECRETARY'S CERTIFICATE

The undersigned, Assistant Secretary of the Board of Directors of the County of Contra Costa Public Financing Authority, hereby certifies as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of said Authority duly and regularly held at the regular meeting place thereof on the 15<sup>th</sup> day of December, 2020, of which meeting all of the members of said Board of Directors had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

AYES: [ \_\_\_\_\_ ]

NOES: [ \_\_\_\_\_ ]

An agenda of said meeting was posted at least 96 hours before said meeting at the [Chambers of the Board of Supervisors of the County located at 1025 Escobar Street in the City of Martinez, California], a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

The foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting; said resolution has not been amended, modified or rescinded since the date of its adoption; and the same is now in full force and effect.

WITNESS my hand this 15<sup>th</sup> day of December, 2020.

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Assistant Secretary of the Board of Directors  
of the County of Contra Costa Public  
Financing Authority

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TRUST AGREEMENT

by and between the

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY

and

WELLS FARGO BANK, NATIONAL ASSOCIATION  
as Trustee

Dated as of \_\_\_\_\_ 1, 2021

\$\_\_\_\_\_

County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding),  
2021 Series A (Capital Project) and 2021 Series B (Refunding)

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THIS TRUST AGREEMENT dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”), by and between the COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY (the “Authority”), a joint exercise of powers authority duly organized and existing pursuant to an agreement entitled “Amended and Restated Joint Exercise of Powers Agreement” by and between the County of Contra Costa (the “County”) and the Contra Costa County Flood Control and Water Conservation District, and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America and qualified to accept and administer the trusts hereby created, as trustee (the “Trustee”);

WITNESSETH:

**WHEREAS**, the Authority is a joint exercise of powers authority duly organized and operating pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (hereinafter, the “Act”);

**WHEREAS**, Article 4 of the Act authorizes and empowers the Authority to issue bonds to assist local agencies in financing projects and programs consisting of certain public improvements or working capital or liability and other insurance needs whenever a local agency determines that there are significant public benefits from so doing;

**WHEREAS**, the County has determined to finance various capital projects as set forth in Exhibit D to the Facilities Lease (as amended from time to time, the “Capital Projects”);

**WHEREAS**, the Authority has previously issued its Lease Revenue Bonds, consisting of \$13,130,000 2010 Series A-2 (Capital Project I – Taxable Build America Bonds) (the “Series A-2 Bonds”), \$20,700,000 2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds) (the “Series A-3 Bonds”), and \$17,435,000 2010 Series B (Refunding) (the “Series B Bonds” and together with the Series A-2 Bonds and the Series A-3 Bonds, the “2010 Bonds”) pursuant to a Trust Agreement, dated as of November 1, 2010 (the “2010 Trust Agreement”), between the Authority and Wells Fargo Bank, National Association, as prior trustee (the “2010 Trustee”);

**WHEREAS**, the Authority has previously issued its \$13,102,304 Lease Revenue Obligations 2012 Series A (the “2012 Series A Obligations,” collectively with the 2010 Bonds, the “Refunded Bonds”) pursuant to a Trust Agreement, dated as of October 1, 2012 (the “2012 Trust Agreement,” and together with the 2010 Trust Agreement, the “Prior Trust Agreements”), between the Authority and Wells Fargo Bank, National Association, as prior trustee (the “2012 Trustee”);

**WHEREAS**, the County and the Authority have executed and entered into a Site Lease (the “Site Lease”) dated as of \_\_\_\_\_ 1, 2021, whereby the County has agreed to lease to the Authority the real property more particularly described in Exhibit A attached thereto, which together with the improvements thereon is referred to as the “Facilities;”

**WHEREAS**, the County and the Authority have executed and entered into a Facilities Lease (the “Facilities Lease”) dated as of \_\_\_\_\_ 1, 2021, whereby the County has agreed to sublease back the Facilities from the Authority;

**WHEREAS**, under and pursuant to the Facilities Lease, the County is obligated to make rental payments to the Authority;

**WHEREAS**, the Authority has assigned without recourse all its rights to receive the Base Rental Payments scheduled to be paid by the County under and pursuant to the Facilities Lease, and certain other rights to the Trustee pursuant to the Facilities Lease;

**WHEREAS**, in consideration of the assignments pursuant to the Facilities Lease and the execution and delivery of this Trust Agreement, the Authority has agreed to issue the County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) and 2021 Series B (Refunding) (the "Bonds");

**WHEREAS**, to provide for the authentication and delivery of the Bonds (as hereinafter defined), to establish and declare the terms and conditions upon which the Bonds are to be issued and to secure the full and timely payment of the principal thereof and premium, if any, and interest thereon, the Authority has authorized the execution and delivery of this Trust Agreement; and

**WHEREAS**, the Authority has determined that all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority and authenticated and delivered by the Trustee, duly issued and the valid, binding and legal obligations of the Authority payable in accordance with their terms, and to constitute this Trust Agreement a valid and binding agreement of the parties hereto for the uses and purposes herein set forth, have been done and taken, and have been in all respects duly authorized;

**NOW, THEREFORE, THIS TRUST AGREEMENT WITNESSETH**, that in order to secure the full and timely payment of the principal of, premium, if any, and the interest on all Bonds at any time issued and outstanding under this Trust Agreement, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the holders thereof, and for other valuable consideration, the receipt whereof is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective holders from time to time of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS; EQUAL SECURITY

**SECTION 1.01**      Definitions.      Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any Supplemental Trust Agreement and of any certificate, opinion, request or other document herein or therein mentioned have the meanings herein specified, unless otherwise defined in such other document. Capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Facilities Lease.

“**Act**” means the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the Government Code of the State, as amended) and all laws amendatory thereof or supplemental thereto.

“**Authority**” means the County of Contra Costa Public Financing Authority created pursuant to the Act and its successors and assigns in accordance herewith.

“**Authorized Denominations**” means, with respect to the Bonds, \$100,000 and increments of \$5,000 above that amount.

“**Bond Counsel**” means counsel of recognized national standing in the field of law relating to municipal bonds, appointed by the Authority.

“**Bond Year**” means the twelve (12)-month period ending on June 1 of each year to which reference is made.

“**Bondholder**” or “**Owner**” means any person who shall be the registered owner of any Outstanding Bond.

“**Bonds**” means the Authority’s Lease Revenue Bonds, 2021 Series A (Capital Projects) and 2021 Series B (Refunding) executed, issued and delivered in accordance with Section 2.02(a) and Section 3.01.

“**Business Day**” means a day that is not a Saturday, Sunday or legal holiday on which banking institutions in the State of New York or California or in any state in which the office of the Trustee is located are authorized to remain closed or a day on which the Federal Reserve system is closed.

“**Capital Projects**” means the various public capital improvements and projects, including, but not limited to the acquisition, installation, implementation and construction of the Project, as described in the Facilities Lease, as the same may be amended from time to time by a Certificate of the County delivered to the Trustee, to be financed by a portion of the proceeds of the Series 2021 A Bonds.

“**Certificate of the Authority**” means an instrument in writing signed by any of the following officials of the Authority: Chair, Vice-Chair, Executive Director, Assistant Executive Director or Deputy Executive Director or a designee of any such officer, or by any other person (whether or not an officer of the Authority) who is specifically authorized by resolution of the Authority for that purpose.

“**Certificate of the County**” means an instrument in writing signed by any of the following County officials: the Chair of the Board of Supervisors, the County Administrator of the County, the Treasurer-Tax Collector of the County or the County Finance Director or by any such officials’ duly appointed designee, or by any other officer of the County duly authorized by the Board of Supervisors of the County for that purpose.

“**Code**” means the Internal Revenue Code of 1986, as amended.

**“Continuing Disclosure Agreement”** means the Continuing Disclosure Agreement dated as of \_\_\_\_\_ 1, 2021, among the Authority, the County, and \_\_\_\_\_, as dissemination agent, as originally executed and as it may from time to time be amended, supplemented, modified or restated in accordance with the terms thereof.

**“Costs of Issuance”** means all items of expense directly or indirectly payable by or reimbursable to the County or the Authority and related to the authorization, execution and delivery of the Facilities Lease, the Site Lease, this Trust Agreement and the issuance and sale of the Bonds, including, but not limited to, costs of preparation and reproduction of documents, costs of rating agencies and costs to provide information required by rating agencies, filing and recording fees, fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, fees and charges for preparation, execution and safekeeping of the Bonds, title search and title insurance fees, fees of the Authority and any other authorized cost, charge or fee in connection with the issuance of the Bonds.

**“Costs of Issuance Fund”** means the fund by that name established pursuant to Section 3.01.

**“County”** means the County of Contra Costa, a County organized and validly existing under the Constitution and general laws of the State.

**“Debt Service”** means, for any Fiscal Year or other period, the sum of (1) the interest accruing during such Fiscal Year or other period on all Outstanding Bonds, assuming that all Outstanding Serial Bond are retired as scheduled and that all Outstanding Term Bonds are redeemed or paid from sinking fund payments as scheduled (except to the extent that such interest is to be paid from the proceeds of sale of any Bonds so long as such funded interest is in an amount equal to the gross amount necessary to pay such interest on the Bonds and is invested in Permitted Investments which mature no later than the related Interest Payment Date) and (2) the principal amount of all Outstanding Serial Bonds maturing during such Fiscal year or other period, and (3) the principal amount of all Outstanding Term Bonds required to be redeemed or paid (together with the redemption premiums, if any, thereon) during such Fiscal Year or other period.

**“Depository”** means DTC or another recognized security depository selected by the Authority which maintains a book-entry system for the Bonds.

**“Designated Office”** refers to the office of the Trustee noted in Section 11.09 and such other offices as the Trustee may designate from time to time.

**“DTC”** means The Depository Trust Company, New York, New York, its successors and their assigns or, if DTC or its successor or assign resigns from its functions as Depository for the Bonds, any other Depository which agrees to follow the procedures required to be followed by a Depository in connection with the Bonds and which is selected by the Authority.

**“Dissemination Agent”** means Digital Assurance Certification, L.L.C. or any successor appointed under the Continuing Disclosure Agreement.

“**Event of Default**” shall have the meaning specified in Section 7.01.

“**Facilities**” shall mean the real property and the improvements thereon, as set forth in Exhibit A to the Facilities Lease, or any County buildings, other improvements and facilities added thereto or substituted therefor, or any portion thereof, in accordance with the Facilities Lease and this Trust Agreement.

“**Facilities Lease**” means that certain lease, entitled “Facilities Lease,” by and between the County and the Authority, dated as of \_\_\_\_\_ 1, 2021, as originally executed and recorded or as it may from time to time be supplemented, modified or amended pursuant to the provisions hereof and thereof.

“**Fiscal Year**” means the twelve (12)-month period ending on June 30 of each year, or any other annual accounting period hereafter selected and designated by the Authority as its Fiscal Year in accordance with applicable law.

“**Government Securities**” means (1) cash; (2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – “SLGS”); (3) direct obligations of the U.S. Treasury which have been stripped by the Treasury itself, such as CATS, TIGRS and similar securities; (4) Resolution Funding Corp. (REFCORP) strips (interest component only) which have been stripped by request to the Federal Reserve Bank of New York in book entry form; (5) pre-refunded municipal bonds rated the same rating as U.S. Treasury securities, or if not rated, then pre-refunded bonds that have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations; and (6) obligations issued by the following agencies which are backed by the full faith and credit of the U.S.: (a) U.S. Export-Import Bank direct obligations or fully guaranteed certificates of beneficial ownership, (b) Farmers Home Administration (FmHA) certificates of beneficial ownership, (c) Federal Financing Bank, (d) General Services Administration participation certificates, (e) U.S. Maritime Administration Guaranteed Title XI financing, (f) U.S. Department of Housing and Urban Development (HUD) Project Notes, Local Authority Bonds, New Communities Debentures – U.S. government guaranteed debentures, and U.S. Public Housing Notes and Bonds – U.S. government guaranteed public housing notes and bonds.

“**Independent Certified Public Accountant**” means any certified public accountant or firm of such accountants duly licensed and entitled to practice and practicing as such under the laws of the State or another state of the United States of America or a comparable successor, appointed and paid by the Authority, and who, or each of whom:

(1) is in fact independent according to the Statement of Auditing Standards No. 1 and not under the domination of the Authority or the County;

(2) does not have a substantial financial interest, direct or indirect, in the operations of the Authority or the County; and

(3) is not connected with the Authority or the County as a member, officer or employee of the Authority or the County, but who

may be regularly retained to audit the accounting records of and make reports thereon to the Authority or the County.

**“Interest Payment Date”** means, with respect to the Bonds, June 1 and December 1 in each year, commencing [December 1, 2021].

**“Interest Payment Period”** means the period from and including each Interest Payment Date (or, for the first Interest Payment Period, from and including the date of the Bonds) to and including the day immediately preceding the next succeeding Interest Payment Date.

**“Moody’s”** means Moody’s Investors Service a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the County.

**“Nominee”** means the nominee of the Securities Depository (currently Cede & Co.), which may be the Securities Depository, or any nominee substituted by the Securities Depository pursuant to Section 2.09

**“Opinion of Counsel”** means a written opinion of Bond Counsel.

**“Outstanding,”** when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.02) all Bonds except

- (1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;
- (2) Bonds paid or deemed to have been paid within the meaning of Section 10.01;
- (3) Bonds deemed tendered but not yet presented for purchase; and
- (4) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the Authority pursuant hereto.

**“Permitted Encumbrances”** means (1) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the County may, pursuant to the Facilities Lease, permit to remain unpaid; (2) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the date of recordation of the Facilities Lease in the office of the County Recorder of the County of Contra Costa and which the County certifies in writing will not materially impair the use of the Facilities; (3) the Site Lease, as it may be amended from time to time, and the Facilities Lease, as it may be amended from time to time; (4) this Trust Agreement, as it may be amended from time to time; (5) any right or claim of any mechanic, laborer, materialman, supplier or vendor not

filed or perfected in the manner prescribed by law; (6) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions to which the Authority and the County consent in writing and certify to the Trustee will not materially impair the ownership interests of the Authority or use of the Facilities by the County; and (7) subleases and assignments of the County which, as provided in an Opinion of Counsel, will not adversely affect the exclusion from gross income of interest on the Bonds.

[“**Permitted Investments**” means any of the following:

- (1) Government Securities;
- (2) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America;
- (3) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (a) Farmers Home Administration (FmHA) certificates of beneficial ownership, (b) Federal Housing Administration (FHA) debentures, (c) General Services Administration participation certificates, (d) Government National Mortgage Association (GNMA or “Ginnie Mae”) guaranteed mortgage-backed bonds and guaranteed pass-through obligations (participation certificates), (e) U.S. Maritime Administration guaranteed Title XI financing, and (f) U.S. Department of Housing and Urban Development (HUD) Project Notes and Local Authority Bonds;
- (4) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself): (a) Federal Home Loan Bank System senior debt obligations (consolidated debt obligations), (b) Federal Home Loan Mortgage Corporation (FHLMC or “Freddie Mac”) participation certificates (mortgage-backed securities) and senior debt obligations, (c) Federal National Mortgage Association (FNMA or “Fannie Mae”) mortgage-backed securities and senior debt obligations (excluded are stripped mortgage securities which are valued greater than par on the portion of unpaid principal), (d) Resolution Funding Corp. (REFCORP) strips (interest component only) which have been stripped by request to the Federal Reserve Bank of New York in book entry form, and (e) Farm Credit System Consolidated systemwide bonds and notes;

(5) money market funds registered under the Federal Investment Company Act of 1940, the shares of which are registered under the Federal Securities Act of 1933, and which have a rating at the time of purchase by S&P of AAAm-G, AAAm, or AA-m and, if rated by Moody's, rated Aaa, Aa1 or Aa2, and which funds may include funds which the Trustee, its affiliates, or subsidiaries provide investment advisory or other management services;

(6) certificates of deposit secured at all times by collateral described in (2) and/or (3) above (which collateral must be held by a third party and subject to a perfected first security interest held by the Trustee) with a maturity of one year or less and issued by commercial banks, savings and loan associations or mutual savings banks whose short term obligations at the time of purchase are rated "A-1" or better by S&P and "Prime-1" by Moody's;

(7) certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF;

(8) investment agreements, including guaranteed investment contracts;

(9) commercial paper rated at the time of purchase "Prime-1" by Moody's and "A-1" or better by S&P;

(10) bonds or notes issued by any state or municipality which is rated by Moody's and S&P in one of the two highest long-term rating categories assigned by such agencies at the time of purchase;

(11) federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1" or better by S&P at the time of purchase;

(12) repurchase agreements that provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee (buyer/lender) and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date and that satisfy the following criteria:

- (a) repurchase agreements must be between the municipal entity and dealer banks or securities firms that are
  - (i) on the Federal Reserve reporting dealer list which fall under the jurisdiction of the SIPC and which, at the time of purchase, are rated A or better by S&P and Moody's, or
  - (ii) banks rated



“A” or above by S&P and Moody’s, at the time of purchase, and

(b) repurchase agreements must include the following: (i) securities that are acceptable for transfer, including those describe in clauses (2) and (3) above, (ii) terms of not more than 30 days, (iii) collateral must be delivered to the Trustee (if Trustee is not supplying the collateral) or third party acting as agent for the Trustee (if the Trustee is supplying the collateral) before or simultaneously with payment (perfection by possession of certificated securities), (iv) the Trustee must have a perfected first priority security interest in the collateral, (v) collateral must be free and clear of third-party liens and, in the case of an SIPC broker, must not have been acquired pursuant to a repurchase agreement or reverse repurchase agreement, (vi) failure to maintain the requisite collateral percentage, after a two day restoration period, requires the Trustee to liquidate collateral, (vii) securities must be valued weekly and marked-to-market at current market price plus accrued interest, and (viii) the value of collateral must be equal to 104% or, if the securities used as collateral are FNMA or FHLMC securities, 105%, of the amount of cash transferred to the dealer bank or security firm under the repurchase agreement plus accrued interest and, if the value of securities held as collateral slips below such amount, then additional cash and/or acceptable securities must be transferred;

(13) pre-refunded municipal bonds rated the same rating as U.S. Treasury securities or, if there is no rating, then pre-refunded bonds pre-refunded with cash, direct U.S. or U.S. guaranteed obligations;

(14) the County of Contra Costa Investment Pool;

(15) shares of beneficial interest issued by the Investment Trust of California (CaITRUST) pursuant to California Government Code Section 6509.7 and authorized for local agency investment pursuant to California Government Code Section 53601(o); and

(16) the Local Agency Investment Fund of the State of California. The Trustee may conclusively rely on the written instructions of the Authority and the County that such investment is a Permitted Investment.][**Confirm**]

“**Person**” means a corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“**Principal Payment Date**” means any date on which principal of the Bonds is required to be paid (whether by reason of maturity, redemption or acceleration).

[“**Project**” means the (i) demolition and construction of certain County Offices; (ii) expansion and improvement of Buchanan Field Airport; and (iii) financing the acquisition and construction of fire districts, and payment of any costs associated with financing of said projects, as set forth in Exhibit D to the Facilities Lease as the same may be changed from time to time, in accordance with Section 3.07 of the Facilities Lease, by the County by filing a Certificate of the County with the Trustee.][to be confirmed]

“**Project Fund**” means the fund by that name established pursuant to Section 3.02.

“**Record Date**” means the close of business on the fifteenth (15th) calendar day (whether or not a Business Day) of the month preceding any Interest Payment Date.

“**Redemption Date**” shall mean the date fixed for redemption of any Bonds.

“**Redemption Price**” means, with respect to any Bond (or portion thereof), the principal amount of such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and this Trust Agreement.

“**Representation Letter**” means the blanket letter of representation of the Authority to DTC or any similar letter to a substitute depository.

“**Responsible Officer**” means any officer of the Trustee assigned to administer its duties under this Trust Agreement.

“**Revenue Fund**” means the fund by that name created pursuant to Section 5.02 hereof.

“**Revenues**” means (i) all Base Rental Payments and other payments paid by the County and received by the Authority pursuant to the Facilities Lease (but not Additional Payments), and (ii) all interest or other income from any investment, pursuant to Section 5.05, of any money in any fund or account (other than the Rebate Fund) established pursuant to this Trust Agreement or the Facilities Lease.

“**S&P**” means S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term S&P shall be deemed to refer to any other nationally recognized securities rating agency selected by the County.

“**Securities Depository**” means DTC or any successor securities depository appointed pursuant to Section 2.09.

“**Securities Depository Participants**” means those financial institutions for which the Securities Depository effects book entry transfers and pledges of securities deposited

with the Securities Depository, as such listing of Securities Depository Participants exists at the time of such reference.

**“Serial Bonds”** means Bonds for which no sinking fund payments are provided.

**“Series,”** whenever used herein with respect to Bonds, means all of the Bonds designated as being of the same series, authenticated and delivered in a simultaneous transaction, regardless of variations in maturity, interest rate, redemption and other provisions, and any Bonds thereafter authenticated and delivered upon transfer or exchange of or in lieu of or in substitution for (but not to refund) such Bonds as herein provided.

**“Site Lease”** means that certain lease, entitled “Site Lease,” by and between the County and the Authority, dated as of \_\_\_\_\_ 1, 2021, as originally executed and recorded or as it may from time to time be supplemented, modified or amended pursuant to the provisions hereof and thereof.

**“State”** means the State of California.

**“Supplemental Trust Agreement”** means any trust agreement then in full force and effect which has been duly executed and delivered by the Authority and the Trustee amendatory hereof or supplemental hereto; but only if and to the extent that such Supplemental Trust Agreement is executed and delivered pursuant to the provisions hereof.

**“Tax Certificate”** means the Tax Certificate and Agreement delivered by the Authority and the County at the time of the issuance and delivery of the Bonds, as the same may be amended or supplemented in accordance with its terms.

**“Term Bonds”** means Bonds which are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

**“Trust Agreement”** means this Trust Agreement, dated as of \_\_\_\_\_ 1, 2021, between the Authority and the Trustee, as originally executed and as it may from time to time be amended or supplemented by all Supplemental Trust Agreements executed pursuant to the provisions hereof.

**“Trustee”** means Wells Fargo Bank, National Association, or any other association or corporation which may at any time be substituted in its place as provided in Section 8.01.

**“Written Request of the Authority”** means an instrument in writing signed by or on behalf of the Authority by its Chair, Vice-Chair, Executive Director, Assistant Executive Director or Deputy Executive Director or a designee of any such officer or by any other person (whether or not an officer of the Authority) who is specifically authorized by resolution of the Board of Directors of the Authority to sign or execute such a document on its behalf.

**“Written Request of the County”** means an instrument in writing signed by the County Administrator of the County or his designee, or by the County Finance Director of the

County, or by any other officer of the County duly authorized by the Board of Supervisors of the County in writing to the Trustee for that purpose.

“**2021 Series A Bonds**” means the Bonds of such Series issued pursuant to Section 2.02(a) hereof.

“**2021 Series B Bonds**” means the Bonds of such Series issued pursuant to Section 2.02(a) hereof.

SECTION 1.02        Equal Security. In consideration of the acceptance of the Bonds by the Bondholders thereof, this Trust Agreement shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the Bondholders from time to time of all Bonds authorized, executed, issued and delivered hereunder and then Outstanding to secure the full, timely and final payment of the interest on and principal of and redemption premiums, if any, on all Bonds which may from time to time be authorized, executed, issued and delivered hereunder, subject to the agreements, conditions, covenants and provisions contained herein; and all agreements and covenants set forth herein to be performed by or on behalf of the Authority shall be for the equal and proportionate benefit, protection and security of all Bondholders of the Bonds without distinction, preference or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number or date thereof or the time of authorization, sale, execution, issuance or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

SECTION 1.03        Interpretation. Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean or include the neuter, masculine or feminine gender, as appropriate. Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

## ARTICLE II

### THE BONDS

SECTION 2.01        Authorization of Bonds. (a) The Bonds are hereby created and designated “County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) and 2021 Series B (Refunding).” The aggregate principal amount of 2021 Series A Bonds which may be issued and Outstanding under this Trust Agreement shall not exceed [\_\_\_\_\_] (\$[\_\_\_\_\_]) and the aggregate principal amount of 2021 Series B Bonds which may be issued and Outstanding under this Trust Agreement shall not exceed [\_\_\_\_\_] (\$[\_\_\_\_\_]).

(b) The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds do exist, have happened and have been

performed in due time, form and manner as required by law, and that the Authority is now duly authorized, pursuant to each and every requirement of the Act, to issue the Bonds in the form and manner provided herein for the purpose of providing funds to finance the Capital Projects and refund the Refunded Bonds and that the Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

(c) From and after the issuance of the Bonds, the findings and determinations of the County and the Authority respecting the Bonds shall be conclusive evidence of (i) the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the Bonds shall be required to see to the existence of any fact, or (ii) to the performance of any condition or to the taking of any proceeding required prior to such issuance, or (iii) to the application of the proceeds of sale of the Bonds.

(d) The validity of the issuance of the 2021 Series A Bonds shall not be dependent on or affected in any way by the proceedings taken by the County or the Authority for the financing of the Capital Projects or by any contracts made by the County or the Authority or its agents in connection therewith. The recital contained in the 2021 Series A Bonds that the same are issued pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Bonds shall be incontestable from and after their issuance. The 2021 Series A Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive 2021 Series A Bonds (or any temporary 2021 Series A Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

SECTION 2.02 Terms of the Bonds. (a) The 2021 Series A Bonds shall be issued in the aggregate principal amount of [\_\_\_\_\_] (\$[\_\_\_\_\_]). The 2021 Series B Bonds shall be issued in the aggregate principal amount of [\_\_\_\_\_] (\$[\_\_\_\_\_]). The Bonds, shall be issued as fixed rate bonds, shall be dated the date of issuance thereof, shall be issued only in fully registered form in Authorized Denominations, and shall mature in the years and in the principal amounts and bear interest at the rates as set forth in the following schedules, subject to prior redemption as described in Article IV hereof:

County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding),  
2021 Series A (Capital Projects)

Payment Date [(June 1)]	Principal Amount	Rate of Interest
[2022]	\$	
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		

2032  
 2033  
 2034  
 2035  
 2036  
 2037  
 2038  
 2039  
 2040\*

County of Contra Costa Public Financing Authority  
 Lease Revenue Bonds (Capital Projects and Refunding),  
 2021 Series B (Refunding)

<u>Payment Date</u> <u>[(June 1)]</u>	<u>Principal</u> <u>Amount</u>	<u>Rate of</u> <u>Interest</u>
[2022]	\$	
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040*		

The Bonds shall bear interest at the rate set forth above, be payable commencing [December 1, 2021] and semiannually thereafter on June 1 and December 1 in each year. The Bonds shall pay interest to the registered owner thereof from the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication is after the Record Date for an Interest Payment Date, in which event they shall pay interest from such Interest Payment Date, or unless such date of authentication is on or prior to the Record Date for the first Interest Payment Date, in which event they shall pay interest from their dated date. The

amount of interest so payable on any Interest Payment Date shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

(a) Payment of interest on the Bonds due on or before the maturity or prior redemption thereof shall be paid by check mailed by first class mail on each Interest Payment Date to the person in whose name the Bond is registered as of the applicable Record Date for such Interest Payment Date at the address shown on the registration books maintained by the Trustee pursuant to Section 2.07; provided, however, that interest on the Bonds shall be paid by wire transfer or other means to provide immediately available funds to any Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, at its option, according to wire instructions for an account within the United States of America given to the Trustee in writing for such purpose and on file as of the applicable Record Date preceding the Interest Payment Date.

(b) Interest on any Bond shall cease to accrue (i) on the maturity date thereof, provided that there has been irrevocably deposited with the Trustee an amount sufficient to pay the principal amount thereof, plus interest accrued thereon to such date; or (ii) on the redemption date thereof, provided there has been irrevocably deposited with the Trustee an amount sufficient to pay the Redemption Price thereof plus interest accrued thereon to such date. The Owner of such Bond shall not be entitled to any other payment, and such Bond shall no longer be Outstanding and entitled to the benefits of this Trust Agreement, except for the payment of the principal amount or Redemption Price of, plus accrued interest, if any, on such Bond, as appropriate, from moneys held by the Trustee for such payment.

(c) The principal of the Bonds shall be payable by check in lawful money of the United States of America at the Designated Office of the Trustee. No payment of principal shall be made on any Bond unless and until such Bond is surrendered to the Trustee for cancellation.

SECTION 2.03 Form of Bonds. The Bonds and the authentication and registration endorsement and assignment to appear thereon shall be substantially in the form set forth in Exhibit A attached hereto and by this reference is herein incorporated.

SECTION 2.04 Execution of Bonds. The Chair or the Executive Director of the Authority is hereby authorized and directed to execute each of the Bonds on behalf of the Authority and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to countersign each of the Bonds on behalf of the Authority. The signatures of such

officers may be by printed, lithographed or engraved by facsimile reproduction. In case any officer whose signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Bonds.

Only those Bonds bearing thereon a certificate of authentication in the form hereinbefore recited, executed manually and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

SECTION 2.05 Transfer and Payment of Bonds. (a) Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 2.07 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds for a like aggregate principal amount of Authorized Denominations. The Trustee shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege.

The Authority and the Trustee may, except as otherwise provided herein, deem and treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment thereof and for all other purposes, whether such Bond shall be overdue or not, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of and redemption premium, if any, on such Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on such Bond to the extent of the sum or sums so paid.

The Trustee shall not be required to register the transfer of or exchange any Bonds which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 4.04 or during the period established by the Trustee for selection of Bonds for redemption.

SECTION 2.06 Exchange of Bonds. Bonds may be exchanged at the Designated Office of the Trustee for a like aggregate principal amount of Bonds of the same maturity in Authorized Denominations. The Trustee shall require the payment by the Bondholder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege. The Trustee shall not be required to exchange any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bond selected for redemption in whole or in part as provided in Section 4.04 or during the period established by the Trustee for selection of Bonds for redemption.



SECTION 2.07 Bond Registration Books. The Trustee will keep at its office sufficient books for the registration and transfer of the Bonds, which during normal business hours shall be open to inspection by the Authority upon reasonable notice, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Bonds in such books as hereinabove provided.

SECTION 2.08 Mutilated, Destroyed, Stolen or Lost Bonds; Temporary Bonds. If any Bond shall become mutilated, the Trustee, at the expense of the Bondholder, shall thereupon authenticate and deliver a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled.

If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Bondholder, shall thereupon authenticate and deliver a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen.

The Trustee may require payment of a reasonable sum for each new Bond issued under this Section 2.08 and of the expenses which may be incurred by the Authority and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Trust Agreement with all other Bonds secured by this Trust Agreement. Neither the Authority nor the Trustee shall be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and replacement Bond shall be treated as one and the same.

The Bonds issued under this Trust Agreement may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Authority, shall be in fully registered form and may contain such reference to any of the provisions of this Trust Agreement as may be appropriate. Every temporary Bond shall be executed and authenticated as authorized by the Authority, in accordance with the terms of the Act. If the Authority issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Designated Office of the Trustee, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Trust Agreement as definitive Bonds delivered hereunder.

SECTION 2.09 Special Covenants as to Book-Entry Only System for Bonds.

- (a) Except as otherwise provided in subsections (b) and (c) of this Section 2.09, all of the Bonds initially issued shall be registered in the name of Cede & Co., as nominee for

DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. Payment of the interest on any Bond registered in the name of Cede & Co. shall be made on each Interest Payment Date for such Bonds to the account, in the manner and at the address indicated in or pursuant to the Representation Letter.

(b) The Bonds initially shall be issued in the form of a single authenticated fully registered bond for each stated maturity of such Bonds, representing the aggregate principal amount of the Bonds of such maturity. Upon initial issuance, the ownership of all such Bonds shall be registered in the registration records maintained by the Trustee pursuant to Section 2.07 in the name of Cede & Co., as Nominee of DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. The Trustee, the Authority and any paying agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of and interest on such Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders hereunder, registering the transfer of Bonds, obtaining any consent or other action to be taken by Bondholders of the Bonds and for all other purposes whatsoever; and neither the Trustee nor the Authority or any paying agent shall be affected by any notice to the contrary. Neither the Trustee nor the Authority or any paying agent shall have any responsibility or obligation to any "Participant" (which shall mean, for purposes of this Section 2.09, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being a Bondholder, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (iii) any notice which is permitted or required to be given to Bondholders of Bonds hereunder, (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or (v) any consent given or other action taken by DTC as Bondholder of Bonds. The Trustee shall pay all principal of and premium, if any, and interest on the Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter, and all such

payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to the payment of the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Bonds will be transferable to such new nominee in accordance with subsection (e) of this Section 2.09.

(c) In the event that the Authority determines that the Bonds should not be maintained in book-entry form, the Trustee shall, upon the written instruction of the Authority, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of bond certificates. In such event, the Bonds will be transferable in accordance with subsection (e) of this Section 2.09. DTC may determine to discontinue providing its services with respect to the Bonds or a portion thereof, at any time by giving written notice of such discontinuance to the Authority or the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Bonds will be transferable in accordance with subsection (e) of this Section 2.09. If at any time DTC shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the Authority within 90 days after the Authority receives notice or becomes aware of such condition, as the case may be, then this Section 2.09 shall no longer be applicable and the Authority shall execute and the Trustee shall authenticate and deliver certificates representing the Bonds as provided below. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another Depository to maintain custody of all certificates evidencing the Bonds then Outstanding. In such event, the Bonds will be transferable to such Depository in accordance with subsection (e) of this Section 2.09, and thereafter, all references in this Trust Agreement to DTC or its nominee shall be deemed to refer to such successor Depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as all Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on each such Bond and all notices with respect

to each such Bond shall be made and given, respectively, to DTC as provided in or pursuant to the Representation Letter.

(e) In the event that any transfer or exchange of Bonds is authorized under subsection (b) or (c) of this Section 2.09, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Sections 2.05 and 2.06. In the event Bond certificates are issued to Bondholders other than Cede & Co., its successor as nominee for DTC as holder of all the Bonds, another Depository as holder of all the Bonds, or the nominee of such successor Depository, the provisions of Sections 2.05 and 2.06 shall also apply to, among other things, the registration, exchange and transfer of the Bonds and the method of payment of principal of, premium, if any, and interest on the Bonds.

### ARTICLE III

#### ISSUANCE OF BONDS

SECTION 3.01 Procedure for the Issuance of Bonds. At any time after the sale of the Bonds in accordance with the Act, the Authority shall execute the Bonds for issuance hereunder and shall deliver them to the Trustee, and thereupon the Bonds shall be authenticated and delivered by the Trustee to the Underwriter thereof upon the Written Request of the Authority and upon receipt of payment therefor from the purchaser thereof. Upon receipt of payment for the Bonds from the purchaser thereof, the Trustee shall, unless otherwise instructed by the Authority, apply the proceeds received from such sale to the following respective parties or to the following respective accounts, in the following order of priority: **[to discuss the flow of funds for the fire district portion]**

(i) deposit the amount of \$[\_\_\_\_\_] in the 2021 Series A Project Account within the Project Fund;

(ii) transfer the amount of \$[\_\_\_\_\_] to the Contra Costa County Fire Protection District;

(iii) transfer the amount of \$[\_\_\_\_\_] (which includes amounts held in funds and accounts established under the 2010 Trust Agreement) to the 2010 Trustee to refund the 2010 Bonds;

(iv) transfer the amount of \$[\_\_\_\_\_] (which includes amounts held in funds and accounts established under the 2012 Trust Agreement) to the 2012 Trustee to refund the 2012 Series A Obligations; and

(v) deposit the sum of \$[\_\_\_\_\_] to the Costs of Issuance Fund, which fund is hereby created and which fund the Trustee hereby covenants and agrees to maintain. All money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance of the Bonds upon receipt of a Written Request of the Authority, in substantially the form attached hereto as Exhibit D, filed with the Trustee, each of which shall be sequentially numbered and shall state the person(s) to whom payment is to be made, the amount(s) to be paid, the purpose(s) for which the obligation(s) was incurred and that such payment is a proper charge against said fund. On December 1, 2021, or upon the earlier Written Request of the Authority, any remaining balance in the Costs of Issuance Fund shall be transferred to the Revenue Fund and the Costs of Issuance Fund shall be closed.

SECTION 3.02 Project Fund. The Trustee hereby agrees to establish and maintain so long as any Series 2021 A Bonds are Outstanding the Project Fund (the initial payment into which is provided for in Section 3.01). The moneys in the Project Fund shall be disbursed by the Trustee upon the Written Request of the County in substantially the form of Exhibit C hereto filed with the Trustee, for the payment of Project Costs relating to the Project.

Before any payment is made from the Project Fund, there shall be filed with the Trustee a Written Request of the County showing with respect to each payment to be made:

- (i) the item number of the payment;
- (ii) the name of the person to whom payment is due;
- (iii) the amount to be paid; and
- (iv) the purpose for which the obligation to be paid was incurred.

Each such Written Request shall be sufficient evidence to the Trustee and shall state:

(a) that obligations in the stated amounts have been incurred by the County, and that each item thereof is a proper charge against the Project Fund and has not been the subject of a prior requisition; and

(b) that there has not been filed with or served upon the County notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in such Written Request, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

Upon receipt of each such Written Request, the Trustee will pay the amount set forth in such Written Request as directed by the terms thereof. The Trustee need not make any such payment if it has received notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys to be so paid, which has not been released or will not be released simultaneously with such payment.

All interest earnings on amounts on deposit in the Project Fund shall be deposited therein. Upon the completion of the Project, any amounts remaining in the 2021 Series A Project Account shall be expended on Capital Projects as specified by the County, subject to the receipt by the Authority of an Opinion of Counsel that such expenditures will not cause the interest on the Bonds to be included in gross income for purposes of federal income taxation or shall be transferred to the Revenue Fund to pay interest and principal on the Bonds next coming due until fully used for such purpose.

**[NO additional bond provisions under this agreement]**

## ARTICLE IV

### REDEMPTION OF BONDS

SECTION 4.01 Extraordinary Redemption. The Bonds are subject to redemption by the Authority on any date prior to their stated maturities, upon notice as hereinafter provided, as a whole or in part by lot within each stated maturities in integral multiples of Authorized Denominations, from prepayments made by the County pursuant to Section 7.02(a) of the Facilities Lease, at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the Redemption Date. Whenever less than all of the Outstanding Bonds are to be redeemed on any one date, the Trustee shall select, in accordance with written directions from the Authority, the mandatory sinking account payments against which shall be credited the Bonds to be redeemed so that the aggregate annual principal amount of and interest on Bonds which shall be payable after such Redemption Date shall be reduced pro rata over the remaining years of the lease terms (as set forth in Exhibit C to the Facilities Lease) for the Facilities which generated the insurance or eminent domain proceeds.

SECTION 4.02 Optional Redemption. [Except in the case of extraordinary redemption under section 4.01 hereof, the Bonds maturing on or prior to June 1, 20\_\_ are not subject to optional redemption. The Bonds maturing on or after June 1, 20\_\_ are subject to redemption prior to their stated maturities at the option of the Authority, at the direction of the County, in whole or in part, on any Business Day (in such amounts as may be specified by the Authority), by lot, at the Redemption Price thereof, plus accrued interest to the Redemption Date.]

SECTION 4.03 Mandatory Sinking Fund Redemption. [The Bonds shall be subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account

payments set forth below, at a Redemption Price equal to the sum of the principal amount thereof plus accrued interest thereon to the Redemption Date, without premium:]

<u>Mandatory Sinking Account Payment Date (June 1)</u>	<u>Mandatory Sinking Account Payment</u>
	\$

\*

\*Maturity

SECTION 4.04 Selection of Bonds for Redemption. The Authority shall designate which maturities of Bonds and the principal amount of Bonds which are to be redeemed. If less than all Outstanding Bonds maturing by their terms on any one date are to be redeemed at any one time, the Trustee shall select the Bonds of such maturity date to be redeemed by lot and shall promptly notify the Authority in writing of the numbers of the Bonds so selected for redemption. For purposes of such selection, Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event Term Bonds are designated for redemption, the Authority may designate which sinking account payments are allocated to such redemption.

SECTION 4.05 Notice of Redemption; Cancellation; Effect of Redemption. The Authority shall notify the Trustee of an optional redemption at least forty-five (45) days prior to the date fixed for optional redemption (unless the Trustee shall agree to some lesser number of days for notice of optional redemption), and each notice of redemption shall be mailed by first-class mail by the Trustee, not less than twenty (20) nor more than sixty (60) days prior to the redemption date to the respective Bondholders of the Bonds designated for redemption at their addresses appearing on the registration books of the Trustee. Each notice of redemption shall state the date of such notice, the date of issue of the Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address of the Trustee), the CUSIP number (if any) of the maturity date or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the Bonds of such maturity, to be redeemed and, in the case of Bonds to be redeemed in part only, the respective

portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said Bonds the Redemption Price thereof, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address of the Trustee specified in the redemption notice. Failure to receive such notice shall not invalidate any of the proceedings taken in connection with such redemption.

The Trustee may give a conditional notice of redemption prior to the receipt of all funds or satisfaction of all conditions necessary to effect the redemption, provided that redemption shall not occur unless and until all conditions have been satisfied and the Trustee has on deposit and available or, if applicable, has received, all of the funds necessary to effect the redemption; otherwise, such redemption shall be cancelled by the Trustee and the Trustee shall mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

The Authority may, at its option, on or prior to the date fixed for the redemption in any notice of optional redemption, rescind and cancel such notice of redemption by Written Request to the Trustee, and the Trustee shall mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

If notice of redemption has been duly given as aforesaid and money for the payment of the Redemption Price of the Bonds called for redemption plus accrued interest to the redemption date is held by the Trustee, then on the redemption date designated in such notice Bonds so called for redemption shall become due and payable, and from and after the date so designated interest on such Bonds shall cease to accrue, and the Bondholders of such Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof plus accrued interest to the Redemption Date.

All Bonds redeemed pursuant to the provisions of this Article shall be cancelled by the Trustee and disposed of in a manner deemed appropriate by the Trustee and shall not be reissued.

## ARTICLE V

### REVENUES

#### SECTION 5.01 Pledge of Revenues and Assignment.

(a) All Revenues, any other amounts (including proceeds of the sale of the Bonds) held by the Trustee in any fund or account established hereunder (other than amounts on deposit in the Rebate Fund created pursuant to Section 6.03) and any other amounts (excluding Additional Payments) received by the Authority in respect of the Facilities are hereby irrevocably pledged and assigned to the payment of the interest and premium, if any, on and principal of the Bonds as provided herein, and the Revenues and other amounts pledged hereunder



shall not be used for any other purpose while any of the Bonds remain Outstanding; provided, however, that out of the Revenues and other moneys there may be applied such sums for such purposes as are permitted hereunder. This pledge shall constitute a pledge of and charge and first lien upon the Revenues, all other amounts pledged hereunder and all other moneys on deposit in the funds and accounts established hereunder (excluding amounts on deposit in the Rebate Fund created pursuant to Section 6.03) for the payment of the interest on and principal of the Bonds in accordance with the terms hereof and thereof.

(b) At least three (3) Business Days prior to each date on which a Base Rental Payment is due, pursuant to the Facilities Lease, the Trustee shall notify the County of the amount of the installment of Base Rental Payment needed to pay the principal of and interest on the Bonds due on the next following Interest Payment Date. Any failure to send such notice shall not affect the County's obligation to make timely payments of installments of Base Rental Payments.

(c) The Authority hereby transfers in trust, grants a security interest in and assigns to the Trustee, for the benefit of the Bondholders, all of the Revenues and other assets pledged in subsection (a) of this Section and all of the right, title and interest of the Authority in the Facilities Lease (except for (i) the right to receive any Additional Payments to the extent payable to the Authority under the Facilities Lease, (ii) any rights of the Authority to indemnification and rights of inspection and consent, and (iii) the obligations of the County to make deposits pursuant to the Tax Certificate). The Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. Subject to the provisions of Section 7.06 with respect to the control of remedial proceedings, the Trustee shall also be entitled to and shall take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority that have been assigned to the Trustee and all of the obligations of the County under the Facilities Lease other than those items excepted in the parenthetical contained in the first sentence of this subsection. All Revenues deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in the Trust Agreement.

(d) If on the second Business Day prior to the day of any month in which a Base Rental payment is requirement to be made, the Trustee has not received the full amount of such Base Rental Payments, the Trustee shall immediately notify the County of such insufficiency by Electronic Means and confirm such notification as soon as possible thereafter by written notice.

SECTION 5.02      Receipt and Deposit of Revenues in the Revenue Fund. In order to carry out and effectuate the pledge, assignment, charge and lien contained herein, the Authority agrees and covenants that all Revenues and all other amounts pledged hereunder when and as received shall be received by the Authority in trust hereunder for the benefit of the Bondholders and shall be transferred when and as received by the Authority to the Trustee for deposit in the Revenue Fund (the "Revenue Fund"), which fund is hereby created and which fund the Trustee hereby agrees and covenants to maintain in trust for Bondholders so long as any Bonds shall be Outstanding hereunder. The County has been directed to pay all Base Rental Payments directly to the Trustee. If the Authority receives any Base Rental Payments, it shall hold the same in trust as agent of the Trustee and shall immediately transfer such Base Rental Payments to the Trustee. All Revenues and all other amounts pledged and assigned hereunder shall be accounted for through and held in trust in the Revenue Fund, and the Trustee shall have no beneficial right or interest in any of the Revenues except only as herein provided. All Revenues and all other amounts pledged and assigned hereunder, whether received by the Authority in trust or deposited with the Trustee as herein provided, shall nevertheless be allocated, applied and disbursed solely to the purposes and uses hereinafter in this Article set forth, and shall be accounted for separately and apart from all other accounts, funds, money or other resources of the Trustee.

SECTION 5.03      Establishment and Maintenance of Accounts for Use of Money in the Revenue Fund.

(a) Revenue Fund. Subject to Section 6.03, all money in the Revenue Fund shall be set aside by the Trustee in the following respective special accounts or funds within the Revenue Fund (each of which is hereby created and each of which the Trustee hereby covenants and agrees to cause to be maintained) in the following order of priority:

- (1) Interest Account, and
- (2) Principal Account.

All money in each of such accounts shall be held in trust by the Trustee and shall be applied, used and withdrawn only for the purposes hereinafter authorized in this Section.

(a) Interest Account. On or before each Interest Payment Date, the Trustee shall set aside from the Revenue Fund and deposit in the Interest Account that amount of money which is equal to the amount of interest becoming due and

payable on all Outstanding Bonds on such Interest Payment Date.

No deposit need be made in the Interest Account if the amount contained therein and available to pay interest on the Bonds is at least equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date.

All money in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(b) Principal Account. On or before each June 1, commencing June 1, 20[21], the Trustee shall set aside from the Revenue Fund and deposit in the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such June 1 into the [respective] sinking fund accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such June 1. On or before each Redemption Date, the Trustee shall set aside from the Revenue Fund and deposit in the Principal Account an amount of money equal to the Redemption Price required to be paid on such Redemption Date.

No deposit need be made in the Principal Account if the amount contained therein and available to pay principal of the Bonds is at least equal to the aggregate amount of the principal of all Outstanding Series Bonds maturing by their terms on such June 1 plus the aggregate amount of all sinking fund payments required to be made on such June 1 for all Outstanding Term Bonds.

The Trustee shall establish and maintain within the Principal Account a separate subaccount for the Term Bonds [of each Series and maturity], designated as the “Sinking Account” (the “Sinking Account”), inserting therein the Series and maturity (if more than one such account is established for such Series) designation of such Bonds. With respect to each Sinking Account, on each mandatory sinking account payment date established for each Sinking Account, the Trustee shall apply the mandatory sinking account payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds [of the Series and maturity for which such Sinking Account was established] upon the notice and in the manner provided in Article IV.

All money in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal or Redemption Price of the Bonds as it shall become due and payable, whether at maturity or redemption, except that any money in the Sinking Account shall be used and withdrawn by the Trustee only to redeem or to pay Term Bonds for which such Sinking Account was created pursuant to Section 4.03 hereof.

SECTION 5.04      Application of Insurance Proceeds. In the event of any damage to or destruction of any part of the Facilities covered by insurance, the Authority, shall subject to Section 3.08 of the Facilities Lease, cause the proceeds of such insurance to be utilized for the repair, reconstruction or replacement of the damaged or destroyed portion of the Facilities, and the Trustee shall hold said proceeds in a fund established by the Trustee for such purpose separate and apart from all other funds designated the “Insurance and Condemnation Fund”, to the end that such proceeds shall be applied to the repair, reconstruction or replacement of the Facilities to at least the same good order, repair and condition as it was in prior to the damage or destruction, insofar as the same may be accomplished by the use of said proceeds. The Authority shall file a Certificate of the Authority with the Trustee that sufficient funds from insurance proceeds or from any funds legally available to the County, or from any combination thereof, are available in the event it elects to repair, reconstruct or replace the Facilities. The Trustee shall invest said proceeds in Permitted Investments pursuant to the Written Request of the Authority under the Facilities Lease, and withdrawals of said proceeds shall be made from time to time upon the filing with the Trustee of a Written Request of the Authority, stating that the Authority has expended moneys or incurred liabilities in an amount equal to the amount therein stated for the purpose of the repair, reconstruction or replacement of the Facilities, and specifying the items for which such moneys were expended, or such liabilities were incurred, in reasonable detail. Any balance of such proceeds not required for such repair, reconstruction or replacement and the proceeds of use and occupancy insurance shall be paid to the Trustee as Base Rental Payments and applied in the manner provided by Section 5.01. Alternatively, the Authority, if the proceeds of such insurance together with any other moneys then available for such purpose are sufficient to prepay all, in case of damage or destruction in whole of the Facilities, or that portion, in the case of partial damage or destruction of the Facilities, of the Base Rental Payments, Additional Payments and all other amounts relating to the damaged or destroyed portion of the Facilities, may elect subject to Section 3.08 of the Facilities Lease, not to repair, reconstruct or replace the damaged or destroyed portion of the Facilities and thereupon shall cause said proceeds to be used for the redemption of Outstanding Bonds pursuant to the applicable provisions of Section 4.01. The Authority shall not apply the proceeds of insurance as set forth in this Section 5.04 to redeem the Bonds in part due to damage or destruction of a portion of the Facilities unless the Base Rental Payments on the undamaged portion of the Facilities will be sufficient to pay the scheduled principal and interest on the Bonds remaining unpaid after such redemption.

SECTION 5.05      Deposit and Investments of Money in Accounts and Funds. Subject to Section 6.03, all money held by the Trustee in any of the accounts or funds established pursuant hereto shall be invested in Permitted Investments at the Written Request of the Authority or, if no instructions are received, in the [Wells Fargo Government Money Market Fund]. Such investments shall, as nearly as practicable, mature on or before the dates on which such money is anticipated to be needed for disbursement hereunder. For purposes of this restriction, Permitted Investments containing a repurchase option or put option by the investor shall be treated as having a maturity of no longer than such option. Unless otherwise instructed by the Authority, all interest or profits received on any money so invested shall be deposited in the Revenue Fund; provided that with respect to the Project Fund, earnings on amounts in such fund shall be credited to such fund until completion of the respective Projects. The Trustee and its affiliates may act as principal, agent, sponsor or advisor with respect to any investments. The Trustee shall not be liable for any losses on investments made in accordance with the Written Request of the Authority or the terms and provisions of this Trust Agreement.

Investments purchased with funds on deposit in the Revenue Fund shall mature not later than the payment date or redemption date, as appropriate, immediately succeeding the investment.

Subject to Section 6.03, investments in any and all funds and accounts except for the Rebate Fund may be commingled for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in particular funds and accounts amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Trust Agreement.

The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

## ARTICLE VI

### COVENANTS OF THE AUTHORITY

SECTION 6.01 Punctual Payment and Performance. The Authority will punctually pay out of the Revenues the interest on and principal of and redemption premiums, if any, to become due on every Bond issued hereunder in strict conformity with the terms hereof and of the Bonds, and will faithfully observe and perform all the agreements and covenants to be observed or performed by the Authority contained herein and in the Bonds.

SECTION 6.02 Against Encumbrances. The Authority will not make any pledge or assignment of or place any charge or lien upon the Revenues except as provided in Section 5.01, and will not issue any bonds, notes or obligations payable from the Revenues or secured by a pledge of or charge or lien upon the Revenues.

SECTION 6.03 Rebate Fund.

(a) In addition to the accounts created pursuant to Section 5.03, the Trustee shall establish and maintain a fund separate from any other fund or account established and maintained hereunder designated as the Rebate Fund. There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement (as defined in the Tax Certificate), for payment to the United States of America. Notwithstanding the provisions of Sections 5.01, 5.02, 5.05, 9.01 and 10.01 relating to the pledge of Revenues, the allocation of money in the

Revenue Fund, the investments of money in any fund or account, the application of funds upon acceleration and the defeasance of Outstanding Bonds, all amounts required to be deposited into or on deposit in the Rebate Fund shall be governed exclusively by this Section 6.03 and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with such provisions if it follows the written directions of the Authority, and shall have no liability or responsibility to enforce compliance by the Authority with the terms of the Tax Certificate.

(b) Any funds remaining in the Rebate Fund with respect to the Bonds after redemption and payment of all Bonds and all other amounts due hereunder or under the Facilities Lease, or provision made therefor satisfactory to the Trustee, including accrued interest and payment of any applicable fees and expenses of the Trustee and satisfaction of the Rebate Requirement (as defined in the Tax Certificate), shall be withdrawn by the Trustee and remitted to or upon the Written Request of the Authority.

#### SECTION 6.04

#### Tax Covenants.

(a) The Authority hereby covenants that it shall not take any action or inaction, or fail to take any action, or permit any action to be taken on behalf of the Authority or cause or permit any circumstances within its control to arise or continue, if such action or inaction would cause any of the Bonds to be treated as an obligation not described in Section 103(a) of the Code. This covenant shall survive the payment in full of the Bonds.

(b) In the event that at any time the Authority is of the opinion that for purposes of this Section it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under this Trust Agreement, the Authority shall so instruct the Trustee in a Request of the Authority accompanied by a supporting Opinion of Bond Counsel, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provisions of this Section, if the Authority shall provide to the Trustee an Opinion of Counsel that any specified action required under this Section or the Tax Certificate is no longer required or that some further or different action is required to maintain the exclusion from

federal income tax of interest on the Bonds, the Authority and the Trustee may conclusively rely on such opinion in complying with the requirements of this Section and the Tax Certificate, and, notwithstanding Article IX hereof, the covenants hereunder shall be deemed to be modified to that extent.

SECTION 6.05      Accounting Records and Reports. The Trustee will keep or cause to be kept proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of the Revenues, and such books shall be available for inspection by the Authority at reasonable hours and under reasonable conditions. The Trustee shall provide to the Authority monthly statements covering the funds and accounts held pursuant to the Trust Agreement. Not more than one hundred eighty (180) days after the close of each Fiscal Year, the Trustee shall furnish or cause to be furnished to the Authority a complete financial statement (which may be in the form of the Trustee's customary account statements) covering receipts, disbursements, allocation and application of Revenues for such Fiscal Year. The Authority shall keep or cause to be kept such information as is required under the Tax Certificate.

SECTION 6.06      Prosecution and Defense of Suits. The Authority will defend against every suit, action or proceeding at any time brought against the Trustee upon any claim to the extent arising out of the receipt, application or disbursement of any of the Revenues or to the extent involving the failure of the Authority to fulfill its obligations hereunder; provided, that the Trustee or any affected Bondholder at its election may appear in and defend any such suit, action or proceeding. The Authority will indemnify and hold harmless the Trustee against any and all liability claimed or asserted by any person to the extent arising out of such failure by the Authority, and will indemnify and hold harmless the Trustee against any reasonable attorney's fees or other reasonable expenses which it may incur in connection with any litigation to which it may become a party by reason of its actions hereunder, except for any loss, cost, damage or expense resulting from the negligence or willful misconduct by the Trustee. Notwithstanding any contrary provision hereof, this covenant shall remain in full force and effect even though all Bonds secured hereby may have been fully paid and satisfied.

SECTION 6.07      Further Assurances. The Authority will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments, and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Bondholders all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them hereby.

SECTION 6.08      Maintenance of Revenues. The Authority will promptly collect all rents and charges due for the occupancy or use of the Facilities as the same become due, and will promptly and vigorously enforce its rights against any tenant or other person who does not pay such rents or charges as they become due. Pursuant to Section 5.02 and the Facilities Lease, the County is to pay all Base Rental Payments directly to the Trustee. The Authority will at all times maintain and vigorously enforce all of its rights under the Facilities Lease.

(a) The Authority shall not supplement, amend, modify or terminate any of the terms of the Facilities Lease, or consent to any such supplement, amendment, modification or termination, without the prior written consent of the Trustee. The Trustee shall give such written consent if such supplement, amendment, modification or termination (a) will not materially adversely affect the interests of the Bondholders or result in any material impairment of the security hereby given for the payment of the Bonds (provided that such supplement, amendment or modification shall not be deemed to have such adverse effect or to cause such material impairment solely by reason of addition, substitution or release of real property pursuant to Section 2.03 of the Facilities Lease), (b) is to add to the agreements, conditions, covenants and terms required to be observed or performed thereunder by any party thereto, or to surrender any right or power therein reserved to the Authority or the County, (c) is to cure, correct or supplement any ambiguous or defective provision contained therein, (d) is to accommodate any addition, substitution or release of property in accordance with Section 2.03 of the Facilities Lease or prepayment in accordance with Section 7.02 of the Facilities Lease, (e) is to modify the legal description of the Facilities to conform to the requirements of title insurance or otherwise to add or delete property descriptions to reflect accurately the description of the parcels intended or preferred to be included therein, or substituted for the Facilities pursuant to the provisions of Section 2.03 of the Facilities Lease, or deleted due to prepayment pursuant to the provisions of Section 7.02 of the Facilities Lease, or (f) if the Trustee first obtains the written consent of the Bondholders of a majority in principal amount of the Bonds then Outstanding to such supplement, amendment, modification or termination; provided, that no such supplement, amendment, modification or termination shall reduce the amount of Base Rental Payments to be made to the Authority or the Trustee by the County pursuant to the Facilities Lease to an amount less than the scheduled principal and interest payments on the Outstanding Bonds, or extend the time for making such payments, or permit the creation of any lien prior to or on a parity with the lien created by this Trust Agreement on the Base Rental Payments (except as expressly provided in the Facilities Lease), in each case without the written consent of all of the Bondholders of the Bonds then Outstanding.



(b) The Authority shall not supplement, amend, modify or terminate any of the terms of the Site Lease, or consent to any such supplement, amendment, modification or termination, without the prior written consent of the Trustee. The Trustee shall give such written consent if such supplement, amendment, modification or termination (a) will not materially adversely affect the interests of the Bondholders or result in any material impairment of the security hereby given for the payment of the Bonds, (b) is to add to the agreements, conditions, covenants and terms required to be observed or performed thereunder by any party thereto, or to surrender any right or power therein reserved to the Authority or the County, (c) is to cure, correct or supplement any ambiguous or defective provision contained therein, (d) is to modify the legal description of the Facilities to conform to the requirements of title insurance or otherwise to add or delete property descriptions to reflect accurately the description of the parcels intended or preferred to be included therein, or substituted for the Facilities pursuant to the provisions of Section 2.03 of the Facilities Lease, or deleted due to prepayment pursuant to the provisions of Section 7.02 of the Facilities Lease; or (e) if the Trustee first obtains the written consent of the Bondholders of a majority in principal amount of the Bonds then Outstanding to such supplement, amendment, modification or termination.

(c) No supplement, amendment, modification or termination of the Facilities Lease or Site Lease shall be entered into unless an Opinion of Counsel is delivered to the effect that such amendment, modification or termination is (a) authorized and permitted by the Trust Agreement, Facilities Lease or Site Lease, as applicable, (b) is enforceable against the Authority and the County, as applicable, (c) will not materially adversely affect the interests of the Bondholders or result in any material impairment of the security hereby given for the payment of the Bonds, and (d) does not adversely impact the tax-exempt status of the interest on the Bonds.

(d) The Trustee shall not be obligated to consent to any amendment that adversely impacts its rights.

**SECTION 6.10**      Leasehold Estate.      The Authority will be, on the date of the delivery of the Bonds, the owner and lawfully possessed of the leasehold estate described in the Site Lease, and the Facilities Lease will be, on the date of delivery of the Bonds, a valid subsisting demise for the term therein set forth of the property which it purports to demise. At the time of the delivery of the Bonds, the County will be the owner in fee simple of the premises described in the Site Lease, the Site Lease will be lawfully made by the County and the covenants contained in the Site Lease on the part of the County will be valid and binding. At the

time of the delivery of the Bonds, the Authority will have good right, full power and lawful authority to lease said leasehold estate, in the manner and form provided in the Facilities Lease, and the Facilities Lease will be duly and regularly executed.

Without allowance for any days of grace which may or might exist or be allowed by law or granted pursuant to any terms or conditions of the Facilities Lease, the Authority will in all respects promptly and faithfully keep, perform and comply with all the terms, provisions, covenants, conditions and agreements of the Facilities Lease to be kept, performed and complied with by it. The Authority will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for declaring a forfeiture of the Facilities Lease, or would or might be a ground for cancellation or termination of the Facilities Lease by the lessee thereunder. The Authority will promptly deposit with the Trustee (to be held by the Trustee until the title and rights of the Trustee under this Trust Agreement shall be released or reconvened) any and all documentary evidence received by it showing compliance with the provisions of the Facilities Lease to be performed by the Authority. The Authority, immediately upon its receiving or giving any notice, communication or other document in any way relating to or affecting the Facilities Lease, or the leasehold estate thereby created, which may or can in any manner affect the estate of the lessor or of the Authority in or under the Facilities Lease, will deliver the same, or a copy thereof, to the Trustee.

SECTION 6.11 Compliance With Continuing Disclosure Agreement. Pursuant to Section 8.09 of the Facilities Lease, the County has undertaken all responsibility for compliance with continuing disclosure requirements, and the Authority and the Trustee shall have no liability to the Owners of the Bonds or any other person with respect to S.E.C. Rule 15c2-12. Notwithstanding any other provision of this Trust Agreement, failure of the County to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any Bondholder or Beneficial Owner may, and the Trustee at the request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the Holders of at least 25% aggregate principal amount of Bonds Outstanding and provided satisfactory indemnification is provided to the Trustee, shall, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under Section 8.09 of the Facilities Lease or under this Section 6.11. For purposes of this Section, "Beneficial Owner" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries)."

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

SECTION 7.01 Events of Default and Acceleration of Maturities. If one or more of the following events (herein called "events of default") shall happen, that is to say:

(a) if default shall be made by the Authority in the due and punctual payment of the interest on any Bond when and as the same shall become due and payable;

(b) if default shall be made by the Authority in the due and punctual payment of the principal or premium, if any, of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed or by proceedings for mandatory redemption;

(c) if default shall be made by the Authority in the performance of any of the other agreements or covenants required herein to be performed by the Authority, and such default shall have continued for a period of sixty (60) days or (or if the Authority notifies the Trustee that in its reasonable opinion the failure stated in the notice can be corrected, but not within such 60 day period, the failure will not constitute an event of default if the Authority commences to cure the failure within such 60 day period and thereafter diligently and in good faith cures such failure in a reasonable period of time);

(d) if the Authority shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the Authority seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the Authority or of the whole or any substantial part of its property; or

(e) if an Event of Default has occurred under Section 6.01 of the Facilities Lease.

SECTION 7.02 Actions on Default. In each and every case during the continuance of an Event of Default, the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding (subject to the provisions of Section 9.02 hereof) shall be entitled, upon notice in writing to the County and the Authority to exercise any of the remedies granted to the Authority under the Facilities Lease, and in addition, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or the Owners by this Indenture or by the Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or

for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in Section 7.03 hereof.

SECTION 7.03 Institution of Legal Proceedings by Trustee. If one or more of the events of default shall happen and be continuing, the Trustee may, and upon the written request of the Bondholders of a majority in principal amount of the Bonds then Outstanding, and in each case upon being indemnified to its reasonable satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Bondholders of Bonds under this Trust Agreement and under Article VI of the Facilities Lease by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trustee shall deem most effectual in support of any of its rights and duties hereunder.

SECTION 7.04 Non-Waiver. Nothing in this Article or in any other provision hereof or in the Bonds shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay the interest on and principal of and redemption premiums, if any, on the Bonds to the respective Bondholders of the Bonds at the respective dates of maturity or upon prior redemption as provided herein from the Revenues as provided herein pledged for such payment, or shall affect or impair the right of such Bondholders, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein and in the Bonds.

A waiver of any default or breach of duty or contract by the Trustee or any Bondholder shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee or any Bondholder to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Bondholders by the Act or by this Article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Bondholders.

If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned, the Authority, the Trustee and any Bondholder shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

SECTION 7.05 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by the Act or any other law.

SECTION 7.06 Limitation on Bondholders' Right to Sue. No Bondholder of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or equity, for any remedy under or upon this Trust Agreement, unless (a) such Bondholder shall

have previously given to the Trustee written notice of the occurrence of an event of default as defined in Section 7.01; (b) the Bondholders of at least a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) said Bondholders shall have tendered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Bondholder of Bonds of any remedy hereunder; it being understood and intended that no one or more Bondholders of Bonds shall have any right in any manner whatever by his or their action to enforce any right under this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Trust Agreement shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Bondholders of the Outstanding Bonds.

## ARTICLE VIII

### THE TRUSTEE

SECTION 8.01 The Trustee. Wells Fargo Bank, National Association shall serve as the initial Trustee for the Bonds for the purpose of receiving all money which the Authority is required to deposit with the Trustee hereunder and for the purpose of allocating, applying and using such money as provided herein and for the purpose of paying the interest on and principal of and redemption premiums, if any, on the Bonds presented for payment, with the rights and obligations provided herein. Any such corporation or association into which the Trustee may be merged or converted, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or in part, or any corporation or association resulting from any such merger, conversion, sale, transfer or consolidation to which it shall be a party, shall be and become successor Trustee without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties.

The Authority, unless there exists any Event of Default as defined in Section 7.01, may at any time remove the Trustee initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing; provided, that any such successor shall be a bank, banking institution, or trust company, having (or whose parent holding company has) a combined capital (exclusive of borrowed capital) and surplus of at least five hundred million dollars (\$500,000,000) and subject to supervision or examination by federal or state authority. If such bank, banking institution, or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this Section the combined capital and surplus of such bank, banking institution, or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may at any time resign by giving a (30) day written notice of such resignation to the

Authority, and by mailing by first class mail to the Bondholders notice of such resignation. Upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee by an instrument in writing. Any removal or resignation of a Trustee and appointment of a successor Trustee shall become effective only upon the acceptance of appointment by the successor Trustee. The successor Trustee shall send notice of its acceptance by first class mail to the Bondholders. If, within thirty (30) days after notice of the removal or resignation of the Trustee no successor Trustee shall have been appointed and shall have accepted such appointment, the removed or resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Trustee having the qualifications required hereby.

The Trustee is hereby authorized to pay or redeem the Bonds when duly presented for payment at maturity or on redemption prior to maturity. The Trustee shall cancel all Bonds upon payment thereof or upon the surrender thereof by the Authority and shall dispose of such Bonds in a manner deemed appropriate by it. The Trustee shall keep accurate records of all Bonds paid and discharged and cancelled by it.

The Trustee shall, prior to an event of default, and after the curing or waiver of all Events of Default that may have occurred, perform such duties and only such duties as are specifically set forth in this Trust Agreement and no implied duties or obligations shall be read into this Trust Agreement. The Trustee shall, during the existence of any Event of Default (that has not been cured or waived), exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

SECTION 8.02      Liability of Trustee.      The recitals of facts, agreements and covenants herein and in the Bonds shall be taken as recitals of facts, agreements and covenants of the Authority, and the Trustee assumes no responsibility for the correctness of the same or makes any representation as to the sufficiency or validity hereof or of the Bonds, or shall incur any responsibility in respect thereof other than in connection with the rights or obligations assigned to or imposed upon it herein, in the Bonds or in law or equity. The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct as finally determined by a court of competent jurisdiction.

The Trustee shall not be bound to recognize any person as the Bondholder of a Bond unless and until such Bond is submitted for inspection, if required, and such Bondholder's title thereto satisfactorily established, if disputed.

The Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Bondholders of not less than a majority (or any lesser amount that may direct the Trustee in accordance with this Agreement) in aggregate principal amount of the Bonds at the time Outstanding, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising

any trust or power conferred upon the Trustee under this Trust Agreement. The Trustee may refuse to follow any direction that conflicts with law or the Trust Agreement, is unduly prejudicial to the rights of other Bondholders, or would involve the Trustee in personal liability.

The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request, order or direction of any of the Bondholders pursuant to the provisions of this Trust Agreement unless such Bondholders shall have offered to the Trustee reasonable security or indemnity against the reasonable costs, expenses and liabilities that may be incurred therein or thereby. The Trustee has no obligation or liability to the Bondholders for the payment of the interest on, principal of or redemption premium, if any, with respect to the Bonds from its own funds; but rather the Trustee's obligations shall be limited to the performance of its duties hereunder.

Any action taken, or omitted to be taken, by the Trustee in good faith pursuant to the Trust Agreement upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent, is the Bondholder of any Bond shall be conclusive and binding upon all future Bondholders and upon Bonds executed and delivered in exchange therefore or in place thereof.

The Trustee shall not be deemed to have knowledge of any event of default (except payment defaults) unless and until a Responsible Officer shall have actual knowledge thereof or a Responsible Officer of the Trustee shall have received written notice thereof at its Designated Office. The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of a default or event of default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through attorneys-in-fact, agents or receivers and shall not be answerable for the negligence or misconduct of any such attorney-in-fact, agent or receiver selected by it with due care. The Trustee shall be entitled to advice of counsel and other professionals concerning all matters of trust and its duty hereunder, but the Trustee shall not be answerable for the professional malpractice of any attorney-in-law or certified public accountant in connection with the rendering of his professional advice in accordance with the terms of this Trust Agreement, if such attorney-in-law or certified public accountant was selected by the Trustee with due care.

The Trustee shall not be concerned with or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

Whether or not therein expressly so provided, every provision of this Trust Agreement, the Facilities Lease, the Site Lease or related documents relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article.

The Trustee makes no representation or warranty, express or implied, as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose for the use contemplated by the Authority or County of the Facilities or the Project. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from the Facilities Lease, the Site Lease or this Trust Agreement for the existence, furnishing or use of the Facilities or the Project.

The Trustee shall be protected in acting upon any notice, resolution, requisition, request (including any Written Request of the Authority or the County), consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Before the Trustee acts or refrains from acting, the Trustee may consult with counsel, who may be counsel of or to the Authority, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Before taking any action or refraining from taking any action, the Trustee may require that indemnity satisfactory to it be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, including costs incurred in defending itself against any and all charges claims, complaints, allegations, assertions or demands of any nature whatsoever, except liability which is adjudicated to be a direct result of the Trustee's negligence or willful misconduct in connection with any such action.

Whenever in the administration of its rights and obligations hereunder the Trustee shall deem it necessary or desirable that a matter be established or proved prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a Certificate of the Authority or a Certificate of the County, which certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

No provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

The Trustee is not responsible for the content of the official statement or any disclosure material prepared in connection with the Bonds.

The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence.



SECTION 8.03 Compensation and Indemnification of Trustee. The Authority covenants to pay (but solely from Additional Payments) to the Trustee from time to time, and the Trustee shall be entitled to, compensation for all services rendered by it in the exercise and performance of any of the powers and duties hereunder of the Trustee, and the Authority will pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee, in accordance with any of the provisions of this Trust Agreement (including the reasonable compensation and the reasonable expenses and disbursements of their counsel (including the allocated reasonable fees and disbursements of in-house counsel) and of all persons not regularly in their employ) except any such expense, disbursement or advance as may arise from the Trustee's negligence or willful misconduct. The Authority, to the extent permitted by law, shall indemnify, defend and hold harmless the Trustee against any loss, damage, liability or expense incurred without negligence or willful misconduct on the part of the Trustee arising out of or in connection with the acceptance or administration of the trusts created hereby, including reasonable costs and expenses (including reasonable attorneys' fees and disbursements) of defending itself against or investigating any claim or liability in connection with the exercise or performance of any of its powers hereunder. The rights of the Trustee and the obligations of the Authority under this Section 8.03 shall survive the discharge of the Bonds and this Trust Agreement and the resignation or removal of the Trustee.

## ARTICLE IX

### AMENDMENT OF THE TRUST AGREEMENT

#### SECTION 9.01 Amendment of the Trust Agreement.

(a) This Trust Agreement and the rights and obligations of the Authority and of the Bondholders may be amended at any time by a Supplemental Trust Agreement which shall become binding when the written consent of the Bondholders of a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided herein, are filed with the Trustee; provided that if such modification or amendment will, by its terms, not take effect so long as any Bonds remain Outstanding, the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be outstanding for the purpose of any calculation of Bonds Outstanding under this Section. No such amendment shall (1) extend the maturity of or reduce the interest rate on or amount of interest on or principal of or redemption premium, if any, on any Bond without the express written consent of the Bondholder of such Bond, or (2) permit the creation by the Authority of any pledge of or charge or lien upon the Revenues as provided herein superior to or on a parity with the pledge, charge and lien created hereby for the benefit of the Bonds, or (3) reduce the percentage of Bonds required for the written consent to any such amendment, or (4) modify any rights or obligations of the Trustee, the Authority, or the

County without their prior written assent thereto, respectively. It shall not be necessary for the consent of the Bondholders to approve the particular form of any Supplemental Trust Agreement, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution by the Authority and the Trustee of any Supplemental Trust Agreement pursuant to this subsection (a), the Trustee shall mail a notice on behalf of the Authority, setting forth in general terms the substance of such Supplemental Trust Agreement to the Bondholders at the addresses shown on the registration books maintained by the Trustee. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Trust Agreement.

(b) The Trust Agreement and the rights and obligations of the Authority and of the Bondholders may also be amended at any time by a Supplemental Trust Agreement which shall become binding upon adoption but without the consent of any Bondholders, for any purpose that will not materially adversely affect the interests of the Bondholders, including (without limitation) for any one or more of the following purposes:

(i) to add to the agreements and covenants required herein to be performed by the Authority other agreements and covenants thereafter to be performed by the Authority, or to surrender any right or power reserved herein to or conferred herein on the Authority;

(ii) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Authority may deem desirable or necessary; and

(iii) to add to the agreements and covenants required herein, such agreements and covenants as may be necessary to qualify the Trust Agreement under the Trust Indenture Act of 1939.

(a) The Trustee shall not be obligated to enter into any Amendment that adversely impacts its rights.

(b) No amendment shall be entered into unless an Opinion of Counsel is delivered to the effect that such amendment (a) is authorized and permitted by the Trust Agreement, (b) is enforceable against the Authority and the County, (c) will not materially adversely affect the interests of the Bondholders or result in any material impairment of the

security hereby given for the payment of the Bonds, and (d) does not adversely impact the tax-exempt status of the interest on the Bonds.

SECTION 9.02 Disqualified Bonds. Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in this Article, and shall not be entitled to consent to or take any other action provided in this Article.

SECTION 9.03 Endorsement or Replacement of Bonds After Amendment. After the effective date of any action taken as hereinabove provided, the Authority may determine that the Bonds may bear a notation by endorsement in form approved by the Authority as to such action, and in that case upon demand of the Bondholder of any Outstanding Bonds and presentation of his Bond for such purpose at the office of the Trustee a suitable notation as to such action shall be made on such Bond. If the Authority shall so determine, new Bonds so modified as, in the opinion of the Authority, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Bondholder of any Outstanding Bond a new Bond or Bonds shall be exchanged at the office of the Trustee without cost to each Bondholder for its Bond or Bonds then Outstanding upon surrender of such Outstanding Bonds.

SECTION 9.04 Notice to and Consent of Bondholders. If consent of the Bondholders is required under the terms of this Trust Agreement for the amendment of this Trust Agreement or for any other similar purpose, the Authority shall cause notice of the proposed amendment to be given by first-class mail to the Owners of the Outstanding Bonds then shown on the registration books for the Bonds. Such notice shall briefly set forth the nature of the proposed amendment or other action and shall state that copies of any such amendment are on file at the office of the Authority and the Designated Office of the Trustee for inspection by all Bondholders. If, within sixty (60) days or such longer period as shall be prescribed by the Authority following the mailing of such notice, the Owners of the requisite principal amount of the Bonds Outstanding by instruments filed with the Authority shall have consented to the amendment or other proposed action, then the Authority may adopt or execute, as appropriate, such amendment or take such proposed action and the consent of the Bondholders shall thereby be conclusively presumed. Such instruments filed with the Authority may include documents, including Certificates of the Authority, stating that Owners of Bonds have consented to an amendment by purchasing such Bonds if the official statement or disclosure document related to such purchase disclosed that the purchase of the Bonds was deemed to mean that the Owners consented to the amendment.

SECTION 9.05 Amendment by Mutual Consent. The provisions of this Article shall not prevent any Bondholder from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

## ARTICLE X

### DEFEASANCE

#### SECTION 10.01 Discharge of Bonds.

(a) If the Authority shall pay or cause to be paid or there shall otherwise be paid to the Bondholders of all or any portion of the Outstanding Bonds the interest thereon and principal thereof and redemption premiums, if any, thereon at the times and in the manner stipulated herein and therein, and the Authority shall pay in full all other amounts due hereunder and under the Facilities Lease, then the Bondholders of such Bonds shall cease to be entitled to the pledge of and charge and lien upon the Revenues as provided herein, and all agreements, covenants and other obligations of the Authority to the Bondholders of such Bonds hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, the Trustee shall pay over or deliver to the Authority all money or securities held by it pursuant hereto which are not required for the payment of the interest on and principal of and redemption premiums, if any, on such Bonds and for the payment of all other amounts due hereunder and under the Facilities Lease.

(b) Any Outstanding Bonds shall prior to the maturity date or redemption date thereof be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this Section if (1) in case any of such Bonds are to be redeemed on any date prior to their maturity date, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to provide notice in accordance with Section 4.05, (2) there shall have been deposited with the Trustee (A) cash in an amount which shall be sufficient and/or (B) noncallable Government Securities, the interest on and principal of which when paid will provide cash which, together with the cash, if any, deposited with the Trustee at the same time, shall be sufficient, in the opinion of an Independent Certified Public Accountant, to pay when due the interest to become due on such Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and the principal of and redemption premiums, if any, on such Bonds, and (3) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee in form

satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the Bondholders of such Bonds that the deposit required by clause (2) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating the maturity date or redemption date upon which money is to be available for the payment of the principal of and redemption premiums, if any, on such Bonds.

(c) [In the event of an advance refunding (i) the Authority shall cause to be delivered, on the deposit date and upon any reinvestment of the defeasance amount, a report of an Independent Certified Public Accountant verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity date or redemption date (“Verification”) (which Verification shall verify the mathematical accuracy of the computations relating to the adequacy of cash plus Government Securities to be held in escrow to pay debt service requirements (principal, interest and redemption price, including premium, to the applicable redemption or maturity dates) when due on the Bonds to be refunded), (ii) the escrow agreement shall provide that no (A) substitution of a Government Security shall be permitted except with another Government Security and upon delivery of a new Verification and (B) reinvestment of a Government Security shall be permitted except as contemplated by the original Verification or upon delivery of a new Verification and (iii) there shall be delivered an Opinion of Bond Counsel to the effect that the Bonds are no longer “Outstanding” under the Trust Agreement; each Verification and opinion shall be addressed to the Authority and the Trustee.]

SECTION 10.02 Unclaimed Money. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Bonds or interest thereon which remains unclaimed for two (2) years after the date when such Bonds or interest thereon have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when such Bonds have become due and payable, shall be repaid by the Trustee to the Authority as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bondholders shall not look to the Trustee for the payment of such Bonds.

## ARTICLE XI

### MISCELLANEOUS

SECTION 11.01 Liability of Authority Limited to Revenues. Notwithstanding anything contained herein, the Authority shall not be required to advance any money derived from any source other than the Revenues as provided herein for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds or for the performance of any agreements or covenants herein contained. The Authority may, however, advance funds for any such purpose so long as such funds are derived from a source legally available for such purpose.

The Bonds are limited obligations of the Authority and are payable, as to interest thereon, principal thereof and any premiums upon the redemption of any thereof, solely from the Revenues as provided herein, and the Authority is not obligated to pay them except from the Revenues. All the Bonds are equally secured by a pledge of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest on and principal of and redemption premiums, if any, on the Bonds as provided herein. The Bonds are not a debt of the County, the State or any of its political subdivisions, and neither the County, the State nor any of its political subdivisions is liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than those of the Authority as provided herein. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory limitation or restriction.

SECTION 11.02 Benefits of this Trust Agreement Limited to Parties and Third Party Beneficiaries. Nothing contained herein, expressed or implied, is intended to give to any person other than the Authority, the Trustee, and the Bondholders any right, remedy or claim under or by reason hereof. Any agreement or covenant required herein to be performed by or on behalf of the Authority or any member, officer or employee thereof shall be for the sole and exclusive benefit of the Authority, the Trustee and the Bondholders.

SECTION 11.03 Successor Is Deemed Included in All References to Predecessor. Whenever herein either the Authority or any member, officer or employee thereof or of the State is named or referred to, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Authority or such member, officer or employee, and all agreements and covenants required hereby to be performed by or on behalf of the Authority or any member, officer or employee thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 11.04 Execution of Documents by Bondholders. Any declaration, request or other instrument which is permitted or required herein to be executed by Bondholders may be in one or more instruments of similar tenor and may be executed by Bondholders in person or by their attorneys appointed in writing. The fact and date of the execution by any Bondholder or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to make acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution

duly sworn to before such notary public or other officer. The ownership of any Bonds and the amount, maturity, number and date of holding the same may be proved by the registration books relating to the Bonds at the Designated Office of the Trustee.

Any declaration, request, consent or other instrument or writing of the Bondholder of any Bond shall bind all future Bondholders of such Bond with respect to anything done or suffered to be done by the Trustee or the Authority in good faith and in accordance therewith.

SECTION 11.05 Waiver of Personal Liability. No member, officer or employee of the Authority or the County shall be individually or personally liable for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds by reason of their issuance, but nothing herein contained shall relieve any such member, officer or employee from the performance of any official duty provided by the Act or any other applicable provisions of law or hereby.

SECTION 11.06 Cancelled Bonds. The Trustee shall cancel and destroy the Bonds it has received in accordance with its retention policy then in effect.

SECTION 11.07 Accounts and Funds. Any account or fund required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such accounts and funds shall at all times be maintained in accordance with the applicable policies and procedures of the Trustee and with due regard for the protection of the security of the Bonds and the rights of the Bondholders.

SECTION 11.08 Business Day. When any action is provided for herein to be done on a day named or within a specified time period, and the day or the last day of the period falls on a day which is not a Business Day, such action may be performed on the next ensuing Business Day with the same effect as though performed on the appointed day or within the specified period.

SECTION 11.09 Notices. All written notices to be given hereunder shall be given by mail to the party entitled thereto at the addresses set forth below, or at such other addresses as such parties may provide to the other party in writing from time to time, namely:

If to the Authority:	County of Contra Costa Public Financing Authority c/o County Administrator County of Contra Costa County Administration Building 651 Pine Street Martinez, California 94553
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If to the Trustee: Wells Fargo Bank, National Association  
333 S. Grand Ave., 5<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attention: Corporate Trust Services

If to the County: County of Contra Costa  
c/o Clerk of the Board of Supervisors  
County of Contra Costa  
County Administration Building  
651 Pine Street  
Martinez, California 94553

SECTION 11.10 Article and Section Headings and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to “Articles,” “Sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith,” “hereunder” and other words of similar import refer to this Trust Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

SECTION 11.11 Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the Authority or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of the Bonds, and the Bondholders shall retain all the benefit, protection and security afforded to them under the Act or any other applicable provisions of law. The Authority and the Trustee hereby declare that they would have executed and delivered this Trust Agreement and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

SECTION 11.12 Governing Law. This Trust Agreement shall be governed exclusively by the provisions hereof and by the laws of the State as the same from time to time exist.

SECTION 11.13 Execution in Several Counterparts. This Trust Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.



IN WITNESS WHEREOF, the COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY has caused this Trust Agreement to be signed in its name by its Chair and attested by its Secretary, and WELLS FARGO BANK, NATIONAL ASSOCIATION., in token of its acceptance of the trusts created hereunder, has caused this Trust Agreement to be signed by one of the officers thereunder duly authorized, all as of the day and year first above written.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Directors

Attest:

By: \_\_\_\_\_  
Lisa Driscoll  
Deputy Executive Director and Assistant  
Secretary of the Board of Directors

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

Acknowledged

COUNTY OF CONTRA COSTA

By: \_\_\_\_\_  
Jami Napier  
Chief Assistant Clerk of the Board of  
Supervisors

EXHIBIT A

FORM OF 2021 SERIES A BOND

No. R-1

\$[\_\_\_\_\_]

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY  
LEASE REVENUE REFUNDING BONDS  
2021 SERIES A

NEITHER THE FULL FAITH AND CREDIT OF THE AUTHORITY NOR THE COUNTY OF CONTRA COSTA IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE BONDS AND NO TAX OR OTHER SOURCE OF FUNDS OTHER THAN THE REVENUES HEREINAFTER REFERRED TO IS PLEDGED TO PAY THE INTEREST ON OR PRINCIPAL OF THE BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF NOR INTEREST ON THE BONDS CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OF CONTRA COSTA OR THE CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, THE PARTIES TO THE AGREEMENT CREATING THE AUTHORITY.

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>
____%	June 1, 20__	____, 2021

REGISTERED OWNER: CEDE & CO

PRINCIPAL SUM: \_\_\_\_\_ DOLLARS

The COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority, duly organized and validly existing under and pursuant to the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues hereinafter referred to) to the registered owner identified above or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter provided for) the principal sum specified above, together with interest on such principal sum from the interest payment date next preceding the date of authentication of this Bond (unless this Bond is registered as of an interest payment date or during the period from the fifteenth calendar day of the month preceding an interest payment date to such interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before [November 15, 2021], in which event it shall bear interest from the Dated Date specified above) until the principal hereof shall have been paid at the interest rate per annum specified above, payable on December 1, 2021, and semiannually thereafter on each June 1 and December 1. Interest due on or before the maturity or prior redemption of this Bond shall be payable only by check mailed by first-class mail to the registered owner hereof; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate

principal amount of Bonds of the Series of which this Bond is a part received by the Trustee (defined hereinafter) prior to the applicable record date, interest shall be paid by wire transfer in immediately available funds to an account within the United States of America. The principal hereof is payable in lawful money of the United States of America by check mailed by first-class mail to the registered owner hereof; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate principal amount of Bonds of the Series of which this Bond is a part received by the Trustee (defined hereinafter) prior to the applicable record date, principal shall be paid by wire transfer in immediately available funds to an account within the United States of America. Final Payment of principal at maturity, will be made upon presentation of this Bond at the Designated Office of the Trustee. Capitalized terms used herein and not otherwise defined herein have the meanings ascribed thereto in the Trust Agreement.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its "County of Contra Costa Public Financing Authority Lease Revenue Bonds 2021 Series A" (the "Bonds") unlimited as to principal amount and is the bond of a duly authorized series of such Bonds known as "2021 Series A" (the "Bonds") issued in a principal amount of [\_\_\_\_\_] dollars (\$[\_\_\_\_]), and is issued under and pursuant to the provisions of the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended) and all laws amendatory thereof or supplemental thereto (the "Act") and under and pursuant to the provisions of a trust agreement, dated as of \_\_\_\_\_ 1, 2021 (as amended, supplemented or modified from time to time, the "Trust Agreement"), by and between the Authority and Wells Fargo Bank, National Association, as trustee (together with any successor as trustee under the Trust Agreement, the "Trustee") (copies of the Trust Agreement are on file at the Designated Office of the Trustee in Los Angeles, California).

The Bonds are issued to provide funds to refund certain outstanding revenue bonds of the Authority. The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from certain proceeds of the Bonds held in certain funds and accounts pursuant to the Trust Agreement and the revenues (as more fully defined in the Trust Agreement, the "Revenues") derived from Base Rental Payments and other payments made by the County of Contra Costa (the "County"), and all interest or other investment income thereon, pursuant to the Facilities Lease, dated as of \_\_\_\_\_ 1, 2021 (as amended from time to time, the "Facilities Lease"), by and between the Authority and the County, and the Authority is not obligated to pay the interest or premium, if any, on and principal of the Bonds except from the Revenues. All Bonds are equally and ratably secured in accordance with the terms and conditions of the Trust Agreement by a pledge and assignment of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest or premium, if any, on and principal of the Bonds as provided in the Trust Agreement. The full faith and credit of the Authority and the County are not pledged for the payment of the interest or premium, if any, on or principal of the Bonds. No tax shall ever be levied to pay the interest on or principal of the Bonds. The Bonds are not secured by a legal or equitable pledge of or charge or lien upon any property of the Authority or any of its income or receipts except the Revenues, and neither the payment of the interest on nor principal (or premium, if any) of the Bonds is a debt, liability or general obligation of the Authority, the County or any member of the Authority for which such entity is obligated to levy or pledge any form of taxation. Reference is hereby made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued, the provisions

with regard to the nature and extent of the Revenues, the rights of the registered owners of the Bonds, security for payment of the Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Bonds); and all the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the Authority and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents.

[The Bonds are subject to redemption prior to maturity on the dates, at the redemption prices, and upon such notice as set forth in the Trust Agreement.]

The Bonds, upon notice as provided in the Trust Agreement, shall also be subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account payments set forth below, at a redemption price equal to the sum of the principal amount thereof plus accrued interest thereon to the redemption date, without premium:

Mandatory Sinking Account Payment Date (June 1) <hr style="width: 100%;"/>	Mandatory Sinking Account Payment <hr style="width: 100%;"/> \$
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\*  


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 \*Maturity

If an Event of Default (as defined in the Trust Agreement) shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Trust Agreement. The Trust Agreement provides that in certain events such declaration and its consequences may be rescinded by the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding or by the Trustee.

This Bond is transferable only on a register to be kept for that purpose at the above-mentioned Designated Office of the Trustee by the registered owner hereof in person or by the duly authorized attorney of such owner upon payment of the charges provided in the Trust

Agreement and upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the duly authorized attorney of such owner, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount will be issued to the transferee in exchange therefor. The Authority and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

In the event of any conflict or inconsistency between the terms and provisions of the Bond and the terms and provisions of the Trust Agreement, the terms and provisions of the Trust Agreement shall control.

This Bond shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been executed and dated by the Trustee.

It is hereby certified and recited that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Act, and by the Constitution and laws of the State of California, that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or laws of the State of California and is not in excess of the amount of Bonds permitted to be issued under the Trust Agreement.

IN WITNESS WHEREOF, the County of Contra Costa Public Financing Authority has caused this Bond to be executed in its name and on its behalf by the facsimile signature of the Chair of the Authority and countersigned by the facsimile signature of the Secretary of said Authority, and has caused this Bond to be dated as of the Dated Date specified above.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By: \_\_\_\_\_  
Chair

Countersigned:

\_\_\_\_\_  
Secretary

FORM OF CERTIFICATE OF AUTHENTICATION  
TO APPEAR ON 2021 SERIES A BONDS

This is one of the Bonds described in the within-mentioned Trust Agreement which has been registered and authenticated on [\_\_\_\_\_], 2021.

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

[FORM OF ASSIGNMENT TO  
APPEAR ON 2021 SERIES A BONDS]

For value received the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Taxpayer Identification Number: \_\_\_\_\_) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

NOTE: The signature to this Assignment must correspond with the name as written on the face of the Bond in every particular, without alteration or enlargement or any change whatever.

Dated: \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY NUMBER, TAXPAYER IDENTIFICATION NUMBER OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

Signature Guaranteed: \_\_\_\_\_

NOTE: Signature must be guaranteed by an eligible guarantor institution.

EXHIBIT B

FORM OF 2021 SERIES B BOND

No. R-1

\$[\_\_\_\_\_]

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY  
LEASE REVENUE BONDS  
2021 SERIES B

NEITHER THE FULL FAITH AND CREDIT OF THE AUTHORITY NOR THE COUNTY OF CONTRA COSTA IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE BONDS AND NO TAX OR OTHER SOURCE OF FUNDS OTHER THAN THE REVENUES HEREINAFTER REFERRED TO IS PLEDGED TO PAY THE INTEREST ON OR PRINCIPAL OF THE BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF NOR INTEREST ON THE BONDS CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OF CONTRA COSTA OR THE CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, THE PARTIES TO THE AGREEMENT CREATING THE AUTHORITY.

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>
____%	June 1, 20__	____, 2021

REGISTERED OWNER: CEDE & CO

PRINCIPAL SUM: \_\_\_\_\_ DOLLARS

The COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority, duly organized and validly existing under and pursuant to the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues hereinafter referred to) to the registered owner identified above or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter provided for) the principal sum specified above, together with interest on such principal sum from the interest payment date next preceding the date of authentication of this Bond (unless this Bond is registered as of an interest payment date or during the period from the fifteenth calendar day of the month preceding an interest payment date to such interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before [November 15, 2021], in which event it shall bear interest from the Dated Date specified above) until the principal hereof shall have been paid at the interest rate per annum specified above, payable on December 1, 2021, and semiannually thereafter on each June 1 and December 1. Interest due on or before the maturity or prior redemption of this Bond



shall be payable only by check mailed by first-class mail to the registered owner hereof; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate principal amount of Bonds of the Series of which this Bond is a part received by the Trustee (defined hereinafter) prior to the applicable record date, interest shall be paid by wire transfer in immediately available funds to an account within the United States of America. The principal hereof is payable in lawful money of the United States of America by check mailed by first-class mail to the registered owner hereof; provided that upon the written request of a Bondholder of \$1,000,000 or more in aggregate principal amount of Bonds of the Series of which this Bond is a part received by the Trustee (defined hereinafter) prior to the applicable record date, principal shall be paid by wire transfer in immediately available funds to an account within the United States of America. Final Payment of principal at maturity, will be made upon presentation of this Bond at the Designated Office of the Trustee. Capitalized terms used herein and not otherwise defined herein have the meanings ascribed thereto in the Trust Agreement.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its "County of Contra Costa Public Financing Authority Lease Revenue Bonds 2021 Series B" (the "Bonds") unlimited as to principal amount and is the bond of a duly authorized series of such Bonds known as "2021 Series B" (the "Bonds") issued in a principal amount of [\_\_\_\_\_] dollars (\$[\_\_\_\_]), and is issued under and pursuant to the provisions of the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended) and all laws amendatory thereof or supplemental thereto (the "Act") and under and pursuant to the provisions of a trust agreement, dated as of \_\_\_\_\_ 1, 2021 (as amended, supplemented or modified from time to time, the "Trust Agreement"), by and between the Authority and Wells Fargo Bank, National Association, as trustee (together with any successor as trustee under the Trust Agreement, the "Trustee") (copies of the Trust Agreement are on file at the Designated Office of the Trustee in Los Angeles, California).

The Bonds are issued to provide funds to refund certain outstanding revenue bonds of the Authority. The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from certain proceeds of the Bonds held in certain funds and accounts pursuant to the Trust Agreement and the revenues (as more fully defined in the Trust Agreement, the "Revenues") derived from Base Rental Payments and other payments made by the County of Contra Costa (the "County"), and all interest or other investment income thereon, pursuant to the Facilities Lease, dated as of \_\_\_\_\_ 1, 2021 (as amended from time to time, the "Facilities Lease"), by and between the Authority and the County, and the Authority is not obligated to pay the interest or premium, if any, on and principal of the Bonds except from the Revenues. All Bonds are equally and ratably secured in accordance with the terms and conditions of the Trust Agreement by a pledge and assignment of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest or premium, if any, on and principal of the Bonds as provided in the Trust Agreement. The full faith and credit of the Authority and the County are not pledged for the payment of the interest or premium, if any, on or principal of the Bonds. No tax shall ever be levied to pay the interest on or principal of the Bonds. The Bonds are not secured by a legal or equitable pledge of or charge or lien upon any property of the Authority or any of its income or receipts except the Revenues, and neither the payment of the interest on nor principal (or premium, if any) of the Bonds is a debt, liability or general obligation of the Authority, the County or any member of the Authority for which such entity is obligated to levy or pledge any form of taxation. Reference is hereby

made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, the rights of the registered owners of the Bonds, security for payment of the Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Bonds); and all the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the Authority and the registered owner of this Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents.

[The Bonds are subject to redemption prior to maturity on the dates, at the redemption prices, and upon such notice as set forth in the Trust Agreement.]

The Bonds, upon notice as provided in the Trust Agreement, shall also be subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account payments set forth below, at a redemption price equal to the sum of the principal amount thereof plus accrued interest thereon to the redemption date, without premium:

Mandatory Sinking Account Payment Date (June 1) <hr style="width: 100%;"/>	Mandatory Sinking Account Payment <hr style="width: 100%;"/> \$
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 \*Maturity

If an Event of Default (as defined in the Trust Agreement) shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Trust Agreement. The Trust Agreement provides that in certain events such declaration and its consequences may be rescinded by the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding or by the Trustee.

This Bond is transferable only on a register to be kept for that purpose at the above-mentioned Designated Office of the Trustee by the registered owner hereof in person or by the duly authorized attorney of such owner upon payment of the charges provided in the Trust Agreement and upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the duly authorized attorney of such owner, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount will be issued to the transferee in exchange therefor. The Authority and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

In the event of any conflict or inconsistency between the terms and provisions of the Bond and the terms and provisions of the Trust Agreement, the terms and provisions of the Trust Agreement shall control.

This Bond shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been executed and dated by the Trustee.

It is hereby certified and recited that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Act, and by the Constitution and laws of the State of California, that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or laws of the State of California and is not in excess of the amount of Bonds permitted to be issued under the Trust Agreement.

IN WITNESS WHEREOF, the County of Contra Costa Public Financing Authority has caused this Bond to be executed in its name and on its behalf by the facsimile signature of the Chair of the Authority and countersigned by the facsimile signature of the Secretary of said Authority, and has caused this Bond to be dated as of the Dated Date specified above.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By: \_\_\_\_\_  
Chair

Countersigned:

\_\_\_\_\_  
Secretary

FORM OF CERTIFICATE OF AUTHENTICATION  
TO APPEAR ON 2021 SERIES B BONDS

This is one of the Bonds described in the within-mentioned Trust Agreement which has been registered and authenticated on [\_\_\_\_\_], 2021.

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

[FORM OF ASSIGNMENT TO  
APPEAR ON 2021 SERIES B BONDS]

For value received the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Taxpayer Identification Number: \_\_\_\_\_) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

NOTE: The signature to this Assignment must correspond with the name as written on the face of the Bond in every particular, without alteration or enlargement or any change whatever.

Dated: \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY NUMBER, TAXPAYER IDENTIFICATION NUMBER OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

Signature Guaranteed: \_\_\_\_\_

NOTE: Signature must be guaranteed by an eligible guarantor institution.

EXHIBIT C

FORM OF REQUISITION – PROJECT FUND

Date: \_\_\_\_\_, 20\_\_

No. \_\_

Wells Fargo Bank, National Association  
[333 S. Grand Ave., 5<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attention: Corporate Trust Services]

Re: County of Contra Costa Public Financing Authority  
Lease Revenue Bonds 2021 Series A and 2021 Series B  
(Written Request of the County – 2021 Series A Project Account)

Ladies and Gentlemen:

This letter is our authorization to you to disburse from the 2017 Series A Project Account within the Project Fund provided for in Section 3.02 of the Trust Agreement dated as of [\_\_\_\_\_] 1, 2021 (the “Trust Agreement”) between the County of Contra Costa Public Financing Authority (the “Authority”) and Wells Fargo Bank, National Association, as trustee, the amount indicated on Schedule A attached hereto to the therein-named individuals, firms and corporations for the payment of project costs relating to the completion of the Capital Projects (as said term is defined in the Trust Agreement).

The obligations in the stated amount have been incurred by the County, and each item thereof is a proper charge against the 2021 Series A Project Account within the Project Fund. There has not been filed with or served upon the County notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named herein below, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen’s or mechanics’ liens accruing by mere operation of law.

If checked here you are hereby authorized to close the 2021 Series A Project Account within the Project Fund and transfer any remaining balance (after payment of any amounts indicated in Schedule A) to the Revenue Fund.

Very truly yours,

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By \_\_\_\_\_  
Authorized Officer

SCHEDULE A

<u>Item No.</u>	<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>
—	_____	\$ _____	_____



EXHIBIT D

FORM OF REQUISITION – COSTS OF ISSUANCE

Date: \_\_\_\_\_, 20\_\_

No. \_\_

[Wells Fargo Bank, National Association  
333 S. Grand Ave., 5<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attention: Corporate Trust Services]

Re: County of Contra Costa Public Financing Authority  
Lease Revenue Bonds 2021 Series A and 2021 Series B  
(Written Request of the Authority – Costs of Issuance Fund)

Ladies and Gentlemen:

This letter is our authorization to you to disburse from the Costs of Issuance Fund provided for in Section 3.01 of the Trust Agreement dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”) between the County of Contra Costa Public Financing Authority (the “Authority”) and Wells Fargo Bank, National Association, as trustee, the not to exceed amounts indicated on Schedule A attached hereto to the therein-named individuals, firms and corporations for expenses incident to the issuance of the above-referenced Bonds pursuant to the Trust Agreement.

The obligations in the stated amounts have been incurred by the Authority and each item thereof is a proper charge against the Costs of Issuance Fund and has not been subject of a prior requisition.

If checked here you are hereby authorized to close the Costs of Issuance Fund and transfer any remaining balance (after payment of any amounts indicated in Schedule A) to the Authority for deposit to the Revenue Fund.

Very truly yours,

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By \_\_\_\_\_  
Authorized Officer

SCHEDULE A

<u>Item No.</u>	<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>
—	_____	\$ _____	_____

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

NIXON PEABODY LLP  
300 South Grand Avenue, Suite 4100  
Los Angeles, California 90071  
Attention: Jade Turner-Bond, Esq.

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**FACILITIES LEASE**

by and between

**COUNTY OF CONTRA COSTA  
PUBLIC FINANCING AUTHORITY**

and the

**COUNTY OF CONTRA COSTA**

Related to  
\$[\_\_\_\_\_]  
County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding)  
2021 Series A (Capital Projects) and 2021 Series B (Refunding)

Dated as of \_\_\_\_\_ 1, 2021

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THIS TRANSACTION IS EXEMPT FROM FILING FEES PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 6103 AND TRANSFER TAXES PURSUANT TO CALIFORNIA REVENUE AND TAXATION CODE SECTION 11928

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FACILITIES LEASE

This Facilities Lease, dated as of \_\_\_\_\_ 1, 2021, by and between the COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY (the “Authority”), a joint exercise powers authority duly organized and existing under and by virtue of the laws of the State of California, as sublessor, and the COUNTY OF CONTRA COSTA (the “County”), a body corporate and politic and a political subdivision of the State of California, as sublessee;

W I T N E S S E T H:

**WHEREAS**, the County has determined to finance and refinance the construction, renovation and acquisition of various capital projects of the County as set forth in Exhibit D hereto, as the same may be changed from time to time (the “Capital Projects”);

**WHEREAS**, the Authority, at the request of the County, is refunding all of its outstanding Lease Revenue Bonds, consisting of \$13,130,000 2010 Series A-2 (Capital Project I – Taxable Build America Bonds) (the “Series A-2 Bonds”), \$20,700,000 2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds) (the “Series A-3 Bonds”), \$17,435,000 2010 Series B (Refunding) (the “Series B Bonds”) and its \$13,102,304 Lease Revenue Obligations 2012 Series A (the “2012 Series A Obligations,” collectively with the Series A-2 Bonds, the Series A-3 Bonds and the Series B Bonds, the “Refunded Bonds”);

**WHEREAS**, the Authority intends to assist the County in financing and refinancing the Capital Projects and refunding the Refunded Bonds by issuing the County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) and 2021 Series B (Refunding) (the “Bonds”), pursuant to the Trust Agreement dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”), by and between the Authority and Wells Fargo Bank, National Association, as Trustee;

**WHEREAS**, the County will lease to the Authority the Facilities (as defined herein) of the County pursuant to a Site Lease, dated as of \_\_\_\_\_ 1, 2021 (the “Site Lease”), between County and the Authority;

**WHEREAS**, the County will lease back the Facilities from the Authority pursuant to the terms of this Facilities Lease; and

**WHEREAS**, under this Facilities Lease, the County will be obligated to make Base Rental Payments and Additional Payments (each as defined herein) to the Authority for the lease of the Facilities and such other facilities as may from time to time be leased hereunder;

**WHEREAS**, the County is authorized by law to sublease the Facilities and the Facilities are necessary and proper for public purposes; and

**WHEREAS**, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Facilities Lease do exist, have happened and have been performed in regular and due

time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Facilities Lease;

**NOW, THEREFORE**, in consideration of the mutual covenants herein, the parties hereto agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

SECTION 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Facilities Lease, have the meanings herein specified, which meanings shall be equally applicable to both the singular and plural forms of any of the terms herein defined. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Trust Agreement.

**“Additional Payments”** means all amounts payable to the Authority or the Trustee or any other person from the County as Additional Payments pursuant to Section 3.02 hereof.

**“Authority”** means the County of Contra Costa Public Financing Authority, acting as sublessor hereunder and any surviving, resulting or transferee entity.

**“Base Rental”** and **“Base Rental Payments”** means all amounts payable to the Authority from the County as Base Rental Payments pursuant to Section 3.01 hereof.

**“Base Rental Payment Schedule”** means the schedule of Base Rental Payments payable to the Authority from the County pursuant to Section 3.01 hereof and attached hereto as Exhibit B.

**“Bonds”** has the meaning set forth in the recitals.

**“Capital Projects”** means the various public capital improvements and projects, including, but not limited to the acquisition, installation, implementation and construction of the Project, as set forth in Exhibit D hereto, as the same may be amended from time to time by a Certificate of the County delivered to the Trustee and the Purchaser, to be financed or refinanced by a portion of the proceeds of the Bonds.

**“Code”** means the Internal Revenue Code of 1986, as the same shall be hereafter amended, and any regulations heretofore issued or which shall be hereafter issued by the United States Department of the Treasury thereunder.

**“Continuing Disclosure Agreement”** means the Continuing Disclosure Agreement dated as of the date of issuance of the Bonds, among the County, the Authority, and Digital Assurance Certification L.L.C. as dissemination agent.

**“County”** means the County of Contra Costa, California, a body corporate and politic and a political subdivision of the State of California.

“**Event of Default**” shall have the meaning specified in Section 6.01 hereof.

“**Facilities**” shall mean the real property and the improvements thereon as described in Exhibit A hereto, or any County buildings, other improvements and facilities, added thereto or substituted therefor, or any portion thereof, in accordance with this Facilities Lease and the Trust Agreement.

“**Facilities Lease**” means this Facilities Lease, as originally executed and recorded or as it may from time to time be supplemented, modified or amended pursuant to the provisions hereof and of the Trust Agreement.

“**Insurance Consultant**” means an individual or firm retained by the County as an independent insurance consultant, with experience in the field of risk management.]

“**Net Proceeds**” means amounts derived from any policy of casualty insurance or title insurance with respect to the Facilities, or the proceeds of any taking of the Facilities or any portion thereof in eminent domain proceedings (including sale under threat of such proceedings), to the extent remaining after payment therefrom of all expenses incurred in the collection and administration thereof.

“**Project**” means the (i) demolition and construction of certain County Offices; (ii) expansion and improvement of Buchanan Field Airport; and (iii) financing the acquisition and construction of certain fire districts, and payment of any costs associated with financing of said projects, as set forth in Exhibit D to this Facilities Lease as the same may be changed from time to time, in accordance with Section 3.07 of this Facilities Lease, by the County by filing a Certificate of the County with the Trustee

“**Refunded Bonds**” means, collectively, the Authority’s previously issued its Lease Revenue Bonds, consisting of \$13,130,000 2010 Series A-2 (Capital Project I – Taxable Build America Bonds), \$20,700,000 2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds), and \$17,435,000 2010 Series B (Refunding) and its \$13,102,304 Lease Revenue Obligations, 2012 Series A.

“**Rental Payment Period**” means the twelve-month period commencing June 1 of each year and ending the following May 31, and the initial period commencing on the effective date hereof and ending the following May 31.

“**Trust Agreement**” means the Trust Agreement, dated as of \_\_\_\_\_ 1, 2021, by and between the Trustee and the Authority and acknowledged by the County, as originally executed or as it may from time to time be supplemented, modified or amended by a Supplemental Trust Agreement entered into pursuant to the provisions thereof.

## ARTICLE II

### LEASE OF FACILITIES; TERM

SECTION 2.01. Lease of Facilities. The Authority hereby leases to the County and the County hereby leases from the Authority the Facilities, subject, however, to all easements,



encumbrances, and restrictions that exist at the time of the commencement of the term of this Facilities Lease, as defined in Section 2.02 hereof. The County hereby agrees and covenants during the term of this Facilities Lease that, except as hereinafter provided, it will use the Facilities for public and County purposes so as to afford the public the benefits contemplated by this Facilities Lease.

SECTION 2.02. Term; Occupancy; and Release of Existing Facilities. The term of this Facilities Lease shall commence on the date of recordation of this Facilities Lease in the office of the County Recorder of Contra Costa County, State of California, on \_\_\_\_\_, 2021, and shall end for the respective Facilities on the dates specified in Exhibit C hereto, unless such term is extended or sooner terminated as hereinafter provided. If on such dates, the Base Rental Payments and Additional Payments attributable to the related Facility and all other amounts then due hereunder with respect to such Facility, or any amount remains due and owing with respect to the Bonds, shall not be fully paid, or if the rental payable hereunder with respect to such Facility shall have been abated at any time and for any reason, then the term of this Facilities Lease with respect to such Facility shall be extended until the Base Rental Payments and Additional Payments attributable to such Facility and all other amounts then due hereunder with respect to such Facility shall be fully paid, except that the term of this Facilities Lease as to the respective Facility shall in no event be extended beyond ten (10) years after the date identified with respect thereto. If prior to such date, all Base Rental Payments and all Additional Payments attributable to the related Facility and all other amounts then due hereunder with respect to such Facility, and all amounts due and owing with respect to the Bonds, shall be fully paid, or provision therefor made, the term of this Facilities Lease with respect to such Facility shall end ten (10) days thereafter or upon written notice by the County to the Authority, whichever is earlier; provided that with respect to any provision for payment being made whether by defeasance or otherwise, this Facilities Lease shall remain outstanding for federal tax purposes until the actual payment in full of all principal and interest on the Bonds.

Upon the expiration of the term of this Facilities Lease with respect to a particular Facility pursuant to the preceding paragraph, the respective Facility shall be released from this Facilities Lease without compliance with the release requirements set forth in Section 2.03 below; provided that no Facility shall be released from this Facilities Lease (i) if, after giving effect to the release of such Facility, a Default or Event of Default would occur hereunder, under the Trust Agreement, (ii) unless the County has delivered a certificate to the Trustee demonstrating that the fair rental value of the remaining Facilities for each Base Rental Period is at least equal to the maximum Lease Payments to be made under the Facilities Lease in each such Rental Payment Period, (iii) if any material litigation or environmental issues exist with respect to the remaining Facilities and (iv) if any event giving rise to an abatement of Base Rental Payments shall have occurred and be continuing.

SECTION 2.03. Substitution; Release; Addition of Property. The County and the Authority may add, substitute or release real property as part of the Facilities, but only after the County shall have filed with the Authority and the Trustee all of the following:

(a) Executed copies of the Facilities Lease or amendments thereto containing the amended description of the Facilities.

(b) A Certificate of the County with copies of the Facilities Lease or the Site Lease, if needed, or amendments thereto containing the amended description of the Facilities stating that such documents have been duly recorded in the official records of the County Recorder of the County.

(c) A Certificate of the County, supported by expert knowledge (which may be that of the Real Estate Manager of the County) or construction cost information evidencing that the fair market value or the insured value of the Facilities that will constitute the Facilities after such addition, substitution or release will be at least equal to the aggregate outstanding principal amount of the Base Rental Payments and the amount of any Additional Payments then determinable after such addition, substitution or release, the annual fair rental value of the Facilities after such addition, substitution or release will be at least equal to the maximum annual Base Rental Payments coming due and payable hereunder after such addition, substitution or release, and the useful life of such Facilities will at least extend to the final Base Rental Payment date.

(d) In connection with any addition or substitution of property, a leasehold owner's title insurance policy or policies or a commitment for such policy or policies or an amendment or endorsement to an existing title insurance policy or policies subject only to Permitted Encumbrances resulting in title insurance with respect to the Facilities after such addition or substitution in an amount at least equal to the aggregate principal amount of Bonds Outstanding at the time of substitution or addition of Facilities.

(e) A Certificate of the County stating that (i) such addition, substitution or release does not adversely affect the County's use and occupancy of the Facilities (as such term will be defined following the addition, substitution or release) and (ii) no Event of Default has occurred and is continuing hereunder or under the Trust Agreement.

(f) In connection with any substitution or release of property, (i) a Certificate of the County stating that the substitution or release will not cause the County to violate its covenants, representations and warranties hereunder or under the Trust Agreement, (ii) a Certificate of the County that establishes that the fair market value of the property which remains subject to the Facilities Lease and the Site Lease following such substitution or release is at least equal to the aggregate outstanding principal amount of the Base Rental Payments and Additional Payments which are determinable, and the fair rental value of the Facilities which remain subject to this Facilities Lease and the Site Lease following such removal is at least equal to the Base Rental Payments and the amount of any Additional Payments then determinable thereafter coming due and payable under the Facilities Lease, (iii) no Event of Default shall have occurred and be continuing hereunder or under the Trust Agreement and (iv) no event giving rise to an abatement of Base Rental Payments shall have occurred or be continuing with respect to this Facilities Lease or any Facility.

(g) In connection with any substitution of property, a Certificate of the County stating that the Facility to be added is of approximately the same or greater degree of essentiality to the County as the Facility being replaced.

(h) In connection with the addition of property, a Certificate of the County stating that the Facility to be added is an essential facility of the County.

(i) An Opinion of Counsel stating that such amendment or modification of the Site Lease and the Facilities Lease and the substitution, release or addition of property (i) complies with the terms of the Constitution and laws of the State and of the Trust Agreement and this Facilities Lease; (ii) will, upon the execution and delivery thereof, be valid and binding upon the Authority and the County; and (iii) will not cause the interest on the Bonds to be included in gross income for federal income tax purposes.

### **ARTICLE III**

#### **RENTAL PAYMENTS; USE OF PROCEEDS**

SECTION 3.01. Base Rental Payments. The County agrees to pay to the Authority, as Base Rental Payments for the use and occupancy of the Facilities (subject to the provisions of Sections 3.04, 3.06 and 7.01 of this Facilities Lease) annual rental payments with principal and interest components, the interest components being payable semi-annually, in accordance with the Base Rental Payment Schedule attached hereto as Exhibit B and made a part hereof. The County is hereby directed to pay all such Base Rental Payments directly to the Trustee for application as provided in the Trust Agreement. Base Rental Payments shall be calculated on an annual basis, for each Rental Payment Period, and each annual Base Rental Payment shall be divided into two interest components, due on December 1 and June 1, and one principal component, due on June 1, except that the first Rental Payment Period commences on the date of recordation of this Facilities Lease and ends on [May 31, 2021]. Each Base Rental Payment installment shall be payable on the third Business Day immediately preceding its due date. The interest components of the Base Rental Payments shall be paid by the County as and constitute interest paid on the principal components of the Base Rental Payments to be paid by the County hereunder, computed on the basis of a 360-day year composed of twelve 30-day months. Each annual payment of Base Rental (to be payable in installments as aforesaid) shall be for the use of the Facilities.

If the term of this Facilities Lease shall have been extended pursuant to Section 2.02 hereof, Base Rental Payment installments shall continue to be due on December 1 and June 1 in each year, and payable prior thereto as hereinabove described, continuing to and including the date of termination of this Facilities Lease. Upon such extension of this Facilities Lease, the County shall deliver to the Trustee a Certificate setting forth the extended rental payment schedule, which schedule shall establish the principal and interest components of the Base Rental Payments so that the principal components will in the aggregate be sufficient to pay all unpaid principal components with interest components sufficient to pay all unpaid interest components plus interest thereon.

If at any time the Base Rental shall not have been paid by the County when due, for any reason whatsoever, and no other source of funds shall have been available to make the payments of principal and interest on the Bonds, the principal and interest components of the Base Rental shall be recalculated by the County to reflect interest on the unpaid Base Rental Payments as provided in Section 3.04 hereof. Upon request by the Authority or the Trustee, a revised Exhibit

B to this Facilities Lease shall be prepared by the County and supplied to the Authority and the Trustee reflecting such recalculation.

SECTION 3.02. Additional Payments. The County shall also pay such amounts, as Additional Payments hereunder, as shall be required by the Authority for the payment of all costs and expenses incurred by the Authority in connection with the execution, performance or enforcement by the Authority or the County, as applicable, of this Facilities Lease, or any pledge of Base Rental payable hereunder, the Trust Agreement, its interest in the Facilities and the lease of the Facilities to the County, including but not limited to payment of all fees, costs and expenses and all administrative costs of the Authority related to the Facilities, including, without limiting the generality of the foregoing, salaries and wages of employees, all expenses, compensation and indemnification of the Trustee payable by the Authority under the Trust Agreement, fees of auditors, accountants, attorneys or architects, and all other necessary administrative costs of the Authority or charges required to be paid by it in order to maintain its existence or to comply with the terms of the Bonds or of the Trust Agreement; but not including Additional Payments amounts required to pay the principal of or interest Bonds.

Such Additional Payments shall be billed to the County by the Authority or the Trustee from time to time, together, if applicable, with a statement certifying that the amount billed has been paid by the Authority or by the Trustee on behalf of the Authority, for one or more of the items above described, or that such amount is then payable by the Authority or the Trustee for such items. Amounts so billed shall be paid by the County to the billing party within 30 days after receipt of the bill by the County. The County reserves the right to audit billings for Additional Payments although exercise of such right shall in no way affect the duty of the County to make full and timely payment for all Additional Payments.

The Authority has issued and may in the future issue bonds and has entered into and may in the future enter into leases to finance capital improvements other than the Capital Project. The administrative costs of the Authority shall be allocated among the facilities subject to such other lease agreements and the Facilities, as hereinafter in this paragraph provided. The fees of the Trustee under the Trust Agreement, and any other expenses directly attributable to the Facilities shall be included in the Additional Payments payable hereunder. The fees of any trustee or paying agent under any indenture securing bonds of the Authority or any trust agreement other than the Trust Agreement, and any other expenses directly attributable to any facilities other than the Facilities, shall not be included in the administrative costs of the Facilities and shall not be paid from the Additional Payments payable hereunder. Any expenses of the Authority not directly attributable to any particular lease of the Authority shall be equitably allocated among all such leases, including this Facilities Lease, in accordance with sound accounting practice. In the event of any question or dispute as to such allocation, the written opinion of an independent firm of certified public accountants, employed by the Authority to consider the question and render an opinion thereon, shall be a final and conclusive determination as to such allocation. The Trustee may conclusively rely upon the Written Request of the Authority, with the approval of the County Administrator or the County Finance Director, or a duly authorized representative of the County, endorsed thereon, in making any determination that costs are payable as Additional Payments hereunder, and shall not be required to make any investigation as to whether or not the items so requested to be paid are expenses related to the lease of the Facilities.

SECTION 3.03. Fair Rental Value. The payments of Base Rental Payments and Additional Payments for each Rental Payment Period during the term of this Facilities Lease shall constitute the total rental for said Rental Payment Period and shall be paid by the County in each Rental Payment Period for and in consideration of the right of use and occupancy of, and continued quiet use and enjoyment of, the Facilities during each such Rental Payment Period for which said rental is to be paid. The parties hereto have agreed and determined that such total rental payable for each Rental Payment Period does not exceed the fair rental value of the Facilities for each such period.

In making such determination, consideration has been given to the value of the Facilities, costs of acquisition, design, construction and financing of the Facilities, other obligations of the parties under this Facilities Lease, the uses and purposes which may be served by the Facilities and the benefits therefrom which will accrue to the County and the general public.

SECTION 3.04. Payment Provisions. Each installment of rental payable hereunder shall be paid in lawful money of the United States of America in immediately available funds to the Trustee. Any such installment of rent accruing hereunder which shall not be paid when due and payable under the terms of this Facilities Lease shall bear interest at a rate of [\_\_\_% per annum] or such lesser rate of interest as may be permitted by law, from the date when the same is due hereunder until the same shall be paid. Notwithstanding any dispute between the Authority and the County, the County shall make all rental payments when due without deduction or offset of any kind and shall not withhold any rent payments pending the final resolution of such dispute. In the event of a determination that the County was not liable for said Base Rental Payments and Additional Payments or any portion thereof, said payments or excess of payments, as the case may be, shall be credited against subsequent rental payments due hereunder or refunded at the time of such determination. Amounts required to be deposited by the County with the Trustee pursuant to this Section on any date shall be reduced to the extent that amounts on deposit in the Revenue Fund, the Interest Account or the Principal Account are available therefor.

All payments received shall be applied first to the interest components of the Base Rental Payments due hereunder, then to the principal components of the Base Rental Payments due hereunder and thereafter to all Additional Payments due hereunder, but no such application of any payments which are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

Rental is subject to abatement as provided in Section 3.06.

Nothing contained in this Facilities Lease shall prevent the County from making from time to time contributions or advances to the Authority for any purpose now or hereafter authorized by law, including the making of repairs to, or the restoration of, the Facilities in the event of damage to or the destruction of the Facilities.

SECTION 3.05. Appropriations Covenant. The County covenants to take such action as may be necessary to include all such Base Rental Payments and Additional Payments due hereunder in its annual budgets, to make necessary annual appropriations for all such Base Rental Payments and Additional Payments as shall be required to provide funds in such year for

such Base Rental Payments and Additional Payments. The County will deliver to the Authority and the Trustee within [thirty (30) days] of adoption of the final County budget a Certificate of the County (in the form set forth in Exhibit E attached hereto) stating that the budget as adopted appropriates all moneys necessary for the payment of Base Rental Payments and Additional Payments hereunder. The covenants on the part of the County herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the County to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the County to carry out and perform the covenants and agreements in this Facilities Lease agreed to be carried out and performed by the County.

The County covenants that in the event that any rent paid by the County hereunder are insufficient to pay when due any Base Lease Rentals or Additional Rentals payable hereunder, the County shall take all actions as are necessary to budget and appropriate all such Base Rental Payments and Additional Payments in a supplemental or amendatory budget, in order to make all necessary additional appropriations to pay all such amounts when due. The covenants on the part of the County herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the County to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the County to carry out and perform the covenants and agreements in this Facilities Lease agreed to be carried out and performed by the County.

The Authority and the County understand and intend that the obligation of the County to pay Base Rental Payments and Additional Payments hereunder shall constitute a current expense of the County and shall not in any way be construed to be a debt of the County in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the County, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of the County. Base Rental Payments and Additional Payments due hereunder shall be payable only from current funds which are budgeted and appropriated or otherwise legally available for the purpose of paying Base Rental Payments and Additional Payments or other payments due hereunder as consideration for use of the Facilities. This Facilities Lease shall not create an immediate indebtedness for any aggregate payments which may become due hereunder in the event that the term of the Facilities Lease is continued. The County has not pledged the full faith and credit of the County, the State of California or any agency or department thereof to the payment of the Base Rental Payments and Additional Payments or any other payments due hereunder.

SECTION 3.06. Rental Abatement. The Base Rental Payments and Additional Payments shall be abated during any period in which by reason of any damage or destruction (other than by condemnation which is hereinafter provided for) there is substantial interference with the use and occupancy of the Facilities by the County, to the extent the Base Rental Payments and Additional Payments exceed the fair rental value for the use and occupancy of that portion of the Facilities that has not been rendered unusable as reasonably determined by the County. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial restoration of use or completion of the work of repair or reconstruction. In the event of any such damage or destruction, this Facilities Lease shall continue in full force and effect and the County waives any right to terminate this Facilities

Lease by virtue of any such damage or destruction. Notwithstanding the foregoing, the Base Rental Payments are not subject to abatement to the extent that rental interruption insurance proceeds are available to pay Base Rental Payments which would otherwise be abated under this Section 3.06, it being hereby declared that such amounts constitute special funds for the payment of the Base Rental Payments.

SECTION 3.07. Use of Proceeds. The parties hereto agree that the proceeds of the Bonds will be used to finance the Capital Projects, to refund the Refunded Bonds and to pay the costs of issuing the Bonds and incidental and related expenses.

The County hereby agrees to construct the Capital Projects from the proceeds of the Bonds provided for such purpose to the County by the Authority in consideration for the leasehold interest in the real property comprising the Facilities. The Authority and the County agree that the Capital Projects will be constructed in accordance with the plans and specifications prepared by the designers of the Capital Projects and approved by the County.

The County may alter the Project or issue change orders altering the construction contract plans and specifications during the course of construction, and the Authority agrees to cooperate fully with the County to cause such alterations or change orders to be implemented. Failure of the County to complete the Project shall not cause an abatement of Base Rental or Additional Payments hereunder.

SECTION 3.08. Net Proceeds. If any of the Facilities are taken in eminent domain proceedings at any time during the term of this Facilities Lease, or if any of the Facilities are damaged due to an insured casualty which is covered by insurance, the County shall as soon as practicable after such event, apply the Net Proceeds resulting therefrom to one of the following:

- (a) repair and restore such Facilities to full use in accordance with the provisions of the Trust Agreement;
- (b) replace such Facilities, at the County's sole cost and expense, with property of equal or greater fair rental value to such Facilities immediately prior to the time of such destruction or damage, such replacement Facilities to be subject to Section 2.03 hereof, whereupon such replacement shall be substituted in this Facilities Lease;
- (c) substitute additional property as provided in Section 2.03; or
- (d) prepay the Base Rental Payments and any Additional Rental.

The County will notify the Authority of which course of action it has elected to take within a reasonable time not to exceed 60 days after the occurrence of such eminent domain proceedings or such destruction or damage. Such repair, replacement, substitution or prepayment shall commence not later than 60 days after the occurrence of such taking, destruction or damage and be pursued diligently to completion. The Authority may (but is not required to) in its own name or in the County's name execute and deliver proofs of claim, receive all such moneys, endorse checks and other instruments representing payment of such moneys, and adjust, litigate, compromise or release any claim against the issuer of any such policy, and the County hereby

grants to the Authority a power of attorney coupled with an interest to accomplish all or any of the foregoing.

## ARTICLE IV

### MAINTENANCE; ALTERATIONS AND ADDITIONS

SECTION 4.01. Maintenance and Utilities. During such time as the County is in possession of the Facilities, all maintenance and repair, both ordinary and extraordinary, of the Facilities shall be the responsibility of the County, which shall at all times maintain or otherwise arrange for the maintenance of the Facilities in first class condition, and the County shall pay for or otherwise arrange for the payment of all utility services supplied to the Facilities, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, ventilation, air conditioning, water and all other utility services, and shall pay for or otherwise arrange for payment of the cost of the repair and replacement of the Facilities resulting from ordinary wear and tear or want of care on the part of the County or any assignee or sublessee thereof or any other cause and shall pay for or otherwise arrange for the payment of all insurance policies required to be maintained with respect to the Facilities. In exchange for the rental herein provided, the Authority agrees to provide only the Facilities.

SECTION 4.02. Changes to the Facilities. Subject to Section 8.02 hereof, the County shall, at its own expense, have the right to remodel the Facilities or to make additions, modifications and improvements to the Facilities. All such additions, modifications and improvements shall thereafter comprise part of the Facilities and be subject to the provisions of this Facilities Lease. Such additions, modifications and improvements shall not in any way damage the Facilities or cause them to be used for purposes other than those authorized under the provisions of state and federal law; and the Facilities, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is at least equal to the value of the Facilities immediately prior to the making of such additions, modifications and improvements and the fair rental value of the Facilities in the then current and all succeeding Rental Payment Periods will not be less than Base Rental Payments and Additional Payments due in any such Rental Payment Period.

SECTION 4.03. Installation of County's Equipment. The County and any sublessee may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon the Facilities. All such items shall remain the sole property of such party, in which neither the Authority nor the Trustee shall have any interest, and may be modified or removed by such party at any time provided that such party shall repair and restore any and all damage to the Facilities resulting from the installation, modification or removal of any such items. Nothing in this Facilities Lease shall prevent the County from purchasing items to be installed pursuant to this Section under a conditional sale or lease purchase contract, or subject to a vendor's lien or security agreement as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Facilities.



## ARTICLE V

### INSURANCE

SECTION 5.01. Fire and Extended Coverage Insurance. The County shall procure or cause to be procured and maintain or cause to be maintained, throughout the term of this Facilities Lease, insurance against loss or damage to any structures constituting any part of the Facilities by fire and lightning, with extended coverage insurance, vandalism and malicious mischief insurance and sprinkler system leakage insurance and earthquake insurance, if available on the open market from reputable insurance companies at a reasonable cost. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, flood, riot and riot attending a strike, aircraft, vehicle damage, hail, smoke and such other hazards as are normally covered by such insurance including earthquake coverage if such coverage is available at commercially reasonable cost from a reputable insurer in the reasonable determination of the County. Such insurance shall be in an amount equal to the replacement cost (without deduction for depreciation) of all structures constituting any part of the Facilities, excluding the cost of excavations, of grading and filling, and of the land (except that such insurance may be subject to deductible clauses for any one loss of not to exceed \$250,000 or comparable amount adjusted for inflation or more in the case of earthquake insurance), or, in the alternative, shall be in an amount and in a form sufficient (together with moneys held under the Trust Agreement), in the event of total or partial loss, to enable the County to prepay all or any part of the Base Rental Payments then unpaid, pursuant to Section 7.02 hereof and to redeem all of the outstanding Bonds.

If at any time and for so long as any part of the Facilities is located in a 100 year flood area as shown on a Flood Insurance Rate Map published by the Federal Emergency Management Agency, the policy or policies of casualty insurance provided under this Section 5.01 shall include insurance against loss or damage to the Facilities due to flooding. If the County obtains an exception or waiver from Federal Emergency Management Agency to the designation of the Facilities as being within a 100 year flood area, the County shall not be required to provide such flood insurance.

The Authority and the County shall promptly apply for Federal disaster aid or State of California disaster aid in the event that the Facilities are damaged or destroyed as a result of an earthquake occurring at any time.

As an alternative to providing the insurance required by the first paragraph of this Section, or any portion thereof, the County, may provide a self-insurance method or plan of protection if and to the extent such self-insurance method or plan of protection shall afford reasonable coverage for the risks required to be insured against, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State of California other than the County. So long as such method or plan is being provided to satisfy the requirements of this Facilities Lease, the County shall provide the Authority and the Trustee with a Certificate of the County setting forth the details of such self-insurance method or plan maintained by the County and such self-insurance method or plan shall comply with the following terms:

- (i) the self-insurance program shall be approved by an Insurance Consultant or other qualified person (which may be the Risk Manager of the County);
- (ii) the self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim and any deductible amount required under any insurance policy provided pursuant to this Section 5.01 shall be paid;
- (iii) there shall be filed annually with the Trustee and the Authority a statement of an actuary, Insurance Consultant or other qualified person (which may be the Risk Manager of the County), stating that, in the opinion of the signer, the substitute method or plan of protection is in accordance with the requirements of this Section and, when effective, the reserving methods and practices employed in establishing and maintaining the substitute method or plan are appropriate, and the substitute method or plan affords reasonable coverage for the risks required to be insured against. There shall also be filed a Certificate of the County setting forth the details of such, the reserving methods and practices employed in establishing and maintaining the substitute method or plan and that the substitute method or plan affords reasonable coverage for the risks required to be insured against;
- (iv) the claims reserve fund shall be held in a separate fund by the County;
- (v) in the event of loss covered by any such self-insurance method, the liability of the County hereunder shall be limited to the amounts in the self-insurance reserve fund or funds created under such method; and
- (vi) in the event the self-insurance program shall be discontinued, then the County may not maintain deductibles in excess of the amounts described above.

SECTION 5.02. Liability Insurance. Except as hereinafter provided, the County shall procure or cause to be procured and maintain or cause to be maintained, throughout the term of this Facilities Lease, a standard comprehensive general liability insurance policy or policies in protection of the Authority and its members, directors, officers, agents and employees and the Trustee, indemnifying said parties against all direct or contingent loss or liability for damages for personal injury, death or property damage occasioned by reason of the operation of the Facilities, with minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$200,000 for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance carried by the County.

As an alternative to providing the insurance required by the first paragraph of this Section, or any portion thereof, the County may provide a self-insurance method or plan of

protection if and to the extent such self-insurance method or plan of protection shall afford reasonable protection to the Authority, its members, directors, officers, agents and employees and the Trustee, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State of California other than the County. So long as such method or plan is being provided to satisfy the requirements of this Facilities Lease, the County shall provide the Authority and the Trustee with a Certificate of the County setting forth the details of such self-insurance method or plan maintained by the County and such self-insurance method or plan shall comply with the following terms:

- (i) the self-insurance program shall be approved by an Insurance Consultant or other qualified person (which may be the Risk Manager of the County);
- (ii) the self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim and any deductible amount required under any insurance policy provided pursuant to this Section 5.02 shall be paid;
- (iii) there shall be filed annually with the Trustee and the Authority a statement of an actuary, the Insurance Consultant or other qualified person (which may be the Risk Manager of the County), stating that, in the opinion of the signer, the substitute method or plan of protection is in accordance with the requirements of this Section and, when effective, would afford reasonable protection to the Authority, its members, directors, officers, agents and employees and the Trustee against loss and damage from the hazards and risks covered thereby. There shall also be filed a Certificate of the County setting forth the details of such, the reserving methods and practices employed in establishing and maintaining the substitute method or plan and that the substitute method or plan affords reasonable coverage for the risks required to be insured against;
- (iv) the claims reserve fund shall be held in a separate fund by the County; and
- (v) in the event the self-insurance program shall be discontinued, then the County may not maintain deductibles in excess of the amounts described above.

SECTION 5.03. Rental Interruption or Use and Occupancy Insurance. The County shall procure or cause to be procured and maintain or cause to be maintained, rental interruption or use and occupancy insurance to cover loss, total or partial, of the rental income from or the use of the Facilities as the result of any of the hazards covered by the insurance required by Section 5.01 hereof (provided with respect to earthquake insurance, only if available on the open market from reputable insurance companies at a reasonable cost, as determined by the County), in an amount at least equal to the maximum Base Rental Payments coming due and payable during any future 24 month period (determined by the County), except that such insurance may be subject to a deductible clause of not to exceed two hundred and fifty thousand dollars (\$250,000) or a comparable amount adjusted for inflation (or more in the case of earthquake coverage), and with the additional exception that with respect to coverage for terrorism related

loss, the period may be only one year, provided that the County use its best efforts to obtain such coverage for a period of at least two years assuming it is available on the open market from reputable insurance companies at a reasonable cost, as determined by the County. Any proceeds of such insurance shall be used by the Trustee to reimburse to the County any rental theretofore paid by the County under this Facilities Lease attributable to such structure for a period of time during which the payment of rent under this Facilities Lease is abated, and any proceeds of such insurance not so used shall be applied as provided in Section 3.01 (to the extent required for the payment of Base Rental) and in Section 3.02 (to the extent required for the payment of Additional Payments) and any remainder shall be treated as Revenue under the Trust Agreement. The County shall not be entitled to self-insure for rental interruption insurance.

SECTION 5.04. Worker's Compensation. The County shall also maintain worker's compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure its employees against liability for compensation under the Worker's Compensation Insurance and Safety Act now in force in California, or any act hereafter enacted as an amendment or supplement thereto. As an alternative, such insurance may be maintained as part of or in conjunction with any other insurance carried by the County. Such insurance may be maintained by the County in the form of self-insurance.

SECTION 5.05. Title Insurance. The County shall obtain, for the benefit of the Authority and Trustee, upon the execution and delivery of this Facilities Lease, title insurance on the Facilities insuring (a) the fee interest of the County in Facilities, (b) the Authority's leasehold estate in the Facilities under the Site Lease and (c) the County's sub-leasehold estate hereunder in the Leased Property, naming the Trustee as the insured, in an amount equal to the aggregate principal amount of the Bonds, issued by a company of recognized standing duly authorized to issue the same, subject only to Permitted Encumbrances.

SECTION 5.06. Insurance Proceeds; Form of Policies. All policies of insurance required by Sections 5.01 and 5.03 hereof shall name the County, the Authority and the Trustee each as insured and shall contain a lender's loss payable endorsement in favor of the Trustee substantially in accordance with the form approved by the Insurance Services Office and the California Bankers Association. The Trustee shall, to the extent practicable, collect, adjust and receive all moneys which may become due and payable under any such policies, may compromise any and all claims thereunder and shall apply the proceeds of such insurance as provided in Sections 5.01 and 5.03. All policies of insurance required by this Facilities Lease shall provide that the Trustee shall be given thirty (30) days' notice of each expiration thereof or any intended cancellation thereof or reduction of the coverage provided thereby. The Trustee shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the County. The County shall pay when due the premiums for all insurance policies required by this Facilities Lease.

SECTION 5.07. Annual Certificates. The County will deliver to the Authority and the Trustee on or before September 15 in each year a written Certificate of the County (in the form set forth in Exhibit E attached hereto) stating whether such policies satisfy the requirements of this Facilities Lease, setting forth the insurance policies then in force pursuant to this Article, the names of the insurers which have issued the policies, the amounts thereof and the property and

risks covered thereby, and, if any self-insurance program is being provided, the annual report of an actuary, Insurance Consultant or other qualified person (which may be the Risk Manager of the County) containing the information required for such self-insurance program and described in Sections 5.01, 5.02 and 5.04. Delivery to the Trustee of the certificate under the provisions of this Section shall not confer responsibility upon the Trustee as to the sufficiency of coverage or amounts of such policies. If so requested in writing by the Trustee, the County shall also deliver to the Trustee certificates or duplicate originals or certified copies of each insurance policy described in such schedule.

Any policies of insurance provided by a commercial insurer to satisfy the requirements of Sections 5.01, 5.02 or 5.03 hereof shall be provided by a commercial insurer rated in one of the two highest rating categories by S&P and by Moody's.

## **ARTICLE VI**

### **DEFAULTS AND REMEDIES**

SECTION 6.01. Defaults and Remedies. (a) If the County shall fail (i) to pay any Base Rental Payment or Additional Payment payable hereunder when the same becomes due, time being expressly declared to be of the essence of this Facilities Lease or fail to maintain any insurance specified in Article V or (ii) to keep, observe or perform any other term, covenant or condition contained herein to be kept or performed by the County for a period of sixty (60) days after notice of the same has been given to the County by the Authority or the Trustee or for such additional time as is reasonably required, in the sole discretion of the Authority, to correct the same, or (iii) upon the happening of any of the events specified in subsection (b) of this Section (any such case above being an "Event of Default"), the County shall be deemed to be in default hereunder and it shall be lawful for the Authority to exercise any and all remedies available pursuant to law or granted pursuant to this Facilities Lease. Upon any such default, the Authority, in addition to all other rights and remedies it may have at law, shall have the option to do any of the following:

(1) To terminate this Facilities Lease in the manner hereinafter provided on account of default by the County, notwithstanding any re-entry or re-letting of the Facilities as hereinafter provided for in subparagraph (2) hereof, and to re-enter the Facilities and remove all persons in possession thereof and all personal property whatsoever situated upon the Facilities and place such personal property in storage in any warehouse or other suitable place located within the County of Contra Costa, California, at the expense of the County. In the event of such termination, the County agrees to surrender immediately possession of the Facilities, without let or hindrance, and to pay the Authority all damages recoverable at law that the Authority may incur by reason of default by the County, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon the Facilities and removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. Neither notice to pay rent or to deliver up possession of the Facilities given pursuant to law nor any entry or re-entry by the Authority nor any proceeding in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining

possession of the Facilities nor the appointment of a receiver upon initiative of the Authority to protect the Authority's interest under this Facilities Lease shall of itself operate to terminate this Facilities Lease, and no termination of this Facilities Lease on account of default by the County shall be or become effective by operation of law or acts of the parties hereto, or otherwise, unless and until the Authority shall have given written notice to the County of the election on the part of the Authority to terminate this Facilities Lease. The County covenants and agrees that no surrender of the Facilities or of the remainder of the term hereof or any termination of this Facilities Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice.

(2) Without terminating this Facilities Lease, (i) to collect each installment of rent as it becomes due and enforce any other terms or provision hereof to be kept or performed by the County, regardless of whether or not the County has abandoned the Facilities, or (ii) to exercise any and all rights of entry and re-entry upon the Facilities. In the event the Authority does not elect to terminate this Facilities Lease in the manner provided for in subparagraph (1) hereof, the County shall remain liable and agrees to keep or perform all covenants and conditions herein contained to be kept or performed by the County and, if the Facilities are not re-let, to pay the full amount of the rent to the end of the term of this Facilities Lease or, in the event that the Facilities are re-let, to pay any deficiency in rent that results therefrom; and further agrees to pay said rent and/or rent deficiency punctually at the same time and in the same manner as hereinabove provided for the payment of rent hereunder (without acceleration), notwithstanding the fact that the Authority may have received in previous years or may receive thereafter in subsequent years rental in excess of the rental herein specified, and notwithstanding any entry or re-entry by the Authority or suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such entry or re-entry or obtaining possession of the Facilities. Should the Authority elect to enter or re-enter as herein provided, the County hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the County to re-let the Facilities, or any part thereof, from time to time, either in the Authority's name or otherwise, upon such terms and conditions and for such use and period as the Authority may deem advisable, and to remove all persons in possession thereof and all personal property whatsoever situated upon the Facilities and to place such personal property in storage in any warehouse or other suitable place located in the County of Contra Costa, California, for, to the extent permitted by law, the account of and at the expense of the County, and the County, to the extent permitted by law, hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon and re-letting of the Facilities and removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. The County agrees that the terms of this Facilities Lease constitute full and sufficient notice of the right of the Authority to re-let the Facilities and to do all other acts to maintain or preserve the Facilities as the Authority deems necessary or desirable in the event of such re-entry without effecting a surrender of this Facilities Lease, and further agrees that no acts of the Authority in effecting such re-letting shall constitute a surrender or termination of this Facilities Lease irrespective of the use or the term for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that, on

the contrary, in the event of such default by the County the right to terminate this Facilities Lease shall vest in the Authority to be effected in the sole and exclusive manner provided for in sub-paragraph (1) hereof. The County further waives the right to any rental obtained by the Authority in excess of the rental herein specified and hereby conveys and releases such excess to the Authority as compensation to the Authority for its services in re-letting the Facilities or any part thereof. The County further agrees, to the extent permitted by law, to pay the Authority the reasonable cost of any alterations or additions to the Facilities necessary to place the Facilities in condition for re-letting immediately upon notice to the County of the completion and installation of such additions or alterations.

The County hereby waives any and all claims for damages caused or which may be caused by the Authority in re-entering and taking possession of the Facilities as herein provided and all claims for damages that may result from the destruction of or injury to the Facilities and all claims for damages to or loss of any property belonging to the County, or any other person, that may be in or upon the Facilities.

(b) If (1) the County's interest in this Facilities Lease or any part thereof be assigned or transferred, either voluntarily or by operation of law or otherwise, without the written consent of the Authority, as hereinafter provided for, (2) the County or any assignee shall file any petition or institute any proceeding under any act or acts, state or federal, dealing with or relating to the subject or subjects of bankruptcy or insolvency, or under any amendment of such act or acts, either as a bankrupt or as an insolvent, or as a debtor, or in any similar capacity, wherein or whereby the County asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of the County's debts or obligations, or offers to the County's creditors to effect a composition or extension of time to pay the County's debts or asks, seeks or prays for reorganization or to effect a plan of reorganization, or for a readjustment of the County's debts, or for any other similar relief, or if any such petition or any such proceedings of the same or similar kind or character be filed or be instituted or taken against the County, or if a receiver of the business or of the property or assets of the County shall be appointed by any court, except a receiver appointed at the instance or request of the Authority, or if the County shall make a general or any assignment for the benefit of the County's creditors, (3) the County shall abandon or vacate the Facilities, or (4) any representation or warranty made by the County herein proves to have been false, incorrect, misleading or breached in any material respect on the date when made, then the County shall be deemed to be in default hereunder.

(c) The Authority shall in no event be in default in the performance of any of its obligations hereunder or imposed by any statute or rule of law unless and until the Authority shall have failed to perform such obligations within sixty (60) days or such additional time as is reasonably required to correct any such default after notice by the County to the Authority properly specifying wherein the Authority has failed to perform any such obligation. In the event of default by the Authority, the County shall be entitled to pursue any remedy provided by law.

(d) In addition to the other remedies set forth in this Section, upon the occurrence of an Event of Default, the Authority shall be entitled to proceed to protect and enforce the rights vested in the Authority by this Facilities Lease or by law. The provisions of this Facilities Lease and the duties of the County and of its trustees, officers or employees shall

be enforceable by the Authority by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction. Without limiting the generality of the foregoing, the Authority shall have the right to bring the following actions:

(1) Accounting. By action or suit in equity to require the County and its trustees, officers and employees and its assigns to account as the trustee of an express trust.

(2) Injunction. By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Authority.

(3) Mandamus. By mandamus or other suit, action or proceeding at law or in equity to enforce the Authority's rights against the County (and its board, officers and employees) and to compel the County to perform and carry out its duties and obligations under the law and its covenants and agreements with the County as provided herein.

The exercise of any rights or remedies under this Facilities Lease shall not permit acceleration of Base Rental Payments.

Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the single or partial exercise of any right, power or privilege hereunder shall not impair the right of the Authority to other or further exercise thereof or the exercise of any or all other rights, powers or privileges. The term "re-let" or "re-letting" as used in this Section shall include, but not be limited to, re-letting by means of the operation by the Authority of the Facilities. If any statute or rule of law validly shall limit the remedies given to the Authority hereunder, the Authority nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

In the event the Authority shall prevail in any action brought to enforce any of the terms and provisions of this Facilities Lease, the County agrees to pay a reasonable amount as and for attorney's fees incurred by the Authority in attempting to enforce any of the remedies available to the Authority hereunder, whether or not a lawsuit has been filed and whether or not any lawsuit culminates in a judgment. Notwithstanding anything herein to the contrary, the termination of this Facilities Lease by the Authority on account of a default by the County under this Section shall not effect or result in a termination of the lease of the Facilities by the County to the Authority pursuant to the Site Lease.

SECTION 6.02. Waiver. Failure of the Authority to take advantage of any default on the part of the County shall not be, or be construed as, a waiver thereof, nor shall any custom or practice which may grow up between the parties in the course of administering this instrument be construed to waive or to lessen the right of the Authority to insist upon performance by the County of any term, covenant or condition hereof, or to exercise any rights given the Authority on account of such default. A waiver of a particular default shall not be deemed to be a waiver of the same or any subsequent default. The acceptance of rent hereunder shall not be, or be construed to be, a waiver of any term, covenant or condition of this Facilities Lease.



## ARTICLE VII

### EMINENT DOMAIN; PREPAYMENT

SECTION 7.01. Eminent Domain. If the whole of the Facilities or so much thereof as to render the remainder unusable for the purposes for which it was used by the County shall be taken under the power of eminent domain, the term of this Facilities Lease shall cease as of the day that possession shall be so taken. If less than the whole of the Facilities shall be taken under the power of eminent domain and the remainder is usable for the purposes for which it was used by the County at the time of such taking, then this Facilities Lease shall continue in full force and effect as to such remainder, and the parties waive the benefits of any law to the contrary, and in such event there shall be a partial abatement of the rental due hereunder in an amount equivalent to the amount by which the annual payments of principal and interest on the Outstanding Bonds will be reduced by the application of the award in eminent domain to the redemption of outstanding Bonds. So long as any of the Bonds shall be outstanding, any award made in eminent domain proceedings for taking the Facilities or any portion thereof shall be paid to the Trustee and applied in accordance with Section 3.08 hereof. Any such award made after all of the Base Rental Payments and Additional Payments have been fully paid, or provision therefor made, shall be paid to the to the County.

SECTION 7.02. Prepayment. (a) The County shall prepay on any date from insurance (including proceeds of title insurance) and eminent domain proceeds, to the extent provided in Sections 3.08 and 7.01 hereof (provided, however, that in the event of partial damage to or destruction of the Facilities caused by perils covered by insurance, if in the judgment of the Authority the insurance proceeds are sufficient to repair, reconstruct or replace the damaged or destroyed portion of the Facilities, such proceeds shall be held by the Trustee and used to repair, reconstruct or replace the damaged or destroyed portion of the Facilities, pursuant to the procedure set forth in Section 3.08 for proceeds of insurance), all or any part of Base Rental Payments then unpaid so that the aggregate annual amounts of Base Rental Payments which shall be payable after such prepayment date shall be as nearly proportional as practicable to the aggregate annual amounts of Base Rental Payments unpaid prior to the prepayment date (taking into account the reduction in Base Rental allocable to future interest on the Bonds that are redeemed), at a prepayment amount equal to the redemption payment of the maximum amount of Bonds, including the principal thereof and the interest thereon to the date of redemption.

(a) The County may prepay, from any source of available funds, all or any portion of Base Rental Payments by depositing with the Trustee moneys or securities as provided in Article X of the Trust Agreement sufficient to defease Bonds corresponding to such Base Rental Payments when due; provided that the County furnishes the Trustee with an Opinion of Counsel that such deposit will not cause interest on the Bonds to be includable in gross income for federal income tax purposes. The County agrees that if following such prepayment the Facilities are damaged or destroyed or taken by eminent domain, it is not entitled to, and by such prepayment waives the right of, abatement of such prepaid Base Rental Payments and shall not be entitled to any reimbursement of such Base Rental Payments.

(b) Before making any prepayment pursuant to this article, the County shall, within five (5) days following the event creating such right or obligation to prepay, give written

notice to the Authority and the Trustee describing such event and specifying the date on which the prepayment will be made, which date shall be not less than forty-five (45) days from the date such notice is given.

(c) When (1) there shall have been deposited with the Trustee at or prior to the due dates of the Base Rental Payments or date when the County may exercise its option to purchase the Facilities or any portion or item thereof, in trust for the benefit of the Owners of the Bonds and irrevocably appropriated and set aside to the payment of the Base Rental Payments or option price, sufficient moneys and Permitted Investments described in subsection (1) of the definition thereof in the Trust Agreement, not redeemable prior to maturity, the principal of and interest on which when due will provide money sufficient to pay all principal, premium, if any, and interest on the Bonds to the due date of the Bonds; (2) all requirements of Section 10.01 of the Trust Agreement have been satisfied; and (3) an agreement shall have been entered into with the Trustee for the payment of its fees and expenses so long as any of the Bonds shall remain unpaid, then and in that event the right, title and interest of the Authority herein and the obligations of the County hereunder shall thereupon cease, terminate, become void and be completely discharged and satisfied (except for the right of the Authority and the obligation of the County to have such moneys and such Permitted Investments applied to the payment of the Base Rental Payments) and the Authority's interest in and title to the Facilities or applicable portion or item thereof shall be transferred and conveyed to the County. In such event, the Authority shall cause an accounting for such period or periods as may be requested by the County to be prepared and filed with the Authority and evidence such discharge and satisfaction, and the Authority shall pay over to the County as an overpayment of Base Rental Payments all such moneys or Permitted Investments held by it pursuant hereto other than such moneys and such Permitted Investments as are required for the payment or prepayment of the Base Rental Payments or the option price and the fees and expenses of the Trustee, which moneys and Permitted Investments shall continue to be held by the Trustee in trust for the payment of Base Rental Payments or the option price and the fees and expenses of the Trustee, and shall be applied by the Authority to the payment of the Base Rental Payments or the option price and the fees and expenses of the Trustee.

SECTION 7.03. Option to Purchase; Sale of Personal Property. The County shall have the option to purchase the Authority's interest in any part of Facilities upon payment of an option price consisting of moneys or securities of the category specified in clause (1) of the definition of the term Permitted Investments contained in Section 1.01 of the Trust Agreement (not callable by the issuer thereof prior to maturity) in an amount sufficient (together with the increment, earnings and interest on such securities) to provide funds to pay the aggregate amount for the entire remaining term of this Facilities Lease of the part of the total rent hereunder attributable to such part of the Facilities (determined by reference to Exhibit B hereto). Any such payment shall be made to the Trustee and shall be treated as rental payments and shall be applied by the Trustee to pay the principal, premium, if any, of the Bonds and interest on the Bonds and to redeem Bonds if such Bonds are subject to redemption pursuant to the terms of the Trust Agreement. Upon the making of such payment to the Trustee and the satisfaction of all requirements set forth in Section 10.01 of the Trust Agreement, (a) the Base Rental thereafter payable under this Facilities Lease shall be reduced by the amount thereof attributable to such part of the Facilities and theretofore paid pursuant to this Section, (b) Section 3.06 and this Section of this Facilities Lease shall not thereafter be applicable to such part of the Facilities, (c) the insurance required

by Sections 5.01, 5.02 and 5.03 of this Facilities Lease need not be maintained as to such part of the Facilities, and (d) title to such part of the Facilities shall vest in the County and the term of this Facilities Lease shall end as to such Facilities.

The County, in its discretion, may request the Authority to sell or exchange any personal property which may at any time constitute a part of the Facilities, and to release said personal property from this Facilities Lease, if (a) in the opinion of the County the property so sold or exchanged is no longer required or useful in connection with the operation of the Facilities, (b) the consideration to be received from the property is of a value substantially equal to the value of the property to be released, and (c) if the value of any such property shall, in the opinion of the Authority, exceed the amount of \$100,000, the Authority shall have been furnished a certificate of an independent engineer or other qualified independent professional consultant (satisfactory to the Authority) certifying the value thereof and further certifying that such property is no longer required or useful in connection with the operation of the Facilities. In the event of any such sale, the full amount of the money or consideration received for the personal property so sold and released shall be paid to the Authority. Any money so paid to the Authority may, so long as the County is not in default under any of the provisions of this Facilities Lease, be used upon the Written Request of the County to purchase personal property, which property shall become a part of the Facilities leased hereunder. The Authority may require such opinions, certificates and other documents as it may deem necessary before permitting any sale or exchange of personal property subject to this Facilities Lease or before releasing for the purchase of new personal property money received by it for personal property so sold.

## ARTICLE VIII

### COVENANTS

SECTION 8.01. Right of Entry. The Authority and its assignees shall have the right to enter upon and to examine and inspect the Facilities during reasonable business hours (and in emergencies at all times) (a) to inspect the same, (b) for any purpose connected with the Authority's or the County's rights or obligations under this Facilities Lease, and (c) for all other lawful purposes.

SECTION 8.02. Liens. Neither the County nor the Authority shall, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to any portion of the Facilities, other than the respective rights of the Authority as provided herein and Permitted Encumbrances. In the event the County shall at any time during the term of this Facilities Lease cause any changes, alterations, additions, improvements, or other work to be done or performed or materials to be supplied, in or upon the Facilities, the County shall pay, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to or for the County in, upon or about the Facilities and shall keep the Facilities free of any and all mechanics' or materialmen's liens or other liens against the Facilities or the Authority's interest therein. In the event any such lien attaches to or is filed against the Facilities or the Authority's interest therein, the County shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due, except that if the County desires to contest any such lien it

may do so in good faith. If any such lien shall be reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and said stay thereafter expires, the County shall forthwith pay and discharge said judgment. The County agrees to and shall, to the maximum extent permitted by law, indemnify and hold the Authority and the Trustee and their respective members, directors, agents, successors and assigns, harmless from and against, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorney's fees) as a result of any such lien or claim of lien against the Facilities or the Authority's interest therein.

SECTION 8.03. Quiet Enjoyment. The parties hereto mutually covenant that the County, by keeping and performing the covenants and agreements herein contained and not in default hereunder, shall at all times during the term of this Facilities Lease peaceably and quietly have, hold and enjoy the Facilities without suit, trouble or hindrance from the Authority.

SECTION 8.04. Authority Not Liable. The Authority and its members, directors, officers, agents and employees shall not be liable to the County or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Facilities. The County, to the extent permitted by law, shall indemnify and hold the Authority and any assignees and their respective members, directors, officers, agents and employees, harmless from, and defend each of them against, any and all claims, liens and judgments arising from the operation of the Facilities, including, without limitation, death of or injury to any person or damage to property whatsoever occurring in, on or about the Facilities regardless of responsibility for negligence, but excepting the active negligence of the person or entity seeking indemnity.

SECTION 8.05. Assignment by the Authority. The Authority's rights under this Facilities Lease, including the right to receive and enforce payment of the Base Rental Payments to be made by the County hereunder, have been pledged and assigned to the Trustee for the benefit of the Bondholders pursuant to the Trust Agreement, to which pledge and assignment the County hereby consents.

SECTION 8.06. Assignment and Subleasing by the County. Neither this Facilities Lease nor any interest of the County hereunder shall be mortgaged, pledged, assigned, sublet or transferred by the County by voluntary act or by operation of law or otherwise, except with the prior written consent of the Authority, which, in the case of subletting, shall not be unreasonably withheld; provided such subletting shall not affect the tax-exempt status of the interest on the Bonds. No such mortgage, pledge, assignment, sublease or transfer shall in any event affect or reduce the obligation of the County to make the Base Rental Payments and Additional Payments required hereunder.

SECTION 8.07. Title to Facilities. During the term of this Facilities Lease, the Authority shall hold a leasehold estate to the Facilities and any and all additions which comprise fixtures, repairs, replacement or modifications thereof, except for those fixtures, repairs, replacements or modifications which are added thereto by the County and which may be removed without damaging the Facilities, and except for any items added to the Facilities by the County pursuant to Section 4.02 hereof. This provision shall not operate to the benefit of any

insurance company if there is rental interruption covered by insurance pursuant to Section 5.03 hereof.

Upon the termination or expiration of this Facilities Lease upon payment in full of the Base Rental Payments attributed to the Facilities and all amounts owing on the Bonds, the Authority's interest in the title to the Facilities shall vest in the County and the Authority shall execute such conveyances, deeds and other documents as may be necessary to evidence the ownership of the Facilities by the County and to clarify the title of the County on the record thereof.

SECTION 8.08. Tax Covenants. (a) The County and the Authority shall at all times do and perform all acts and things permitted by law which are necessary or desirable in order to assure that the interest on the Bonds will be excluded from gross income for federal income tax purposes under Section 103 of the Code and shall take no action that would result in such interest not being excluded from gross income for federal income tax purposes. Without limiting the generality of the foregoing, the Authority and the County covenant that they will comply with the requirements of the Tax Certificate, which is incorporated herein as if fully set forth herein.

(a) If at any time the County or the Authority is of the opinion that for purposes of this Section it is necessary to restrict or limit the yield on or change in any way the investment of any moneys held by the Trustee or the County or the Authority under this Facilities Lease or the Trust Agreement, the County or the Authority shall so instruct the Trustee or the appropriate officials of the County in writing, and the Trustee or the appropriate officials of the County, as the case may be, shall take such actions as may be necessary in accordance with such instructions.

(b) In furtherance of the covenants of the County and the Authority set forth above, the County will comply with the Tax Certificate. The Trustee and the Authority may conclusively rely on any such written instructions, and the County hereby agrees to hold harmless the Trustee and the Authority for any loss, claim, damage, liability or expense incurred by the Authority and the Trustee for any actions taken by the Authority or the Trustee in accordance with such instructions.

(c) The covenants of the County and the Authority herein shall survive payment in full or defeasance of the Bonds.

SECTION 8.09. Continuing Disclosure. The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Facilities Lease, failure of the County to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default, however, any Bondholder or Beneficial Owner may, and the Trustee at the request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the Holders of at least 25% aggregate principal amount of the Bonds Outstanding and provided satisfactory indemnification is provided to the Trustee, shall take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order to compel the County to comply with its obligations under this Section 8.09.

SECTION 8.10. Taxes. The County shall pay or cause to be paid all taxes and assessments of any type or nature charged to the Authority or affecting the Facilities or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are required to be paid during the term of this Facilities Lease as and when the same become due. The County waives the benefits of subsections 1 and 2 of Section 1932, Section 1933(4) and Sections 1941 and 1942 of the California Civil Code.

The County shall also pay directly such amounts, if any, in each year as shall be required by the Authority for the payment of all license and registration fees and all taxes (including, without limitation, income, excise, license, franchise, capital stock, recording, sales, use, value-added, property, occupational, excess profits and stamp taxes), levies, imposts, duties, charges, withholdings, assessments and governmental charges of any nature whatsoever, together with any additions to tax, penalties, fines or interest thereon, including, without limitation, penalties, fines or interest arising out of any delay or failure by the County to pay any of the foregoing or failure to file or furnish to the Authority or the Trustee for filing in a timely manner any returns, hereinafter levied or imposed against the Authority or the Facilities, the rentals and other payments required hereunder or any parts thereof or interests of the County or the Authority or the Trustee therein by any governmental authority.

The County may, at the County's expense and in its name, in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority or the Trustee shall notify the County that, in the opinion of independent counsel, by nonpayment of any such items, the interest of the Authority in the Facilities will be materially endangered or the Facilities, or any part thereof, will be subject to loss or forfeiture, in which event the County shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority.

SECTION 8.11. Authority's Purpose. The Authority covenants that, prior to the discharge of this Facilities Lease, it will not engage in any activities inconsistent with the purposes for which the Authority is organized.

SECTION 8.12. Purpose of Facilities Lease. The County covenants that during the term of this Facilities Lease, except as hereinafter provided, (a) it will use, or cause the use of, the Facilities for public purposes and for the purposes for which the Facilities are customarily used, (b) it will not vacate or abandon the Facilities or any part thereof, and (c) it will not make any use of the Facilities which would jeopardize in any way the insurance coverage required to be maintained pursuant to Article V hereof

SECTION 8.13. Essential Use. The Facilities are essential to the proper, efficient and economic operation of the County and serve an essential governmental function of the County.

SECTION 8.14. Nondiscrimination. The County herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all person claiming under or through itself, and

this Facilities Lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or groups of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those basis are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the County, or any person claiming under or through the County, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.

## **ARTICLE IX**

### **DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE FACILITIES**

SECTION 9.01. Disclaimer of Warranties. THE AUTHORITY MAKES NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE FACILITIES OR THE PROJECT OR WARRANTY WITH RESPECT THERETO. THE COUNTY ACKNOWLEDGES THAT THE AUTHORITY IS NOT A MANUFACTURER OF THE FACILITIES OR THE PROJECT OR A DEALER THEREIN, THAT THE COUNTY LEASES THE FACILITIES AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE COUNTY. In no event shall the Authority be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Facilities Lease or the Project or the existence, furnishing, functioning or the County's use of any item or products or services provided for in this Facilities Lease.

SECTION 9.02. Vendor's Warranties. The Authority hereby irrevocably appoints the County its agent and attorney-in-fact during the term of this Facilities Lease, so long as the County shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Facilities, which the Authority may have against the manufacturers, vendors and contractors of the Facilities. The County's sole remedy for the breach of such warranty, indemnification or representation shall be against the manufacturer or vendor or contractor of the Facilities, and the Project, as applicable, and not against the Authority, nor shall such matter have any effect whatsoever on the rights and obligations of the Authority with respect to this Facilities Lease, including the right to receive full and timely payments hereunder. The County expressly acknowledges that the Authority makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the manufacturer, vendor or contractor with respect to the Facilities and the Project.

SECTION 9.03. Use of the Facilities. The County will not install, use, operate or maintain the Facilities improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Facilities Lease. The County shall provide all permits and licenses, if any, necessary for the installation and operation of the Facilities. In addition, the County agrees to comply in all respects (including, without limitation, with respect to the use,

maintenance and operation of the Facilities) with all laws of the jurisdictions in which its operations may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Facilities; provided, however, that the County may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Authority, adversely affect the estate of the Authority in and to the Facilities or its interest or rights under this Facilities Lease.

## ARTICLE X

### MISCELLANEOUS

SECTION 10.01. Law Governing. This Facilities Lease shall be governed exclusively by the provisions hereof and by the laws of the State of California as the same from time to time exist.

SECTION 10.02. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests, agreements or promises or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered mail, return receipt requested, postage prepaid [**Will confirm proper contact information**]:

If to the County: County of Contra Costa  
c/o Clerk of the Board of Supervisors  
County Administration Building  
651 Pine Street  
Martinez, CA 94553

a County of Contra Costa  
c/o County Finance Director  
651 Pine Street, 10th Floor  
Martinez, CA 94553

With respect to insurance matters:

County of Contra Costa  
c/o Risk Manager  
Risk Management Department  
2530 Arnold Drive  
Martinez, CA 94553

b County of Contra Costa  
  
General Service Administration  
1220 Morello Avenue, Suite 100  
Martinez, CA 94553

c County of Contra Costa  
c/o County Finance Director



651 Pine Street, 10th Floor  
Martinez, CA 94553

If to the Authority: County of Contra Costa Public  
Financing Authority  
c/o County Administrator  
County Administration Building  
651 Pine Street  
Martinez, CA 94553

If to the Trustee: Wells Fargo Bank, National Association  
Attn: Corporate Trust Services  
333 S. Grand Avenue, 5<sup>th</sup> Floor  
Los Angeles, CA 91071-5004

or to such other addresses as the respective parties may from time to time designate by notice in writing. A copy of any such notice or other document herein referred to shall also be delivered to the Trustee.

SECTION 10.03. Validity and Severability. If for any reason this Facilities Lease shall be held by a court of competent jurisdiction to be void, voidable, or unenforceable by the Authority or by the County, or if for any reason it is held by such a court that any of the covenants and conditions of the County hereunder, including the covenant to pay rentals hereunder, is unenforceable for the full term hereof, then and in such event this Facilities Lease is and shall be deemed to be a lease under which the rentals are to be paid by the County annually in consideration of the right of the County to possess, occupy and use the Facilities, and all of the rental and other terms, provisions and conditions of this Facilities Lease, except to the extent that such terms, provisions and conditions are contrary to or inconsistent with such holding, shall remain in full force and effect.

SECTION 10.04. Net-Net-Net Lease. This Facilities Lease shall be deemed and construed to be a “net-net-net lease” and the County hereby agrees that the rentals provided for herein shall be an absolute net return to the Authority, free and clear of any expenses, charges or set-offs whatsoever.

SECTION 10.05. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Facilities Lease.

SECTION 10.06. Amendment or Termination. The Authority and the County may at any time agree to the amendment, supplement or termination of this Facilities Lease and the Site Lease; provided, however, that the Authority and the County agree and recognize that this Facilities Lease and the Site Lease are entered into in accordance with the terms of the Trust Agreement, and accordingly, that any such amendment or termination shall only be made or effected in accordance with and subject to the terms of the Trust Agreement.

SECTION 10.07. Execution. This Facilities Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Facilities Lease. It is also agreed that separate counterparts of this Facilities Lease may separately be executed by the Authority and the County, all with the same force and effect as though the same counterpart had been executed by both the Authority and the County.

SECTION 10.08. Termination of Prior Lease. [Upon the execution of this Facility Lease: (a) the Sublease, dated as of November 1, 2010, by and between the Authority and the County, and bearing County Recorder document number 2010-0256814-00 (as amended from time to time), , shall [each] thereupon terminate and be of no further force or effect; and (b) the Site Lease dated as of November 1, 2010, by and between the Authority and the County, and bearing County Recorder document number 2010-0256815-00, shall [each] thereupon terminate and be of no further force or effect.][**To be updated**]

IN WITNESS WHEREOF, the Authority and the County have caused this Facilities Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY, as Sublessor

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Directors

Attest:

By: \_\_\_\_\_  
Lisa Driscoll  
Deputy Executive Director and Assistant  
Secretary of the Board of Directors

COUNTY OF CONTRA COSTA,  
as Sublessee

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Supervisors

Attest:

By: \_\_\_\_\_  
Jami Napier  
Chief Assistant Clerk of the Board of  
Supervisors

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

**EXHIBIT A**

**Description of the Facilities**

**[To Come]**

**EXHIBIT B**

**Base Rental Payment Schedule**

**Aggregate of all Facilities**

**[To Come]**

<u>Base Rental Payment Date*</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Year Total</u>
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\* Payable three Business Days before due date.

**EXHIBIT C**

**Lease Terms**

**[To Come]**

<u>Facility</u>	<u>Term</u>	<u>Maximum Extension</u>
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**EXHIBIT D**

**Capital Projects**

**EXHIBIT E**

**Form of Budget Certificate**

County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding)  
2021 Series A (Capital Projects) and 2021 Series B (Refunding)

Certificate of Final Annual Budget for the Period \_\_\_/\_\_\_20\_\_ through \_\_\_/\_\_\_20\_\_

The undersigned, as an Authorized Representative of the County of Contra Costa (the "County"), hereby certifies that the following have been budgeted for the above-referenced period with respect to the annual appropriations for all Base Rental Payments and Additional Payments, as required in Section 3.05 of the Facilities Lease, dated as of \_\_\_\_\_ 1, 2021, between the County of Contra Costa Public Financing Authority and the County:

	<u>2021 Series A</u>	<u>2021 Series B</u>	<u>Total Budgeted</u>
Base Rental Payments			
Additional Payments			

COUNTY OF CONTRA COSTA

By: \_\_\_\_\_  
Authorized Representative

**EXHIBIT F**

**Form of Insurance Certificate**

County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding)  
2021 Series A (Capital Projects) and 2021 Series B (Refunding)

Annual Insurance Certificate for the Period \_\_/\_\_/20\_\_ through \_\_/\_\_/20\_\_

The undersigned, as an Authorized Representative of the County of Contra Costa (the “County”), hereby certifies that the insurance requirements as set forth in Section 5.07 of the Facilities Lease, dated as of \_\_\_\_\_ 1, 2021, between the County of Contra Costa Public Financing Authority and the County have been satisfied as evidenced by the attached list of insurance policies, names of insurers issuing such policies, the property covered and the amount of coverage.

COUNTY OF CONTRA COSTA

By: \_\_\_\_\_  
Authorized Representative

[Attach List of Insurance Coverage]

CERTIFICATE OF ACCEPTANCE  
(Government Code Section 27281)

This is to certify that the interest in real property conveyed by the foregoing Facilities Lease from the County of Contra Costa Public Financing Authority to the County of Contra Costa, a political subdivision of the State of California (the "County"), is hereby accepted by order of the Board of Supervisors of the County of Contra Costa on \_\_\_\_\_, 2021, and the County consents to recordation thereof by its duly authorized officer.

COUNTY OF CONTRA COSTA,  
as Sublessee

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Supervisors

Attest:

By: \_\_\_\_\_  
Jami Napier  
Chief Assistant Clerk of the Board of  
Supervisors

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

NIXON PEABODY LLP  
300 South Grand Avenue, Suite 4100  
Los Angeles, California 90071  
Attention: Jade Turner-Bond, Esq.

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**SITE LEASE**

by and between the

**COUNTY OF CONTRA COSTA**

and the

**COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY**

Related to  
\$[\_\_\_\_\_]  
County of Contra Costa Public Financing Authority  
Lease Revenue Bonds (Capital Projects and Refunding)  
2021 Series A (Capital Projects) and 2021 Series B (Refunding)

Dated as of \_\_\_\_\_ 1, 2021

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THIS TRANSACTION IS EXEMPT FROM FILING FEES PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 6103 AND TRANSFER TAXES PURSUANT TO CALIFORNIA REVENUE AND TAXATION CODE SECTION 11928

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SITE LEASE

This Site Lease, dated as of \_\_\_\_\_ 1, 2021 (this "Site Lease"), by and between the COUNTY OF CONTRA COSTA, a political subdivision organized and existing under and by virtue of the laws of the State of California (the "County"), as lessor, and the COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY, a public entity and agency, duly organized and existing pursuant to an Agreement entitled "Amended and Restated Joint Exercise of Powers Agreement" by and between the County of Contra Costa and the Contra Costa County Flood Control and Water Conservation District (the "District"), as lessee;

W I T N E S S E T H:

**WHEREAS**, the County has determined that it is in its best interests to finance and refinance certain capital improvements for the County;

**WHEREAS**, the Authority has agreed to issue \$[\_\_\_\_\_] principal amount of its Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Project) and 2021 Series B (Refunding) (the "Bonds"), pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the "Trust Agreement") by and between the Authority and Wells Fargo Bank, National Association, as trustee (together with any successor thereto, the "Trustee"), for the purpose of financing and refinancing certain capital improvements for the County (the "Capital Projects") refunding the Refunded Bonds which were issued to finance certain capital improvements for the County and paying certain costs of issuance with respect to the issuance of the Bonds;

**WHEREAS**, concurrently with the execution of this Site Lease, the Authority and the County are entering into a Facilities Lease (the "Facilities Lease"), dated as of \_\_\_\_\_ 1, 2021 (which is recorded concurrently herewith), whereby the Authority will lease certain real property to the County, together with improvements thereon (referred to herein as the "Facilities"); and

**WHEREAS**, concurrently with the execution of this Site Lease, the Authority, the County and Wells Fargo Bank, N.A., as trustee (the "Trustee"), are entering into a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the "Trust Agreement");

**WHEREAS**, the Bonds will be secured by the payments to be made by the County pursuant to the Facilities Lease;

**WHEREAS**, the County is authorized by law to lease the Facilities and the Facilities are necessary and proper for public purposes; and

**WHEREAS**, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Site Lease;

**NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED** as follows:

SECTION 1. Lease of Facilities

The County hereby leases to the Authority and the Authority hereby leases from the County, on the terms and conditions hereinafter set forth, the real property situated in the County of Contra Costa, State of California, together with the improvements thereon, as described in Exhibit A attached hereto and made a part hereof, and any additional real property added thereto by any supplement or amendment hereto, or any real property substituted for all or any portion of such property in accordance with this Site Lease and the Trust Agreement (the "Facilities"); subject, however, to Permitted Encumbrances. No merger shall be effected by the County's lease of the Facilities to the Authority under this Site Lease, and the Authority's sublease of the Facilities back to the County under the Facilities Lease.

SECTION 2. Term

The term of this Site Lease as to the Facilities shall commence on the date of recordation of this Site Lease in the office of the County Recorder of the County of Contra Costa, State of California, on \_\_\_\_\_, 2021 and shall end on the respective dates identified in Exhibit B hereto, as applicable to the related Facilities, unless such term is extended or sooner terminated as hereinafter provided. If on such dates the Base Rental Payments and Additional Payments attributable to the related Facilities and all other amounts then due under the Facilities Lease with respect to such Facilities shall not be fully paid, or if the rental or other amounts payable under the Facilities Lease with respect to such Facilities shall have been abated at any time and for any reason, then the term of this Site Lease with respect to such Facilities shall be extended until ten (10) days after the Base Rental Payments and Additional Payments attributable to such Facilities and all other amounts then due under the Facilities Lease with respect to such Facilities, shall be fully paid except that the term of this Site Lease as to the respective Facilities shall in no event be extended beyond ten (10) years after the date identified with respect thereto. If prior to such date the Base Rental Payments and Additional Payments attributable to the related Facilities and all other amounts then due under the Facilities Lease with respect to such Facility shall be fully paid, the term of this Site Lease with respect to such Facility shall end ten (10) days thereafter or upon written notice by the County to the Authority, whichever is earlier.

SECTION 3. Rental

The Authority shall pay to the County from the proceeds of the Bonds as and for rental hereunder an amount, not less than \$[\_\_\_\_\_], which amount the County finds and determines is full and fair rental for the Facilities on the date hereof and which amount the County further agrees will be deposited as set forth in the Trust Agreement and applied along with other proceeds of the Bonds to finance the Capital Projects and refund the Refunded Bonds.

SECTION 4. Purpose

The Authority shall use the Facilities solely for the purpose of leasing the Facilities to the County pursuant to the Facilities Lease and for such purposes as may be incidental thereto; provided, that in the event of an Event of Default by the County under the Facilities Lease, the Authority may exercise the remedies provided in the Facilities Lease.

SECTION 5. Environmental Law and Regulations

(a) Definitions used in this Section 5 and in Section 6.

“Asbestos Containing Materials” shall mean material in friable form containing more than one percent (1%) of the asbestiform varieties of (a) chrysotile (serpentine); (b) crocidolite (riebeckite); (c) amosite (cummington-itegrinerite); (d) anthophyllite; (e) tremolite; and (f) actinolite.

“Asbestos Operations and Maintenance Plan” shall mean that written plan for the Facilities relating to monitoring and maintaining all Asbestos Containing Materials used or located on the Facilities.

“Environmental Regulations” shall mean all Laws and Regulations, now or hereafter in effect, with respect to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.) (together with the regulations promulgated thereunder, “CERCLA”), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) (together with the regulations promulgated thereunder, “RCRA”), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.) (together with the regulations promulgated thereunder, “Title III”), the Clean Water Act, as amended (33 U.S.C. Section 1251, et seq.) (together with the regulations promulgated thereunder, “CWA”), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) (together with the regulations promulgated thereunder, “CAA”), the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et seq.) (together with the regulations promulgated thereunder, “TSCA”), the Occupational Safety and Health Act, as amended (29 U.S.C. Section 651 et seq.) (together with regulations promulgated thereunder, “OSHA”) and any similar federal, state or local laws and regulations and any so-called local, state or federal “superfund” or “superlien” law.

“Hazardous Materials” shall mean any material amount of flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic, or regulated substances or related materials, as characterized, regulated or defined in CERCLA, RCRA, CWA, CAA, TSCA, OSHA and Title III, and the regulations promulgated pursuant thereto, and in any other Environmental Regulations applicable to the County, any of the Facilities or the business operations conducted by the County therein.

“Laws and Regulations” shall mean any applicable law, regulation, code, order, rule, judgment or consent agreement, including, without limitation, those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to the Facilities.

(b) No portion of the Facilities is located in an area of high potential incidence of radon which has an unventilated basement or subsurface portion which is occupied or used for any purpose other than the foundation or support of the improvements to such Facilities.

(c) The County has not received any notice from any insurance company which has issued a policy with respect to the Facilities or from the applicable state or local government agency responsible for insurance standards (or any other body exercising similar functions) requiring the performance of any repairs, alterations or other work, which repairs, alterations or other work have not been completed at the Facilities. The County has not received any notice of default or breach which has not been cured under any covenant, condition, restriction, right-of-way, reciprocal easement agreement or other easement affecting the Facilities which is to be performed or complied with by it.

#### SECTION 6. Environmental Compliance

(a) Neither the County nor the Authority shall use or permit the Facilities or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the Facilities and then, only in compliance with all Environmental Regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the pumping, spilling, leaking, disposing of, emptying, discharging or releasing (hereinafter collectively referred to as "Release") or threat of Release of Hazardous Materials on, from or beneath the Facilities or onto any other real property excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of an office building, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any Release or threat of Release, or presence, of Hazardous Materials, the County shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Trustee or the Authority, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so Released or present, on, from or beneath the Facilities, in compliance with all Environmental Regulations. Notwithstanding anything to the contrary contained herein, underground storage tanks shall only be permitted subject to compliance with subsection (d) and only to the extent necessary to maintain the Facilities.

(b) The County and the Authority shall comply with, and shall cause its tenants, subtenants, licensees, guests, invitees, contractors, employees and agents to comply with, all Environmental Regulations, and shall keep the Facilities free and clear of any liens imposed pursuant thereto (provided, however, that any such liens, if not discharged, may be bonded). The County and the Authority shall cause each tenant, and use its best efforts to cause all of such tenant's subtenants, agents, licensees, employees, contractors, guests and invitees and the guests and invitees of all of the foregoing to comply with all Environmental Regulations with respect to the Facilities; provided, however, that notwithstanding that a portion of this covenant is limited to the County and the Authority's use of its best efforts, the Authority and the County shall remain solely responsible for ensuring such compliance and such limitation shall not diminish or affect in any way the County and the Authority's obligations contained in subsection (c) hereof

as provided in subsection (c) hereof. Upon receipt of any notice from any individual or Person with regard to the presence of, or Release of Hazardous Materials on, from or beneath the Facilities, the County and the Authority shall give prompt written notice thereof to the Trustee (and, in any event, prior to the expiration of any period in which to respond to such notice under any Environmental Regulation).

(c) Irrespective of whether any representation or warranty contained in Section 5 is not true or correct, the County and the Authority shall, to the extent permitted by law, defend, indemnify and hold harmless the Bondholders and the Trustee, its partners, depositors and each of its and their employees, agents, officers, directors, trustees, successors and assigns, from and against any claims, demands, penalties, fines, attorneys' fees (including, without limitation, attorneys' fees incurred to enforce the indemnification contained in this Section 6), consultants' fees, investigation and laboratory fees, liabilities, settlements (five (5) Business Days' prior notice of which the Authority or the Trustee, as appropriate, shall have delivered to the County and the Authority), court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to, (i) the presence, disposal, Release, threat of Release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath the Facilities, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached (five (5) Business Days' prior notice of which the Authority or the Trustee, as appropriate, shall have delivered to the County and the Authority), or governmental order relating to Hazardous Materials on, from or beneath any of the Facilities, (iv) any violation of Environmental Regulations or subsection (a) or (b) hereof by it or any of its agents, tenants, employees, contractors, licensees, guests, subtenants or invitees, and (v) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that the Authority or the County is strictly liable under any Environmental Regulation, its obligation to the Trustee and the Bondholders and the other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part with respect to the violation of any Environmental Regulation which results in liability to any indemnitee. Its obligations and liabilities under this Section 6(c) shall survive any termination of the Facilities Lease or exercise of any remedies thereunder, and the satisfaction of all Bonds.

(d) The County and the Authority shall conform to and carry out a reasonable program of maintenance and inspection of all underground storage tanks, and shall maintain, repair, and replace such tanks only in accordance with Laws and Regulations, including but not limited to Environmental Regulations.

#### SECTION 7. Owner in Fee

The County covenants that it is the owner in fee of the Facilities. The County further covenants and agrees that if for any reason this covenant proves to be incorrect, the County will either institute eminent domain proceedings to condemn the property or institute a quiet title action to clarify the County's title, and will diligently pursue such action to completion. The County further covenants and agrees that it will hold the Authority, the Trustee and the Bondholders harmless from any loss, cost or damages resulting from any breach by the County of the covenants contained in this Section.

SECTION 8. Assignments and Subleases

Unless the County shall be in default under the Facilities Lease, the Authority may not assign its rights under this Site Lease or sublet the Facilities, except pursuant to the Facilities Lease, without the written consent of the County, which consent may be withheld in the County's sole and absolute discretion. Upon the occurrence of a default by the County under the Facilities Lease, the Authority may assign or sell its rights under this Site Lease or sublet the Facilities, without the consent of the County.

SECTION 9. Right of Entry; Easements

The County reserves the right for any of its duly authorized representatives to enter upon the Facilities at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

The County agrees, upon written request from the Authority, to grant to the Authority a nonexclusive easement of ingress and egress for persons, vehicles and utilities, twenty (20) feet wide, from each parcel of the Facilities not having access to a public street, and appurtenant to such parcel, over property owned by the County to a public street. The County may, at any time, satisfy its obligation contained in the preceding sentence as to any such parcel of the Facilities by granting to the Authority an easement complying with the requirements of the preceding sentence from such parcel of the Facilities to a public street.

SECTION 10. Termination

The Authority agrees, upon the termination of this Site Lease, to quit and surrender the Facilities in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and the Authority further agrees that the Facilities and any other permanent improvements and structures existing upon the Facilities at the time of the termination of this Site Lease shall remain thereon and title thereto shall vest in the County.

Upon the exercise of the option to purchase set forth in Section 7.03 of the Facilities Lease and upon payment of the option price required by said section, the term of this Site Lease shall terminate as to the portion of the Facilities being so purchased, including the real property upon which portion is situated.

SECTION 11. Default

In the event the Authority shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for one hundred and eighty (180) days following notice and demand for correction thereof to the Authority and the Trustee, the County may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Facilities Lease shall be deemed to occur as a result thereof; provided, however, that the County shall have no power to terminate this Site Lease by reason of any default on the part of the Authority if such termination would affect or impair any assignment of the Facilities Lease of all or any part of the Facilities then in effect between the Authority and any assignee or subtenant of the Authority (other than the County under the

Facilities Lease) or the rights of the Trustee with respect thereto. So long as any such assignee or subtenant of the Authority (or the Trustee) shall duly perform the terms and conditions of this Site Lease, such assignee or subtenant (or the Trustee) shall be deemed to be and shall become the tenant of the County hereunder and shall be entitled to all of the rights and privileges granted under any such assignment or subrogation; provided, further, that so long as any Bonds are outstanding and unpaid in accordance with the terms thereof, the rentals or any part thereof payable to the Authority or Trustee shall continue to be paid to the Trustee on behalf of the Bondholders.

SECTION 12. Quiet Enjoyment; Liens

(a) The Authority at all times during the term of this Site Lease, shall peaceably and quietly have, hold and enjoy all of the Facilities then leased hereunder.

(b) The Authority shall not, directly or indirectly, create, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Facilities, other than the respective rights of the Authority and the County as herein provided and Permitted Encumbrances.

SECTION 13. Waiver of Personal Liability

All liabilities under this Site Lease on the part of the Authority shall be solely liabilities of the Authority, as a public entity and agency, and the County hereby releases each and every member, director, officer, agent or employee of the Authority of and from any personal or individual liability under this Site Lease. No member, director, officer, agent or employee of the Authority shall at any time or under any circumstances be individually or personally liable under this Site Lease to the County or to any other party whomsoever for anything done or omitted to be done by the Authority hereunder.

The Authority and its members, directors, officers, agents, employees and assignees shall not be liable to the County or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Facilities. The County, to the extent permitted by law, shall indemnify and hold the Authority and its members, directors, officers, agents, employees and assignees, harmless from, and defend each of them against, any and all claims, liens and judgments arising from the operation of the Facilities or the Project, including, without limitation, death of or injury to any person or damage to property whatsoever occurring in, on or about the Facilities of the Project regardless of responsibility for negligence, but excepting the active negligence of the person or entity seeking indemnity.

SECTION 14. Taxes

The County covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Facilities.

SECTION 15. Eminent Domain

In the event the whole or any part of the Facilities is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the amount of the then unpaid or outstanding Bonds and all other amounts due under the Trust Agreement and the Facilities Lease attributable to such part of the Facilities shall be paid to the Trustee, and the balance of the award, if any, shall be paid to the County.

SECTION 16. Further Assurances.

The County covenants and agrees that in the event any lien, encumbrance, asserted encumbrance, claim, dispute or other issue arises with respect to the County's legal title to or valid and marketable, beneficial use and enjoyment of (or the Authority's interest in) the Facilities (each of the foregoing referred to as a "*Facilities Issue*"), the County will take all steps necessary to promptly quiet, resolve and/or eliminate such Facilities Issue and/or provide the Authority with, or as applicable, will take all reasonable steps available to the County to ensure the Authority has, adequate access to and use of the Facilities and the County has beneficial use and enjoyment of the Facilities and the County shall ensure that its fee interest in the Facilities remains free and clear of Facilities Issues. The County covenants and agrees that in the event any legal description, UCC-1 financing statement or fixture filing (or continuations or amendments thereof) filed or recorded with respect to the Authority's interests in the Facilities reflects any incorrect real property legal description, the County shall take all steps necessary (with the Authority's prior written approval) to promptly correct any errors with respect to such legal descriptions, UCC-1 financing statements and fixture filings.

SECTION 17. Nondiscrimination

The Authority herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all person claiming under or through itself, and this Site Lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or groups of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those basis are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the Authority, or any person claiming under or through the Authority, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.

SECTION 18. Partial Invalidity

If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall



be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 19. Notices

All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, and, if to the County, addressed to the County in care of the Clerk of the Board of Supervisors, County Administration Building, 1025 Escobar Street, Martinez, California 94553, or if to the Authority, addressed to the Authority in care of the County Administrator, County Administration Building, 1025 Escobar Street, Martinez, California 94553, in all cases with a copy to the Trustee at the address specified in the Trust Agreement, or to such other addresses as the respective parties may from time to time designate by notice in writing.

SECTION 20. Section Headings

All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

SECTION 21. Amendment

The Authority and the County may at any time agree to the amendment of this Site Lease; provided, however, that the Authority and the County agree and recognize that this Site Lease is entered into as contemplated by the terms of the Trust Agreement, and accordingly, that any such amendment shall only be made or effected in accordance with and subject to the terms of the Trust Agreement.

SECTION 22. Definitions

Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Facilities Lease or, if not defined therein, the Trust Agreement.

SECTION 23. Termination of Prior Leases

[Upon the execution of this Site Lease: (a) the Site Lease dated as of November 1, 2010, by and between the Authority and the County, and bearing County Recorder document number 2010-0256815-00, shall thereupon terminate and be of no further force or effect; and (b) the Sublease, dated as of November 1, 2010, by and between the Authority and the County, and bearing County Recorder document number 2010-0256814-00 (as amended from time to time), shall thereupon terminate and be of no further force or effect.][**to be updated and confirmed**]

SECTION 24. Execution

This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Site Lease. It is

also agreed that separate counterparts of this Site Lease may separately be executed by the County and the Authority, all with the same force and effect as though the same counterpart had been executed by both the County and the Authority.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the County and the Authority have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

COUNTY OF CONTRA COSTA, as Lessor

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Supervisors

Attest:

By: \_\_\_\_\_  
Jami Napier  
Chief Assistant Clerk of the Board of Supervisors

COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY, Lessee

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Directors

Attest:

By: \_\_\_\_\_  
Lisa Driscoll  
Deputy Executive Director and Assistant Secretary of the Board of Directors

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

\_\_\_\_\_  
Signature of Notary Public

**EXHIBIT A**

**Description of Facilities**

**[To Come]**

**EXHIBIT B**

**Lease Terms**

**[To Come]**

<u>Facility</u>	<u>Term</u>	<u>Maximum Extension</u>
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CERTIFICATE OF ACCEPTANCE  
(Government Code Section 27281)

This is to certify that the interest in real property conveyed by the foregoing Site Lease from the County of Contra Costa Public Financing Authority to the County of Contra Costa, a political subdivision of the State of California (the "County"), is hereby accepted by order of the undersigned officer on behalf of the Authority on \_\_\_\_\_, 2021, pursuant to authority conferred by Resolution No. 2021/\_\_\_ of the Authority adopted on \_\_\_\_\_, 2021, and the Authority consents to recordation thereof by its duly authorized officer.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY, as Lessee

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Directors

Attest:

By: \_\_\_\_\_  
Lisa Driscoll  
Deputy Executive Director and Assistant  
Secretary of the Board of Directors



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF CONTRA COSTA

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my name and official seal.

[Affix seal here]

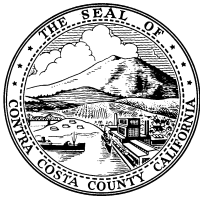
\_\_\_\_\_  
Signature of Notary Public

**PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY \_\_, 2021**

NEW ISSUE - BOOK ENTRY ONLY  
[DAC Logo]

RATINGS: Moody's: \_\_\_  
S&P: \_\_\_  
See "RATINGS"

*In the opinion of Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the Authority and the County described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Bond Counsel is further of the opinion that, interest on the Bonds is exempt from personal income taxes of the State of California (the "State") under present State law. See "TAX MATTERS" herein regarding certain other tax considerations.*



**\$ \_\_, \_\_, 000\***  
**COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY**  
**LEASE REVENUE BONDS**  
**(CAPITAL PROJECTS AND REFUNDING),**  
**2021 SERIES**  
**comprised of:**

**\$ \_\_, \_\_, 000\* 2021 Series A**  
**(Capital Projects)**

**\$ \_\_, \_\_, 000\* 2021 Series B**  
**(Refunding)**

**Dated: Date of Delivery**

**Due: June 1, as shown on inside cover**

The County of Contra Costa Public Financing Authority (the "Authority") is issuing \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds, 2021 Series, comprised of \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) (the "2021 Series A Bonds") and \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series B (Refunding) (the "2021 Series B Bonds" and together with the 2021 Series A Bonds, the "2021 Bonds"). The 2021 Bonds are being issued to: (i) finance the acquisition, construction, and improvement of various capital projects to be located within the County of Contra Costa (the "County"); (ii) refund \$48,410,833.95 aggregate principal amount of outstanding County of Contra Costa Public Financing Authority Lease Revenue Bonds and Obligations described herein (collectively, the "Prior Bonds"); and (iii) pay certain costs associated with the issuance of the 2021 Bonds. See "PLAN OF FINANCE" and "ESTIMATED SOURCES AND USES OF FUNDS."

The 2021 Bonds are issued pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the "Trust Agreement"), by and between the Authority and the Trustee and acknowledged by the County. The 2021 Bonds are limited obligations of the Authority and are payable, as to interest thereon, principal thereof and any premiums upon the redemption of any thereof, solely from the "Revenues," and the Authority is not obligated to pay them except from the Revenues. Revenues consist primarily of Base Rental Payments (as defined herein) to be made by the County to the Authority for the use and occupancy of the Facilities (defined herein) pursuant to a Facilities Lease, dated as of \_\_\_\_\_ 1, 2021 (the

“Facilities Lease”) by and between the Authority, as lessor, and the County, as lessee. The County covenants in the Facilities Lease to take such action as may be necessary to include all such Base Rental Payments and Additional Payments in its annual budgets and to make the necessary annual appropriations therefor. The obligation of the County to make Base Rental Payments and Additional Payments is subject to proportional abatement during any period in which by reason of any damage or destruction (other than by condemnation) there is substantial interference with the use and occupancy of the Facilities by the County, except as otherwise described herein. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS.” **No debt service reserve fund will be established under the Trust Agreement for the 2021 Bonds.**

The principal of the 2021 Bonds is payable on June 1 of each year as set forth on the inside cover page. Interest on the 2021 Bonds is payable semiannually on June 1 and December 1 in each year, commencing December 1, 2021].

The 2021 Bonds will be initially delivered in book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Principal of, redemption premium, if any, and interest on the 2021 Bonds will be paid by Wells Fargo Bank, National Association, as trustee (the “Trustee”), to DTC. DTC is obligated to remit such principal and interest to its DTC Participants for disbursement to the beneficial owners of the 2021 Bonds. See APPENDIX H–“DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

**The 2021 Bonds are subject to optional, extraordinary[, and mandatory sinking fund] redemption as described herein. See “2021 BONDS–Redemption Provisions.”**

THE 2021 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM REVENUES AND ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE OR LIEN UPON ANY PROPERTY OF THE AUTHORITY OR THE COUNTY OR ANY OF THEIR INCOME OR RECEIPTS, EXCEPT THE REVENUES (AS DESCRIBED HEREIN). NEITHER THE FULL FAITH NOR THE CREDIT OF THE AUTHORITY OR THE COUNTY IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE 2021 BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2021 BONDS NOR THE OBLIGATION TO MAKE BASE RENTAL PAYMENTS UNDER THE FACILITIES LEASE CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE COUNTY, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS FOR WHICH ANY ENTITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH ANY ENTITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS NO TAXING POWER.

This cover page contains certain information for general reference only. It is *not* intended to be a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision. An investment in the 2021 Bonds involves risk. For a discussion of certain risk factors associated with investment in the 2021 Bonds, see “CERTAIN RISK FACTORS” as well as other factors discussed throughout this Official Statement.

*The 2021 Bonds are offered when, as and if issued by the Authority and received by the Underwriter, subject to approval as to their validity by Nixon Peabody LLP, San Francisco, California, Bond Counsel to the Authority. Certain other legal matters will be passed upon for the County and the Authority by County Counsel and by Schiff Hardin LLP, San Francisco, California, Disclosure Counsel, and for the Underwriter by Katten Muchin Rosenman, New York, New York. It is anticipated that the 2021 Bonds in book-entry only form, will be available for delivery through the facilities of DTC in New York, New York, on or about March \_\_, 2021.*

**BARCLAYS**

Date of Official Statement: \_\_\_\_\_, 2021.

---

\* Preliminary, subject to change.

**MATURITY SCHEDULE**

**\$ \_\_, \_\_, 000\***  
**COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY**  
**LEASE REVENUE BONDS (CAPITAL PROJECTS AND REFUNDING),**  
**2021 SERIES**  
**comprised of:**

**\$ \_\_, \_\_, 000\* Serial 2021 Series A Bonds (Capital Projects)**  
**Base CUSIP No. † \_\_\_\_\_**

Maturity Date (June 1)	Principal Amount*	Interest Rate	Price	Yield	CUSIP No.†
---------------------------	----------------------	------------------	-------	-------	------------

**\$ \_\_, \_\_, 000\* Serial 2021 Series B Bonds (Refunding)**  
**Base CUSIP No. † \_\_\_\_\_**

Maturity Date (June 1)	Principal Amount*	Interest Rate	Price	Yield	CUSIP No.†
---------------------------	----------------------	------------------	-------	-------	------------

\* Preliminary, subject to change. Assumes that *all* of the Prior Bonds (defined herein) are refunded. See "PLAN OF REFUNDING."

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services ("CGS") is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright 2021 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CGS. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. The CUSIP® numbers are provided for convenience of reference only. None of the County, the Underwriter, their agents, or their counsel is responsible for the selection or uses of the CUSIP® numbers, and no representation is made as to their correctness on the applicable 2021 Bonds or as included herein. The CUSIP® numbers of specific maturities is subject to change following the issuance of the 2021 Bonds as a result of various actions, including, but not limited to, a refunding in whole or in part or as the result of procurement of a secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2021 Bonds.

No dealer, broker, salesperson or other person has been authorized by the County or the Authority to give any information or to make any representation other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the 2021 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the 2021 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The County maintains a website. Unless specifically indicated otherwise, the information presented on that website is *not* incorporated by reference as part of this Official Statement and should not be relied upon in making investment decisions with respect to the 2021 Bonds.

The information set forth herein has been obtained from the County and from other sources and is believed to be reliable but is not guaranteed as to accuracy or completeness. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or the Authority since the date hereof. This Official Statement is submitted in connection with the sale of the 2021 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the County. All summaries of the documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions. All capitalized terms used herein, unless noted otherwise, shall have the meanings prescribed in the Trust Agreement and the Facilities Lease. This Official Statement, including any supplement or amendment hereto, is intended to be deposited with the Electronic Municipal Market Access site maintained by the Municipal Securities Rulemaking Board.

Any statement made in this Official Statement involving any forecast or matter of estimates or opinion, whether or not expressly stated, is intended solely as such and not as a representation of fact. Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended (the “Securities Act”). Such forward-looking statements are generally identified by use of the words “plan,” “project,” “expect,” “estimate,” “budget” or other similar words. Such forward-looking statements include, but are not limited to, statements contained in APPENDIX B—“COUNTY FINANCIAL INFORMATION.” Such forward-looking statements refer to the achievement of certain results or other expectations or performance which involve known and unknown risks, uncertainties and other factors. These risks, uncertainties and other factors may cause actual results, performance or achievements to be materially different from any projected results, performance or achievements described or implied by such forward looking statements. Neither the County nor the Authority plans to issue updates or revisions to such forward-looking statements if or when the expectations, events, conditions or circumstances on which such statements are based, occur, or if actual results, performance or achievements are materially different from any results, performance or achievements described or implied by such forward-looking statements.

The 2021 Bonds have not been registered with the Securities and Exchange Commission by reason of the provisions of Section 3(a)(2) of the Securities Act of 1933, as amended. The registration or qualification of the 2021 Bonds in accordance with applicable provisions of Securities Laws of the states in which these Bonds have been registered or qualified, and the exemption from registration or qualification in other states, shall not be regarded as a recommendation thereof. Neither these states nor any of their agencies have passed upon the merits of the securities or the accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market prices of a Series of 2021 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell Series of 2021 Bonds to certain dealers and banks at prices lower than the initial public offering prices and at yields higher than stated on the inside pages and such initial public offering prices and yields may be changed from time to time by the Underwriter.

**COUNTY OF CONTRA COSTA, CALIFORNIA  
BOARD OF SUPERVISORS OF THE COUNTY**  
*[To be updated after January 4, 2021]*

Candace Andersen  
*(District 2)*  
*Chair*

Diane Burgis  
*(District 3)*  
Vice Chair

John M. Gioia  
*(District 1)*

Karen Mitchoff  
*(District 4)*

Federal D. Glover  
*(District 5)*

**COUNTY OFFICIALS**

Monica Nino  
*Clerk of the Board and County Administrator*

Robert R. Campbell  
*Auditor-Controller*

Russell V. Watts  
*Treasurer-Tax Collector*

Sharon L. Anderson  
*County Counsel*

Gus S. Kramer  
*Assessor*

Deborah Cooper  
*County Clerk-Recorder*

Lisa Driscoll  
*County Finance Director*

**SPECIAL SERVICES**

Nixon Peabody LLP  
San Francisco, California  
*Bond Counsel*

Schiff Hardin LLP  
San Francisco, California  
*Disclosure Counsel*

Montague DeRose and Associates, LLC  
Walnut Creek, California  
*Municipal Advisor*

Wells Fargo Bank, National Association  
Los Angeles, California  
*Trustee and Prior Trustee*

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\$ \_\_, \_\_, 000\*  
**COUNTY OF CONTRA COSTA PUBLIC FINANCING AUTHORITY**  
**LEASE REVENUE BONDS**  
**(CAPITAL PROJECTS AND REFUNDING),**  
**2021 SERIES**  
**comprised of:**

\$ \_\_, \_\_, 000\* 2021 Series A                      \$ \_\_, \_\_, 000\* 2021 Series B  
(Capital Projects)    (Refunding)

**INTRODUCTION**

*This Introduction contains only a brief summary of the terms of the 2021 Bonds being offered and a brief description of this Official Statement. A full review should be made of the entire Official Statement, including the inside cover through the Appendices. All statements contained in this Introduction are qualified in their entirety by reference to the entire Official Statement. All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings given to such terms as set forth in the Trust Agreement (defined below). See APPENDIX E–“SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS–CERTAIN DEFINITIONS.”*

**General; Purpose**

This Official Statement, which includes the cover page through the Appendices hereto (the “Official Statement”), provides certain information concerning the issuance by the County of Contra Costa Public Financing Authority (the “Authority”) of \$ \_\_, \_\_, 000\* aggregate principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds, 2021 Series, comprised of \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (Capital Projects) (the “2021 Series A Bonds”) and \$ \_\_, \_\_, 000\* principal amount of County of Contra Costa Public Financing Authority Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series B (Refunding) (the “2021 Series B Bonds” and together with the 2021 Series A Bonds, the “2021 Bonds”). The 2021 Bonds are being issued to: (i) finance the acquisition, construction, and improvement of various capital projects to be located within the County of Contra Costa (the “County”). The 2021 Bonds are being issued to: (i) finance the acquisition, construction, and improvement of two fire stations to be located within the County; (ii) refund \$48,410,833.95 aggregate principal amount of outstanding County of Contra Costa Public Financing Authority Lease Revenue Bonds and Obligations described herein (collectively, the “Prior Bonds”); and (iii) pay certain costs associated with the issuance of the 2021 Bonds. See “PLAN OF FINANCE” and “ESTIMATED SOURCES AND USES OF FUNDS.”

The 2021 Bonds are limited obligations of the Authority payable as to the interest thereon, principal thereof and any redemption premium solely from Revenues, consisting primarily of base rental payments (the “Base Rental Payments”) to be made by the County and paid to the Authority for the use and occupancy of certain real property and improvements (the “Facilities”). The Authority is not obligated to make payments on the 2021 Bonds except from Revenues. The Facilities will be leased by the County to the Authority pursuant to the terms and conditions of a Site Lease with respect to 2021 Bonds, dated as of \_\_\_\_\_ 1, 2021 (the “Site Lease”), between the County, as lessor, and the Authority, as lessee. See “THE FACILITIES.” Pursuant to the terms and conditions of a Facilities Lease, dated as of

\* Preliminary, subject to change.

\_\_\_\_\_, 2021 (the “Facilities Lease”), between the Authority, as lessor and the County, as lessee, the Authority will let the Facilities to the County. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS.”

THE 2021 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM REVENUES AND ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE OR LIEN UPON ANY PROPERTY OF THE AUTHORITY OR THE COUNTY OR ANY OF THEIR INCOME OR RECEIPTS, EXCEPT THE REVENUES (AS DESCRIBED HEREIN). NEITHER THE FULL FAITH NOR THE CREDIT OF THE AUTHORITY OR THE COUNTY IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE 2021 BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2021 BONDS NOR THE OBLIGATION TO MAKE BASE RENTAL PAYMENTS UNDER THE FACILITIES LEASE CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE COUNTY, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS FOR WHICH ANY ENTITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH ANY ENTITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS NO TAXING POWER.

#### **Authority for Issuance**

The 2021 Bonds will be issued pursuant to the Constitution and the laws of the State of California (the “State”), resolutions adopted by the Authority and the County, and a Trust Agreement, dated as of \_\_\_\_\_, 2021 (the “Trust Agreement”), between the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”) and acknowledged by the County.

#### **Security and Sources of Payment**

**General.** Pursuant to the Trust Agreement, the Authority pledges to the Trustee, for the benefit of the Bondholders, all of the “Revenues,” defined as all Base Rental Payments and other payments paid by the County and received by the Authority pursuant to the Facilities Lease (excluding Additional Payments); and all interest or other income from any investment of any money held in any fund or account (other than the Rebate Fund) established pursuant to the Trust Agreement or the Facilities Lease.

The County covenants under the Facilities Lease that so long as a Facility is available for use and occupancy by the County, it will take such action as may be necessary to include the Base Rental Payments and Additional Payments with respect to the Facilities in its annual budgets and to make the necessary annual appropriations therefor. Base Rental Payments are included in and allocated to individual department budgets. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS.”

The Base Rental Payments made by the County pursuant to the Facilities Lease are subject to complete or partial abatement in the event of substantial interference with the use and occupancy by the County of the Facilities caused by damage to or destruction (other than by condemnation) of such Facilities. See “CERTAIN RISK FACTORS” and “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS—Pledge of Revenues.” Abatement of Base Rental Payments under the Facilities Lease could result in the Bondholders of the 2021 Bonds receiving less than the full amount of principal of and interest on the 2021 Bonds, except to the extent proceeds of insurance are available to make payments of principal of or interest on the 2021 Bonds (or the relevant portion thereof) during periods of abatement of the Base Rental.

## **No Reserve Fund**

No debt service reserve fund will be established under the Trust Agreement for the 2021 Bonds.

## **Certain Risk Factors**

An investment in the 2021 Bonds involves risk. For a discussion of certain risk factors associated with investment in the 2021 Bonds, see “CERTAIN RISK FACTORS” as well as other factors discussed throughout this Official Statement.

## **Continuing Disclosure**

The County has covenanted for the benefit of the beneficial owners of the 2021 Bonds to provide certain financial information and operating data relating to the County by no later than nine months after the end of each fiscal year (which fiscal year currently ends June 30), commencing with the report due for the Fiscal Year ended June 30, 2021 (each an “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of specified events will be filed by the County or Digital Assurance Certification, L.L.C., as dissemination agent, through the Electronic Municipal Market Access site (“EMMA”) maintained by the Municipal Securities Rulemaking Board (the “MSRB”). The specific nature of the information to be contained in the Annual Report or the notices of specified events is set forth in APPENDIX G–“PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT.” These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

## **Reference to Documents**

The summaries and descriptions in this Official Statement of the Trust Agreement, the Facilities Lease, the Site Lease, the Continuing Disclosure Agreement, and other agreements relating to the 2021 Bonds are qualified in their entirety by reference to such documents, and the descriptions herein of the 2021 Bonds are qualified in their entirety by the form thereof and the information with respect thereto included in such documents. All capitalized terms used herein, unless noted otherwise, shall have the meanings prescribed in the Trust Agreement and the Facilities Lease. See APPENDIX E–“SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS–CERTAIN DEFINITIONS.”

## **PLAN OF FINANCE**

### **2021 Project**

The 2021 Project consists of financing the acquisition, construction, and improvement of facilities at Buchanan County Airport, a County office building, and two fire stations, Fire Station No. 9 in Pacheco and Fire Station No. 86 in Bay Point.

***Airport Improvements.*** This component of the 2021 Project consists of the construction of an approximately 21,000 square foot, one-story multi-function facility to be located on an approximately \_\_\_\_\_ acre site at Buchanan Field Airport, a public airport located in Concord, California. This component of the 2021 Project will replace an existing terminal facility and will include an approximately 12,525 square foot aircraft rescue and firefighting facility (an “ARFF”) with up to three apparatus bays, offices, restrooms, meeting space, and ARFF support function spaces (such as for turnouts, self-contained breathing apparatus, and operations areas) for airport personnel; approximately 2,750 square feet of administrative office space; and an approximately 5,460 square foot general aviation terminal. This

facility will also include a hold room, restrooms, public meeting space and rentable office spaces in the general aviation terminal section, visitor parking spaces, charging stations, a generator, and a public viewing area. The estimated construction cost for this component of the 2021 Project is \$11,700,000. Construction is expected to commence in June 2021 and be completed in October 2022.

***Construction of County Offices at 651 Pine.*** This component of the 2021 Project consists of the demolition of the former County Administration complex at 651 Pine Street, Martinez, California including remediation and demolition of approximately 72,000 square feet in the 12-story tower and approximately 50,000 square feet in the adjacent five story North Wing building. This component also includes the relocation of telecommunications infrastructure located in and on the Tower, including microwave and radio antennas serving the public safety communication system as well as telephone and fiberoptic communications equipment serving multiple County facilities in the downtown Martinez area. Following demolition, the County will construct an approximately 20,000 square foot, two-story County office building above approximately 80 new parking spaces (with the first story consisting of parking and the second story consisting of office space) where the previous Tower and North Wing buildings stood. In addition, there will be public plaza and amenity space constructed across from the existing 651 Pine Street complex to serve both the New Administration Building, located at 1025 Escobar Street, Martinez, California and the new County office building, located on a portion of the current 651 Pine Street complex. The estimated construction cost for this component of the 2021 Project is \$64,000,000. Construction is expected to commence December of 2021 and be completed by June of 2024.

### ***Fire Stations***

**Fire Station No. 9.** This component of the 2021 Project consists of the construction of an approximately 10,000 square foot one-story fire station to be located on an approximately one acre site at Center Avenue and Willow Street in Pacheco, California. This fire station will contain approximately 5,000 square feet of living area, including four firefighter dorm rooms, three gender-neutral restrooms, and living quarters for a Battalion Chief, with adjacent office space; approximately 5,000 square feet containing three apparatus bays, a separate support area for turnout, self-contained breathing apparatus (“SCBA”), and cleanup spaces; and visitor parking spaces, secured firefighter parking, and a generator and an emergency fuel tank. The estimated construction cost for this component of the 2021 Project is \$16,000,000. Construction is expected to commence in October 2021 and be completed in January 2023.

**Fire Station No. 86.** This component of the 2021 Project consists of the construction of an approximately 10,000 square foot one-story fire station to be located on an approximately two acre site at Willow Pass Road and Goble Drive in Bay Point, California. This fire station will contain approximately 5,000 square feet of living area, including seven firefighter dorm rooms and three gender-neutral restrooms; approximately 5,000 square feet containing three apparatus bays, a separate support area on for turnout, SCBA, and cleanup spaces; and visitor parking spaces, secured firefighter parking, and a generator and an emergency fuel tank. The estimated construction cost for this component of the 2021 Project is \$11,000,000. Construction is expected to commence in May 2021 and be completed in October 2022.

In connection with the construction of the Fire Stations, the County has entered into an Installment Sale Agreement dated \_\_\_\_\_, 2021 (the “Installment Agreement”), with the Contra Costa County Fire Protection District (the “Fire District”), pursuant to which the County will construct the fire stations and sell them to the Fire District and the Fire District will purchase from and pay to the County the costs related to the construction of the fire stations. **The amounts payable by the Fire District to the County pursuant to the Installment Agreement are not**

**pledged to the payment of the 2021 Bonds and are not available to Bondholders for any purpose.**

**Refunding of Prior Bonds**

The Authority issued the Prior Bonds pursuant to a Trust Agreement, dated as of February 1, 1999, as supplemented by the First Supplemental Trust Agreement, dated as of January 1, 2001, the Second Supplemental Trust Agreement, dated as of May 1, 2001, the Third Supplemental Trust Agreement, dated as of June 1, 2002, the Fourth Supplemental Trust Agreement, dated as of July 1, 2002, the Fifth Supplemental Trust Agreement, dated as of July 1, 2003, the Sixth Supplemental Trust Agreement, dated as of March 1, 2007 and the Seventh Supplemental Trust Agreement, dated as of August 1, 2007 (as previously amended and supplemented, the “Prior Trust Agreement”), by and between the Authority and BNY Western Trust Company, as succeeded by Wells Fargo Bank, National Association, as successor trustee (the “Prior Trustee”), and acknowledged by the County. The Prior Bonds were delivered to finance and refinance the costs of acquiring, constructing and renovating certain County facilities and to provide funds to acquire and install other capital improvements for the County.

A portion of the proceeds from the sale of the 2021 Bonds, together with other available funds, will be deposited with the Prior Trustee to pay the redemption price of and accrued interest on the Prior Bonds on the redemption date. Upon such deposit, the Prior Bonds will no longer be deemed outstanding under the Prior Trust Agreement.

The Refunded Bonds will consist of the following:

**\$13,130,000**  
**Contra Costa County Public Financing Authority**  
**Lease Revenue Bonds**  
**2010 Series A-2 (Capital Project I – Taxable Build America Bonds)**  
**Dated Date: November 16, 2010**  
**Redemption Date: \_\_\_\_\_, 2021**  
**Redemption Price: 100%**

<b>Maturity Date (June 1)</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>CUSIP (21226P)<sup>†</sup></b>
2021	\$1,135,000	5.750%	JS8
2022	1,175,000	5.900	JT6
2023	1,220,000	6.000	JU3
2024	1,270,000	6.100	JV1
2025	1,320,000	6.250	JW9
2026	500,000	6.500	JX7
2030	6,510,000	6.800	KU1

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**\$20,700,000**  
**Contra Costa County Public Financing Authority**  
**Lease Revenue Bonds**  
**2010 Series A-3 (Capital Project I – Taxable Recovery Zone Bonds)**  
**Dated Date: November 16, 2010**  
**Redemption Date: \_\_\_\_\_, 2021**  
**Redemption Price: 100%**

<b>Maturity Date (June 1)</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>CUSIP (21226P)<sup>†</sup></b>
2035	\$9,645,000	6.900%	KD9
2040	11,055,000	7.000	KE7

**\$7,425,000**  
**Contra Costa County Public Financing Authority**  
**Lease Revenue Bonds**  
**2010 Series B (Refunding)**  
**Dated Date: November 16, 2010**  
**Redemption Date: \_\_\_\_\_, 2021**  
**Redemption Price: 100%**

<b>Maturity Date (June 1)</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>CUSIP (21226P)<sup>†</sup></b>
2021	\$1,370,000	3.750%	KQ0
2022	250,000	5.000	KR8
2022	1,180,000	4.000	KY3
2023	1,500,000	4.000	KS6
2024	250,000	5.000	KT4
2024	1,315,000	4.125	KZ0
2025	1,560,000	4.250	KV9

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**\$7,155,833.95**  
**Contra Costa County Public Financing Authority**  
**Lease Revenue Obligations**  
**2012 Series A**  
**Dated Date: October 11, 2012**  
**Redemption Date: \_\_\_\_\_, 2021**  
**Redemption Price: 100%**

<b>Maturity Date (June 1)</b>	<b>Amount</b>	<b>Interest Rate</b>
2021	\$942,968.70	2.680%
2022	968,240.26	2.680
2023	994,189.10	2.680
2024	1,020,833.37	2.680
2025	1,048,191.70	2.680
2026	1,076,283.24	2.680
2027	1,105,127.58	2.680

**THE FACILITIES**

The County will lease the Facilities summarized in Table 1 pursuant to the Site Lease, and the Authority will lease back each of those Facilities to the County pursuant to the Facilities Lease. The Facilities consist of two County properties and sites thereof and include site development, landscaping, utilities, equipment, furnishings, improvements and appurtenances, and related facilities located on the real property, including any future improvements made to such Facilities.

The County covenants in the Facilities Lease to use each Facility for County and public purposes and so long as each such Facility is available for its use and occupancy, the County covenants to take such actions as may be necessary to include all Base Rental Payments and Additional Payments with respect to each Facility in its annual budgets and to make the necessary annual appropriations therefor. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS.”

The Insured value of each Facilities included in Table 1 is based upon the insured value for Fiscal Year 2020-21. Each August, the insurer reviews third quarter factors for the western section of the Country developed by a national provider of real estate information, analytics, and services to update County real property and content values for insurance purposes. The actual market value of each Facility may differ materially from the estimated insured value summarized in Table 1. The Authority has only a leasehold interest in each Facility and is not authorized to sell either Facility.

The Facilities consist of the following:

**West County Health Center.** This Facility is located at 13601 San Pablo Avenue in San Pablo, California on an approximately 2.84 acre site. The West County Health Center consists of an approximately 52,553 square foot, two-story, stucco and glass, LEED-Silver certified by the Green Building Council public health center constructed in 2012. Services provided at this Facility include routine and preventative family care services, prenatal care, women’s health, and other general, diagnostic, and specialty medical services.



***Contra Costa Regional Medical Center.*** This Facility is located on an approximately \_\_\_\_-acre site at 2500 Alhambra Avenue in Martinez, California. This Facility consists of an approximately \_\_\_\_ square foot, \_\_\_\_-story hospital, with 176-beds, an eight-bed intensive care unit, a 17-bed emergency department, and a level II (specialty care nursery for moderately ill infants with problems expected to resolve rapidly and not expected to need subspecialty services on an urgent basis) neonatal intensive care unit.

For summary descriptions and estimated valuations of the Facilities, see Table 1–“Estimated Value of the Facilities.”

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**Table 1**  
**Estimated Value of the Facilities**

<b>Facilities</b>	<b>Address</b>	<b>Original Completion Year</b>	<b>Approximate Acreage of Site</b>	<b>Approximate Building Square Footage</b>	<b>Insured Value<sup>†</sup></b>	<b>[Scheduled Release Year]</b>
West County Health Center	13601 San Pablo Avenue, Martinez, CA	2012	2.84	52,553	\$30,293,000	20__
Contra Costa Regional Medical Center	2500 Alhambra Avenue, Martinez, CA	1998	_____	60,000	[129,466,000]	20__
<b>TOTAL FACILITIES</b>					\$159,759,000	

<sup>†</sup> Based upon the insured value for Fiscal Year 2020-21.

Upon issuance of the 2021 Bonds, the aggregate insured value of the leased Facilities will be at least equal to the par amount of the 2021 Bonds and the annual Base Rental Payments will not exceed the annual fair rental value of the Facilities. See also “CERTAIN RISK FACTORS–Base Rental Payments Not a Debt of the County; Other County Obligations.”

Pursuant to the terms of the Facilities Lease, the County and the Authority may release or substitute other properties for the Facilities or portions thereof upon the satisfaction of certain conditions. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS–Addition; Substitution, and Release of Property.”

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**[Location Map of the Facilities]**

**ESTIMATED SOURCES AND USES OF FUNDS**

The following table sets forth the estimated sources and uses of funds related to the issuance of the 2021 Bonds.

**Table 2  
Estimated Sources and Uses of Funds**

<b>SOURCES:</b>	<b>2021 Series A</b>	<b>2021 Series B</b>	<b>Total</b>
Principal Amount of 2021 Bonds.....			
Funds Held Under the Prior Trust Agreement ...			
Net Original Issue Premium.....			
<b>TOTAL SOURCES.....</b>			
<b>USES:</b>			
Deposit to 2021 Project Account.....			
Deposit with Prior Trustee <sup>(1)</sup> .....			
Costs of Issuance <sup>(2)</sup> .....			
Underwriter’s Discount .....			
<b>TOTAL USES.....</b>			

(1) To pay the redemption price of the Prior Bonds. See “PLAN OF FINANCE.”

(2) Includes legal and professional fees, rating agency, and title insurance fees, printing costs and other miscellaneous costs of issuance.

**THE 2021 BONDS**

**General**

The 2021 Bonds are limited obligations of the Authority payable solely from Revenues, consisting primarily of Base Rental Payments to be made by the County under the Facilities Lease.

The 2021 Bonds will be dated their date of issuance, issued as fully registered bonds and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the 2021 Bonds. Ownership interests in the 2021 Bonds may be purchased in book-entry form only, in the denominations hereinafter set forth. Purchasers will not receive physical certificates representing their beneficial ownership interest in the 2021 Bonds. So long as the 2021 Bonds are registered in the name of Cede & Co., payment of principal of premium, if any, and interest on the 2021 Bonds will be payable to DTC. See APPENDIX H– “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Ownership interests in the 2021 Bonds will be in Authorized Denominations of \$5,000 or any integral multiple thereof. The 2021 Bonds will mature on the dates and in the principal amounts, and the interest payable thereon will be computed at the rates, all as set forth on the inside cover page of this Official Statement.

Interest on the 2021 Bonds is payable on June 1 and December 1 (each an “Interest Payment Date”) of each year, commencing June 1, 2021 calculated from their date of issuance on the basis of a 360-day year composed of twelve 30-day months.

## Redemption Provisions

### *2021 Series A Bonds*

Optional Redemption. [The 2021 Series A Bonds maturing on or prior to June 1, 20\_\_ are *not* subject to optional redemption.]

The 2021 Series A Bonds maturing on or after June 1, 20\_\_ are subject to redemption prior to their stated maturities at the option of the Authority, at the direction of the County, in whole or in part, on any Business Day (in such amounts as may be specified by the Authority), by lot, at the Redemption Price thereof, plus accrued interest to the Redemption Date, without premium.

[Mandatory Sinking Fund Redemption. The 2021 Series A Bonds are subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account payments set forth below, at a Redemption Price equal to the sum of the principal amount thereof plus accrued interest thereon to the Redemption Date, without premium:]

### **2021 Series A Bonds**

Mandatory Sinking Account Payment Date (June 1)	Mandatory Sinking Account Payment
_____	_____

†

\_\_\_\_\_† Maturity.

Extraordinary Redemption. The 2021 Series A Bonds are subject to redemption by the Authority on any date prior to their respective stated maturities, upon notice as provided in the Trust Agreement, as a whole or in part by lot within each stated maturity in integral multiples of Authorized Denominations, from prepayments made by the County pursuant to the Facilities Lease from insurance (including proceeds of title insurance) and eminent domain proceeds, at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the Redemption Date. Whenever less than all of the Outstanding 2021 Series A Bonds are to be redeemed on any one date, the Trustee will select, in accordance with written directions from the Authority, the mandatory sinking account payments against which will be credited the 2021 Series A Bonds to be redeemed so that the aggregate annual principal amount of and interest on 2021 Series A Bonds which are payable after such Redemption Date will be reduced pro rata over the remaining years of the lease terms (as set forth in the Facilities Lease) for the Facilities which generated the insurance or eminent domain proceeds.

### *2021 Series B Bonds*

Optional Redemption. The 2021 Series B Bonds maturing on or prior to June 1, 20\_\_ are *not* subject to optional redemption.

The 2021 Series B Bonds maturing on or after June 1, 20\_\_ are subject to redemption prior to their stated maturities at the option of the Authority, at the direction of the County, in whole or in part, on

any Business Day (in such amounts as may be specified by the Authority), by lot, at the Redemption Price thereof, plus accrued interest to the Redemption Date, without premium.

[Mandatory Sinking Fund Redemption. The 2021 Series B Bonds are subject to mandatory sinking fund redemption prior to maturity, in part on June 1 of each year on and after June 1, 20\_\_, by lot, from and in the amount of the mandatory sinking account payments set forth below, at a Redemption Price equal to the sum of the principal amount thereof plus accrued interest thereon to the Redemption Date, without premium:]

**2021 Series B Bonds**

Mandatory Sinking Account Payment Date (June 1)	Mandatory Sinking Account Payment
---	--------------------------------------

†

† Maturity.

Extraordinary Redemption. The 2021 Series B Bonds are subject to redemption by the Authority on any date prior to their respective stated maturities, upon notice as provided in the Trust Agreement, as a whole or in part by lot within each stated maturity in integral multiples of Authorized Denominations, from prepayments made by the County pursuant to the Facilities Lease from insurance (including proceeds of title insurance) and eminent domain proceeds, at a redemption price equal to the sum of the principal amount thereof, without premium, plus accrued interest thereon to the Redemption Date. Whenever less than all of the Outstanding 2021 Series B Bonds are to be redeemed on any one date, the Trustee will select, in accordance with written directions from the Authority, the mandatory sinking account payments against which will be credited the 2021 Series B Bonds to be redeemed so that the aggregate annual principal amount of and interest on 2021 Series B Bonds which are payable after such Redemption Date will be reduced pro rata over the remaining years of the lease terms (as set forth in the Facilities Lease) for the Facilities which generated the insurance or eminent domain proceeds.

**Redemption Procedures**

***Selection of 2021 Bonds for Redemption.*** The Authority will designate which maturities of the series of 2021 Bonds and the principal amount of the series of 2021 Bonds which are to be redeemed. If less than all Outstanding 2021 Bonds of a series maturing by their terms on any one date are to be redeemed at any one time, the Trustee is required to select the series of 2021 Bonds of such maturity date to be redeemed by lot and will promptly notify the Authority in writing of the numbers of the series of 2021 Bonds so selected for redemption. For purposes of such selection, the series of 2021 Bonds are deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event Term 2021 Bonds of a series are designated for redemption, the Authority may designate which sinking account payments are allocated to such redemption.

***Notice of Redemption.*** Notice of redemption will be mailed by first-class mail by the Trustee, not less than 20 nor more than 60 days prior to the redemption date to the respective Bondholders of the series of 2021 Bonds designated for redemption at their addresses appearing on the registration books of the Trustee. Each notice of redemption is required state the date of such notice, the date of issue of the

series of 2021 Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address of the Trustee), the CUSIP number (if any) of the maturity date or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the series of 2021 Bonds of such maturity, to be redeemed and, in the case of the series of 2021 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice is also required also state that on said date there will become due and payable on each of said series of 2021 Bonds the Redemption Price thereof, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon will cease to accrue, and will require that such series of 2021 Bonds be then surrendered at the address of the Trustee specified in the redemption notice. Failure to receive such notice will not invalidate any of the proceedings taken in connection with such redemption.

***Conditional Notice of Redemption.*** The Trustee may give a conditional notice of redemption prior to the receipt of all funds or satisfaction of all conditions necessary to effect the redemption, provided that no redemption will occur unless and until all conditions have been satisfied and the Trustee has on deposit and available or, if applicable, has received, all of the funds necessary to effect the redemption; otherwise, such redemption is required to be cancelled by the Trustee and the Trustee is required to mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

***Cancellation of Notice of Redemption.*** The Authority may, at its option, on or prior to the date fixed for redemption in any notice of optional redemption, rescind and cancel such notice of redemption by Written Request to the Trustee and the Trustee will mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

***Effect of Redemption.*** If notice of redemption has been given as required in the Trust Agreement and money for the payment of the Redemption Price of the series of 2021 Bonds called for redemption plus accrued interest to the redemption date is held by the Trustee, then on the redemption date designated in such notice the series of 2021 Bonds so called for redemption will become due and payable, and from and after the date so designated interest on such series of 2021 Bonds will cease to accrue, and the Bondholders of such series of 2021 Bonds will have no rights in respect thereof except to receive payment of the Redemption Price thereof plus accrued interest to the Redemption Date.

## SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS

### General

Pursuant to the Facilities Lease, the Authority leases the Facilities to the County. As rental for the use and occupancy of the Facilities, the County covenants to pay Base Rental Payments to the Authority, which payments are pledged to the Trustee for the benefit of the Owners of the 2021 Bonds. The Base Rental Payments, which are subject to abatement, are calculated to generate sufficient Revenues to pay principal of and interest on the 2021 Bonds when due. See also “–Abatement” and “CERTAIN RISK FACTORS–Abatement.”

The County covenants in the Facilities Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facilities Lease in its annual budgets and to make the necessary annual appropriations therefor. By the third Business Day immediately preceding each Interest Payment Date, the County must pay to the Trustee Base Rental Payments (to the extent required under the Facilities Lease) which scheduled Base Rental Payments are sufficient to pay, when due, the principal of and interest on the 2021 Bonds. **Base Rental Payments are not subject to acceleration.**



Under the Facilities Lease, the County agrees to pay Additional Payments for the payment of all expenses and all costs of the Authority and the Trustee related to the lease of the Facilities, including expenses of the Trustee payable by the Authority under the Trust Agreement, and fees of accountants, attorneys and consultants. The County is responsible for repair and maintenance of each of the related Facilities during the term of the Facilities Lease.

The Base Rental Payments will be abated proportionately during any period in which by reason of any damage to or destruction (other than by condemnation), there is substantial interference with the use and occupancy of such Facilities by the County, in the proportion in which the cost of that portion of the Facilities rendered unusable bears to the cost of the whole of the Facilities. During any such period of abatement, except to the extent that proceeds of insurance or amounts held by the Trustee in the Revenue Fund are otherwise available to pay the 2021 Bonds, Base Rental Payments from the County will not be available to pay the 2021 Bonds. See “–Abatement.”

If the whole of a Facility under the Facilities Lease or so much thereof as to render the remainder unusable is taken under power of eminent domain, the term of the Facilities Lease with respect to such Facility will cease as of the day possession is so taken. If less than the whole of the related Facility under the Facilities Lease is taken by eminent domain, there will be a partial abatement of the rental due under the Facilities Lease in an amount equivalent to the amount by which the annual payments of principal of and interest on the 2021 Bonds then Outstanding will be reduced by the application of the award in eminent domain to the redemption of the 2021 Bonds Outstanding.

If the County defaults under the Facilities Lease, the Authority may (i) terminate the Facilities Lease and take possession of the Facility for the term of such Site Lease or (ii) retain the Facilities Lease and seek to hold the County liable for all Base Rental Payments and Additional Payments thereunder (without acceleration) as they become due on an annual basis. See APPENDIX E–“SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS–FACILITIES LEASE–Defaults and Remedies.” Base Rental Payments and Additional Payments may not be accelerated. See “CERTAIN RISK FACTORS.”

### **Pledge of Revenues**

The Revenues consist primarily of the Base Rental Payments made by the County to the Authority under the Facilities Lease. In accordance with the Trust Agreement, all Revenues are irrevocably pledged and assigned by the Authority to the payment of interest and premium, if any, on and principal of the 2021 Bonds and will not be used for any other purpose while any of the 2021 Bonds remain Outstanding; *provided, however*, that out of the Revenues there may be applied such sums as are permitted under the Trust Agreement. This pledge constitutes a first lien on the Revenues in accordance with the terms of the Trust Agreement.

Pursuant to the Facilities Lease, the Authority has directed the County to pay all Base Rental Payments directly to the Trustee to be held in trust in the Revenue Fund established under the Trust Agreement (the “Revenue Fund”) for the benefit of the Bondholders. The County covenants under the Facilities Lease that as long as the Facilities are available for the County’s use and occupancy, it will take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facilities Lease in its annual budgets and to make the necessary annual appropriations therefor.

### **Base Rental Payments**

Base Rental Payments are calculated on an annual basis for twelve-month periods commencing on June 1 and ending on May 31, and each annual Base Rental Payment is divided into two interest components, due on June 1 and December 1, and one principal component, due on June 1. Each Base

Rental Payment with respect to the 2021 Bonds will be payable by the County to the Authority on the third Business Day immediately preceding its due date. The interest components of the Base Rental Payments shall be paid by the County as and constitute interest paid on the principal components of the Base Rental Payments to be paid by the County hereunder, computed on the basis of a 360-day year composed of twelve 30-day months. Each annual payment of Base Rental (to be payable in installments as aforesaid) shall be for the use of the Facilities.

Pursuant to the Facilities Lease, the County is required to make all Base Rental Payments to the Trustee for deposit in the interest or principal accounts established for the 2021 Bonds within the Revenue Fund (the "Interest Account" and the "Principal Account" together, the "Principal Accounts"). In accordance with the Trust Agreement, the Trustee will transfer such amounts as are necessary to the related Interest Account or the related Principal Account, as the case may be, to pay principal of and interest on the 2021 Bonds as the same become due and payable. Following the transfers to pay principal or interest, any excess amount in the Revenue Fund will be returned to the County as an excess payment of Base Rental Payments.

Upon the expiration of the term of the Facilities Lease with respect to a particular Facility pursuant to the Facilities Lease, the respective Facility will be released from the Facilities Lease without compliance with the release requirements set forth in the Facilities Lease. See also "--Addition; Substitution, and Release of Property."

The County represents that it has not failed to include Base Rental Payments in its annual budgets.

See APPENDIX E--"SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS--TRUST AGREEMENT--Revenue Fund."

### **Flow of Funds**

All Revenues and all other amounts pledged under the Trust Agreement when and as received are required to be transferred by the Authority to the Trustee for deposit in the Revenue Fund.

All money in the Revenue Fund is required to be set aside by the Trustee in the following respective special accounts or funds within the Revenue Fund in the following order of priority:

- First:*     Interest Account - On or before each Interest Payment Date, the Trustee is required to set aside from the Revenue Fund and deposit in the Interest Account that amount of money which is equal to the amount of interest becoming due and payable on all Outstanding Bonds on such Interest Payment Date, and
  
- Second:*   Principal Account - On or before each June 1, commencing June 1, 20[21], the Trustee is required to set aside from the Revenue Fund and deposit in the Principal Account an amount of money equal to the amount of all sinking fund payments required to be made on such June 1 into the respective sinking fund accounts for all Outstanding Term Bonds and the principal amount of all Outstanding Serial Bonds maturing on such June 1. On or before each Redemption Date, the Trustee shall set aside from the Revenue Fund and deposit in the Principal Account an amount of money equal to the Redemption Price required to be paid on such Redemption Date.

THE 2021 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM REVENUES AND ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE OR LIEN UPON ANY PROPERTY OF THE AUTHORITY OR THE COUNTY OR ANY OF THEIR INCOME OR RECEIPTS, EXCEPT THE REVENUES (AS DESCRIBED HEREIN). NEITHER THE FULL FAITH NOR THE CREDIT OF THE AUTHORITY OR THE COUNTY IS PLEDGED FOR THE PAYMENT OF THE INTEREST ON OR PRINCIPAL OF THE 2021 BONDS. NEITHER THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2021 BONDS NOR THE OBLIGATION TO MAKE BASE RENTAL PAYMENTS UNDER THE FACILITIES LEASE CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE COUNTY, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS FOR WHICH ANY ENTITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH ANY ENTITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS NO TAXING POWER.

### **Insurance**

***Fire and Extended Coverage Insurance.*** The Facilities Lease requires the County to procure or cause to be procured and maintain or cause to be maintained, throughout the term of the Facilities Lease, insurance against loss or damage to any structures constituting any part of the Facilities by fire and lightning, with extended coverage insurance, vandalism and malicious mischief insurance and sprinkler system leakage insurance and earthquake insurance, if available on the open market from reputable insurance companies at a reasonable cost. Said extended coverage insurance is required to, as nearly as practicable, cover loss or damage by explosion, windstorm, flood, riot and riot attending a strike, aircraft, vehicle damage, hail, smoke and such other hazards as are normally covered by such insurance. Such insurance shall be in an amount equal to the replacement cost (without deduction for depreciation) of all structures constituting any part of the Facilities, excluding the cost of excavations, of grading and filling, and of the land (except that such insurance may be subject to deductible clauses for any one loss of not to exceed \$250,000 or comparable amount adjusted for inflation or more in the case of earthquake insurance), or, in the alternative, be in an amount and in a form sufficient (together with moneys held under the Trust Agreement), in the event of total or partial loss, to enable the County to prepay all or any part of the Base Rental Payments then unpaid, pursuant to the Facilities Lease and to redeem outstanding Bonds.

In the event of any damage to or destruction of any part of the Facilities, caused by the perils covered by such insurance, the Authority is required to cause the proceeds of such insurance to be used for the repair, reconstruction or replacement of the damaged or destroyed portion of the Facilities, and the Trustee is required to hold said proceeds separate and apart from all other funds, in a special fund to be designated the "Insurance and Condemnation Fund," to the end that such proceeds are required to be applied to the repair, reconstruction or replacement of the Facilities to at least the same good order, repair and condition as they were in prior to the damage or destruction, insofar as the same may be accomplished by the use of said proceeds. The Trustee is required to permit withdrawals of said proceeds from time to time upon receiving the Written Request of the Authority, stating that the Authority has expended moneys or incurred liabilities in an amount equal to the amount therein requested to be paid over to it for the purpose of repair, reconstruction or replacement, and specifying the items for which such moneys were expended, or such liabilities were incurred. Any balance of said proceeds not required for such repair, reconstruction or replacement is required to be treated by the Trustee as Base Rental Payments and deposited into the Revenue Fund applied in the manner provided in the Trust Agreement, however, that if the insurance proceeds were paid to cover damage to property of the County that does not

constitute part of the Facilities, including, but not limited to furniture and office equipment, then such proceeds are required to be paid to the County. Alternatively, the Authority, at its option, and if the proceeds of such insurance together with any other moneys then available for the purpose are at least sufficient to redeem an aggregate principal amount of outstanding Bonds, equal to the amount of Base Rental attributable to the portion of the Facilities so destroyed or damaged (determined by reference to the proportion which the cost of such portion of the Facilities bears to the cost of the Facilities), may elect not to repair, reconstruct or replace the damaged or destroyed portion of the Facilities and cause said proceeds to be used for the redemption of Outstanding Bonds pursuant to the provisions of the Trust Agreement.

The Authority and the County covenant to promptly apply for Federal disaster aid or State disaster aid in the event that the Facilities are damaged or destroyed as a result of an earthquake occurring at any time. Any proceeds received as a result of such disaster aid are required to be used to repair, reconstruct, restore or replace the damaged or destroyed portions of the Facilities, or, at the option of the County and the Authority, to enable the County to prepay all or any part of the Base Rental Payments then unpaid, pursuant to the Facilities Lease, and to redeem outstanding Bonds if such use of such disaster aid is permitted.

As an alternative to providing the fire and extended coverage insurance, or any portion thereof, the County may provide a self-insurance method or plan of protection if and to the extent such self-insurance method or plan of protection affords reasonable coverage for the risks required to be insured against, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State other than the County. So long as such method or plan is being provided to satisfy the requirements of the Facilities Lease, there is required to be filed annually with the Trustee a statement of an actuary, insurance consultant or other qualified person (which may be the Risk Manager of the County), stating that, in the opinion of the signer, the substitute method or plan of protection is in accordance with the requirements of the Facilities Lease and, when effective, would afford reasonable coverage for the risks required to be insured against. A Certificate of the County setting forth the details of such substitute method or plan is also required to be filed with the Trustee. In the event of loss covered by any such self-insurance method, the liability of the County will be limited to the amounts in the self-insurance reserve fund or funds created under such method.

***Liability Insurance.*** The Facilities Lease requires the County to procure or cause to be procured and maintain or cause to be maintained, throughout the term of the Facilities Lease, a standard comprehensive general liability insurance policy or policies in protection of the Authority and its members, directors, officers, agents and employees and the Trustee, indemnifying said parties against all direct or contingent loss or liability for damages for personal injury, death or property damage occasioned by reason of the operation of the Facilities, with minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$200,000 for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance carried by the County.

As an alternative to providing the standard comprehensive general liability insurance described in the preceding paragraph, or any portion thereof, the County may provide a self-insurance method or plan of protection if and to the extent such self-insurance method or plan of protection affords reasonable protection to the Authority, its members, directors, officers, agents and employees and the Trustee, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State other than the County. So long as such method or plan is being provided to satisfy the requirements of the Facilities Lease, there is required to be filed annually with the Trustee a statement of an actuary, independent insurance consultant or other qualified person

(which may be the Risk Manager of the County), stating that, in the opinion of the signer, the substitute method or plan of protection is in accordance with the requirements of the Facilities Lease and, when effective, would afford reasonable protection to the Authority, its members, directors, officers, agents and employees and the Trustee against loss and damage from the hazards and risks covered thereby. A Certificate of the County setting forth the details of such substitute method or plan is also required to be filed with the Trustee.

***Rental Interruption or Use and Occupancy Insurance.*** The Facilities Lease requires the County to procure or cause to be procured and maintain or cause to be maintained, rental interruption or use and occupancy insurance to cover loss, total or partial, of the rental income from or the use of the Facilities as the result of any of the hazards covered by the insurance required by the Facilities Lease (provided with respect to earthquake insurance, only if available on the open market from reputable insurance companies at a reasonable cost, as determined by the County), in an amount sufficient to pay the part of the total rent attributable to the portion of the Facilities rendered unusable (determined by reference to the proportion which the cost of such portion bears to the cost of the Facilities) for a period of at least two years, except that such insurance may be subject to a deductible clause of not to exceed \$250,000 or a comparable amount adjusted for inflation (or more in the case of earthquake coverage), and with the additional exception that with respect to coverage for terrorism related loss, the period may be only one year, provided that the County use its best efforts to obtain such coverage for a period of at least two years assuming it is available on the open market from reputable insurance companies at a reasonable cost, as determined by the County. Any proceeds of such insurance is required to be used by the Trustee to reimburse to the County any rental paid by the County under the Facilities Lease attributable to such structure for a period of time during which the payment of Base Rental under the Facilities Lease is abated, and any proceeds of such insurance not so used is required to be applied as provided in the Facilities Lease (to the extent required for the payment of Base Rental) and any remainder is required to be treated as Revenues. The County may *not* self-insure for rental interruption insurance.

***Worker's Compensation Insurance.*** The County is also required to maintain worker's compensation insurance issued by a responsible carrier authorized under the laws of the State to insure its employees against liability for compensation under the Worker's Compensation Insurance and Safety Act now in force in the State, or any act hereafter enacted as an amendment or supplement thereto. As an alternative, such insurance may be maintained as part of or in conjunction with any other insurance carried by the County. Such insurance may be maintained by the County in the form of self-insurance.

***Title Insurance.*** The County is also required to obtain, for the benefit of the Authority, title insurance on the Facilities, in an amount equal to the aggregate principal amount of the 2021 Bonds, issued by a company of recognized standing duly authorized to issue the same, subject only to Permitted Encumbrances.

For a description of insurance and self-insurance programs of the County, see APPENDIX B—"COUNTY FINANCIAL INFORMATION—Insurance and Self-Insurance Programs."

### **Additional Bonds**

The Authority may only issue additional bonds under the Trust Agreement ("Additional Bonds") secured on a parity with the Bonds for the sole purpose of acquiring (by purchase or lease) or constructing facilities to be added to the Facilities or for the refunding of Outstanding Bonds. APPENDIX E—"SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS—TRUST AGREEMENT—Conditions for the Issuance of Additional Bonds."

## **Addition; Substitution and Release of Property**

The County and the Authority may add, substitute or release real property as part of the Facilities, but only after the County files with the Authority and the Trustee, with written notice to each rating agency then providing a rating for the 2021 Bonds, all of the following:

(i) Executed copies of the Facilities Lease or amendments thereto containing the amended description of the Facilities.

(ii) A Certificate of the County with copies of the Facilities Lease or the Site Lease, if needed or amendments thereto containing the amended description of the Facilities stating that such documents have been duly recorded in the official records of the County Recorder of the County.

(iii) A Certificate of the County, supported by expert knowledge (which may be that of the Real Estate Manager of the County) or construction cost information evidencing that the fair market value or the insured value of the Facilities that will constitute the Facilities after such addition, substitution or release will be at least equal to the aggregate outstanding principal amount of the Base Rental Payments after such addition, substitution or release and that the annual fair rental value of the Facilities after such addition, substitution, or release will be at least equal to the maximum annual Base Rental Payments coming due and payable under the Facilities Lease after such addition, substitution or release, and that the useful life of such Facilities will at least extend to the final Base Rental Payment date.

(iv) In connection with any addition or substitution of property, a leasehold owner's title insurance policy or policies or a commitment for such policy or policies or an amendment or endorsement to an existing title insurance policy or policies resulting in title insurance with respect to the Facilities after such addition or substitution in an amount at least equal to the aggregate principal amount of Bonds Outstanding at the time of such addition or substitution.

(v) A Certificate of the County stating that (i) such addition, substitution or release does not adversely affect the County's use and occupancy of such Facilities (as such term will be defined following the addition, substitution or release), and (ii) no event of default under the Facilities Lease has occurred and is continuing.

(vi) In connection with any substitution or release of property, (i) a Certificate of the County stating that the substitution or release will not cause the County to violate its covenants, representations and warranties under the Facilities Lease, and (ii) the written consent of the provider of the Reserve Facility (which consent shall not be unreasonably withheld).

(vii) In connection with any substitution of property, a Certificate of the County stating that the Facility to be added is of approximately the same or greater degree of essentiality to the County as the Facility being replaced.

(viii) In connection with the addition of property, a Certificate of the County stating that the Facility to be added is an essential facility of the County.

(ix) An Opinion of Bond Counsel stating that such amendment or modification (A) complies with the terms of the Constitution and laws of the State and of the Trust Agreement; (B) will, upon the execution and delivery thereof, be valid and binding upon the Authority and the County; and (C) if the 2021 Bonds Outstanding with respect thereto were issued on a tax-exempt

basis, will not cause the interest on such Series of 2021 Bonds to be included in gross income for federal income tax purposes.

There is no requirement under the Facilities Lease that any substitute Facilities be of the same or a similar nature or function as the then-existing Facilities.

### **Option to Purchase**

Pursuant to the Facilities Lease, the County has the option to purchase the interest of the Authority in any part of the Facilities upon payment of an option price consisting of moneys or securities satisfying the requirements specified in the Trust Agreement (and which securities are not callable by the issuer thereof prior to maturity) in an amount sufficient (together with the increment, earnings and interest on such securities) to provide funds to pay the aggregate amount for the entire remaining term of the Facilities Lease of the part of the total rent thereunder attributable to such part of the Facilities (determined by reference to the proportion which the cost of such part of the Facilities bears to the cost of all of the Facilities).

Payment of the option price is required to be made to the Trustee, will be treated as rental payments, and is required to be applied by the Trustee to pay the principal of the Series of 2021 Bonds and interest on such 2021 Bonds and to redeem 2021 Bonds if such 2021 Bonds are subject to redemption pursuant to the terms of the Trust Agreement.

### **Sale of Personal Property**

The County, in its discretion, may request the Authority to sell or exchange any personal property which may at any time constitute a part of the Facilities, and to release said personal property from the Facilities Lease, if (i) in the opinion of the County the property so sold or exchanged is no longer required or useful in connection with the operation of the Facilities, (ii) the consideration to be received from the property is of a value substantially equal to the value of the property to be released, and (iii) if the value of any such property is, in the opinion of the Authority, exceeds the amount of \$100,000, the Authority is required to have been furnished with a certificate of an independent engineer or other qualified independent professional consultant (satisfactory to the Authority) certifying the value thereof and further certifying that such property is no longer required or useful in connection with the operation of the Facilities. In the event of any such sale, the full amount of the money or consideration received for the personal property so sold and released is required to be paid to the Authority. Any money so paid to the Authority may, so long as the County is not in default under any of the provisions of the Facilities Lease, be used upon the Written Request of the County to purchase personal property, which property shall become a part of the Facilities leased under the Facilities Lease.

### **Abatement**

Base Rental Payments and Additional Payments will be abated proportionately, during any period in which by reason of any damage or destruction (other than by condemnation) there is substantial interference with the use and occupancy of the Facilities by the County, in the proportion in which the cost of that portion of the Facilities rendered unusable bears to the cost of the whole of the Facilities. Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, the Facilities Lease will continue in full force and effect and the County waives any right to terminate the Facilities Lease by virtue of any such damage or destruction.

## DEBT SERVICE SCHEDULE

The following table shows the debt service schedule relating to the Bonds (assuming no optional or extraordinary redemptions).

**Table 3**  
**Debt Service Schedule**

<b>Fiscal Year Ended June 30</b>	<b>2021 Series A Bonds</b>			<b>2021 Series B Bonds</b>			<b>Total Fiscal Year Debt Service</b>
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
[2021]							
2022							
2023							
2024							
2025							
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
2036							
2037							
2038							
2039							
2040							
[2041]							



## **CERTAIN RISK FACTORS**

*The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the 2021 Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations, which may be relevant to investing in the 2021 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.*

### **Limited Obligation**

The 2021 Bonds are not County debt and are limited obligations of the Authority. Neither the full faith and credit of the Authority nor the County is pledged for the payment of the interest on or principal of the 2021 Bonds nor for the payment of Base Rental Payments. The Authority has no taxing power. The obligation of the County to pay Base Rental Payments when due is an obligation payable from amounts in the General Fund of the County. The obligation of the County to make Base Rental Payments under the Facilities Lease does not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation or for which the County has levied or pledged any form of taxation. Neither the 2021 Bonds nor the obligation of the County to make Base Rental Payments under the Facilities Lease constitute a debt or indebtedness of the Authority, the County, the State or any of its political subdivisions, within the meaning of any constitutional or statutory debt limitation or restrictions.

### **Base Rental Payments Not a Debt of the County; Other County Obligations**

The Base Rental Payments due under the Facilities Lease (and insurance costs, payment of costs of repair and maintenance of the Facilities, taxes and other governmental charges and assessments levied against the Facilities) are not secured by any pledge of taxes or any other revenues of the County but are payable from any funds lawfully available to the County. The County may incur other obligations in the future payable from the same sources as the Base Rental Payments. In the event the County's revenue sources are less than its total obligations, the County could choose to fund other municipal services before making Base Rental Payments. The same result could occur if, because of State constitutional limits on expenditures, the County is not permitted to appropriate and spend all of its available revenues. The County's appropriations, however, have never exceeded the limitations on appropriations under Article XIII B of the California Constitution. For information on the County's current limitations on appropriations, see "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS—Article XIII B of the California Constitution."

### **Valid and Binding Covenant to Budget and Appropriate**

Pursuant to the Facilities Lease, the County covenants to take such action as may be necessary to include the related Base Rental Payments due in its annual budgets and to make necessary appropriations for all such payments. Such covenants are deemed to be duties imposed by law, and it is the duty of the public officials of the County to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the County to carry out and perform such covenants. A court, however, in its discretion may decline to enforce such covenants. Upon issuance of the 2021 Bonds, Bond Counsel will render its opinion (substantially in the form of APPENDIX F—"PROPOSED FORM OF BOND COUNSEL OPINION") to the effect that, subject to the limitations and qualifications described therein, the Facilities Lease constitutes a valid and binding obligation of the County. As to the Authority's practical realization of remedies upon default by the County, see "—Limitations on Remedies."

## **Abatement**

During any period there is loss or substantial interference in the use and occupancy of a Facility by the County caused by damage or destruction (other than by condemnation) Base Rental Payments will be abated proportionately in the proportion in which the cost of that portion of the Facilities rendered unusable bears to the cost of the whole Facilities, the related Base Rental Payments are subject to abatement. In the event that any Facility or any component thereof, if damaged or destroyed by an insured casualty, could not be replaced during the period of time that proceeds of the County's rental interruption insurance will be available in lieu of Base Rental Payments plus the period for which funds are available from the Revenue Fund, or in the event that casualty insurance proceeds or condemnation proceeds are insufficient to provide for complete repair, reconstruction or replacement of the Facilities or redemption of the Series of 2021 Bonds, there could be insufficient funds to make payments to Owners of the Series of 2021 Bonds in full. See APPENDIX E—"SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS—FACILITIES LEASE—Rental Abatement."

**It is not possible to predict the circumstances under which such an abatement of rental may occur. In addition, there is no statute, case or other law specifying how such an abatement of rental should be measured. Abatement, therefore, could have an uncertain and material adverse effect on the security for and payment of the 2021 Bonds.**

## **No Reserve Fund**

The Authority has not funded a debt service reserve fund for the Series 2021 Bonds.

## **Limited Recourse on Default; No Acceleration of Base Rental Payments**

The enforcement of remedies provided in the Facilities Lease and the Trust Agreement could be both expensive and time consuming. The Trustee has no interest in the Authority's title to any of the Facilities, and has no right to terminate the Facilities Lease or reenter or relet the Facilities. Upon the occurrence of one of the "events of default" described below, the County will be deemed to be in default under the Facilities Lease and the Authority may exercise any and all remedies available pursuant to law or granted pursuant to the Facilities Lease. Upon any such default, including a failure to pay Base Rental Payments, the Authority may either (1) terminate the Facilities Lease and seek to recover certain damages or (2) without terminating the Facilities Lease, (i) continue to collect rent from the County on an annual basis by seeking a separate judgment each year for that year's related defaulted Base Rental Payments and/or (ii) reenter the related Facilities and relet them. In the event of default, there is no right to accelerate the total Base Rental Payments due over the term of the Facilities Lease, and the Trustee has no possessory interest in the Facility and is not empowered to sell the Facilities or any of the Facilities.

Events of default under the Facilities Lease include: (i) the failure of the County to pay any rental payment under the Facilities Lease when the same become due (ii) the failure of the County to keep, observe or perform any term, covenant or condition of the Facilities Lease required to be kept or performed by the County for a period of 60 days after notice of the same has been given to the County by the Authority or the Trustee or for such additional time as reasonably required in the sole discretion of the Authority, to correct the same and (iii) assignment or transfer of the County's interest in the Facilities Lease, either voluntarily or by operation of law or otherwise, without the written consent of the Authority; (iv) the County or any assignee files any petition or institutes any proceeding under any act or acts, State or federal, dealing with or relating to the subject or subjects of the bankruptcy or insolvency or under any amendment of such act or acts, either as a bankrupt or as an insolvent, or as a debtor, or in any similar capacity, wherein or whereby the County asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of its debts or obligations, or offers to its creditors to effect a composition or

extension of time to pay the debts of the County or asks, seeks or prays for reorganization or to effect a plan of reorganization, or for a readjustment of the debts of the County, or for any other similar relief, or if any such petition or any such proceedings of the same or similar kind or character be filed or be instituted or taken against the County, or if a receiver of the business or of the property or assets of the County is appointed by any court, except a receiver appointed at the instance or request of the Authority, or if the County makes a general or any assignment for the benefit of the County's creditors, (v) the County abandons or vacates the related Facilities, or (vi) any representation or warranty made by the County in the Facilities Lease proves to have been false, incorrect, misleading or breached in any material respect on the date when made.

Upon a default, the Trustee may elect to proceed against the County to recover damages pursuant to the Facilities Lease. Any suit for money damages would be subject to statutory and judicial limitations on lessors' remedies under real property leases, other terms of the Facilities Lease and limitations on legal remedies against counties in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest.

### **Limitations on Remedies**

The rights of the Bondholders are subject to the limitations on legal remedies against counties in the State, including applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally, now or hereafter in effect, and to the application of general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law.

Under Chapter 9 of the Bankruptcy Code, which governs the bankruptcy proceedings for public agencies such as the County, there are no involuntary petitions in bankruptcy. If the County were to file a petition under Chapter 9 of the Bankruptcy Code, the Bondholders, the Trustee and the Authority could be prohibited from taking any steps to enforce their rights under the Facilities Lease, and from taking any steps to collect amounts due from the County under the Facilities Lease.

All legal opinions with respect to the enforcement of the Facilities Lease and the Trust Agreement will be expressly subject to a qualification that such agreements may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally and by applicable principles of equity if equitable remedies are sought.

### **Bankruptcy**

The rights and obligations of the County and the Authority under the 2021 Bonds, the Facilities Lease, the Site Lease, the Trust Agreement, and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against joint powers authorities and counties in the State.

The County is a political subdivision of the State permitted, under certain circumstances, to file for municipal bankruptcy under chapter 9 ("Chapter 9") of the United States Bankruptcy Code (the "Bankruptcy Code"). Chapter 9 permits only a voluntary filing by the County, not involuntary filings.

Among the adverse effects of such a bankruptcy might be: (a) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of

payments from the County or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the County; (b) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (c) the occurrence of unsecured or court-approved secured debt which may be secured by a lien with priority over the lien of the Trust Agreement or the release of Revenues to the County, free and clear of the lien of the Trust Agreement, in each case provided that the bankruptcy court determines that the rights of the Trustee and the Holders of the 2021 Bonds will be adequately protected; or (d) the possibility of the adoption of a plan for the adjustment of a county's debt without the consent of all creditors, which plan may restructure, delay, compromise or reduce the amount of the claim of the Holders of the 2021 Bonds if the bankruptcy court finds that such a plan is fair and equitable. The County may also be able, without the consent and over the objection of the Trustee and the Holders of the 2021 Bonds, to alter the priority, interest rate, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Trust Agreement and the 2021 Bonds, provided that the bankruptcy court determines that the alterations are fair and equitable.

Such adverse effects may result in the parties (including the Holders of the 2021 Bonds) being prohibited from taking any action to collect any amount from the County or to enforce any obligation of the County, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the Holders of the 2021 Bonds from funds in the Trustee's possession. There may also be delays in payments on the 2021 Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the County that could result in delays or reductions in payments on the 2021 Bonds, or result in losses to the Holders of the 2021 Bonds. Regardless of any specific adverse determinations in a County bankruptcy proceeding, the fact of a County bankruptcy proceeding could have an adverse effect on the liquidity and value of the 2021 Bonds.

A bankruptcy filing by the County could also limit remedies under the Facilities Lease or permit the County to assign the Facilities Lease to a third party without complying with any relevant provisions of the transaction documents. Among other limitations, a debtor in bankruptcy may choose to assume or reject executory contracts and leases. It is not clear whether a bankruptcy court would treat the Facilities Lease as an unexpired lease or executory contract under Section 365 ("Section 365") of the Bankruptcy Code (a "True Lease") or a loan or other financing arrangement (a "Financing Arrangement"). The Bankruptcy Code specifies different consequences for True Leases and Financing Arrangements. Were a bankruptcy court to find that the Facilities Lease is a True Lease, the Bankruptcy Code permits the County to reject the Facilities Lease and return possession of the Facilities to the lessor, leaving the Trustee, on behalf of Holders of the 2021 Bonds, with a general, unsecured claim that would likely be limited by the cap on landlord claims provided in the Bankruptcy Code, *i.e.*, to the rent payable under the Facilities Lease (without acceleration) for the greater of one year or 15% of the remaining term of the Facilities Lease, but not to exceed three years, following the earlier of (a) the date the bankruptcy petition was filed, and (b) the date on which the Authority repossessed or the County surrendered the leased property, plus any unpaid rentals under the Facilities Lease (without acceleration) on the earlier of such dates. Thus, if the Facilities Lease is treated as a True Lease under Section 365 and rejected in a County bankruptcy, any damage claim could be severely limited, resulting in reduced funds available to pay the 2021 Bonds. Alternatively, if a bankruptcy court found that the Facilities Lease was a Financing Arrangement, the Trustee, on behalf of Holders of the 2021 Bonds, may have a secured claim only up to the value of the economic value of the secured interest in the Facilities. Such value would be subject to determination by the bankruptcy court. Any portion of the claim of the Trustee, on behalf of the Holders of the 2021 Bonds that exceeded such value would likely be treated as unsecured.

***Pension Issues in Bankruptcy.*** In a bankruptcy of the County, if a material unpaid liability is owed to the Contra Costa County Employees' Retirement Association ("CCCERA") or any other pension system (collectively the "Pension Systems") on the filing date, or accrues thereafter, such circumstances

could create additional uncertainty as to the County's ability to make Base Rental Payments or other Lease Payments. Given that municipal pension systems in the State are usually administered pursuant to State constitutional provisions and, as applicable, other state, county and/or city law, the Pension Systems may take the position, among other possible arguments, that their claims enjoy a higher priority than all other claims, that Pension Systems have the right to enforce payment by injunction or other proceedings outside of a County bankruptcy case, and that Pension System claims cannot be the subject of adjustment or other impairment under the Bankruptcy Code because that would purportedly constitute a violation of state statutory, constitutional and/or municipal law. It is uncertain how a bankruptcy judge in a County bankruptcy would rule on these matters. Issues of pension underfunding claim priority, pension contribution enforcement, and related bankruptcy plan treatment of such claims (among other pension-related matters) were the subject of litigation in the Chapter 9 cases and related appeals, including those of Stockton, California and San Bernardino, California.

### **Military Conflicts and Terrorist Activities**

Military conflicts and terrorist activities may adversely impact the finances of the County. The County is unable to determine the effect of future terrorist events, if any, on, among other things, the County's current and future budgets, tax revenues, available reserves and additional public safety expenditures. The County conducted a review of certain existing safety and security measures after the events of September 11, 2001 and participates in additional security and public safety precautions taken in conjunction with "code" designations (*i.e.*, red, orange, yellow) announced by the federal government. Such precautions include coordination of safety and medical personnel, although specific anti-terrorist programs are not divulged publicly. The County does not guarantee that such actions will be adequate in the event that terrorist activities are directed against the County or its residents. The County cannot guarantee that additional safety or security related precautions taken by or affecting the County will not have a material adverse financial impact on the County.

Although, the County maintains various insurance coverages on its properties, including terrorism coverage for real and personal property, the County makes no representation that this insurance coverage will continue to be maintained in the future or as to the ability of any insurer to fulfill its obligations under any insurance policy. See also APPENDIX B—"COUNTY FINANCIAL INFORMATION—Insurance and Self-Insurance Programs."

There are three petroleum refineries located within the County, and during the past five Fiscal Years, the owners of these refineries were among the top 10 principal property taxpayers in the County. A terrorist act against any of these refineries or any principal taxpayer resulting in damage or destruction to facilities or infrastructure could have a material impact on revenues of the County. See also APPENDIX B—"COUNTY FINANCIAL INFORMATION."

### **Risk of Earthquake and Other Natural Disasters**

The occurrence of any natural disaster in the County, including, without limitation, earthquake, fire, windstorm, drought, landslide, mudslide, flood or a rise in sea levels as result of climate change, could have an adverse material impact on the economy within the County, its General Fund, and the Revenues available to make Base Rental Payments.

There are several earthquake faults in the greater San Francisco Bay Area that could result in damage to the Facilities, buildings, roads, bridges, and property within the County in the event of an earthquake. Past experiences, including the 1989 Loma Prieta earthquake, measuring 6.9 on the moment magnitude scale (7.1 on the Richter scale) with an epicenter approximately 60 miles south of the County and the 2014 Napa earthquake, measuring 6.0 on the moment magnitude scale with an epicenter

approximately 33 miles northwest of the County, resulted in some structural damage to the infrastructure and property in the County, the repair of which was covered by insurance. Earthquake faults that could affect the County include but may not be limited to the Hayward Fault in the western part of the County, and the Concord/Green Valley, Diablo and Calaveras Faults within the eastern portions of the County.

The Facilities Lease does not require the County to maintain insurance on the Facilities against earthquake risk unless such insurance is available from a reputable insurance company at a reasonable cost to the County. The County has purchased an earthquake insurance policy that expires on March 31, [2021] to cover all County property, including the Facilities. The County currently expects this insurance will be renewed.

The occurrence of natural disasters within the County could result in substantial damage within the County and to the Facilities which, in turn, could substantially reduce the ability of the County to make Base Rental Payments or cause an abatement in Base Rental Payments. Reduced ability to pay Base Rental Payments could affect the payment of the principal of and interest on the Series 2021 Bonds. The County maintains liability insurance and property casualty insurance on the Facilities, however, there can be no assurance that specific losses will be covered by insurance or, if covered, that claims will be paid in full by the applicable insurers. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2021 BONDS–Insurance” and APPENDIX B–“COUNTY FINANCIAL INFORMATION–Insurance and Self-Insurance Programs.”

### **Risk of Declines in Assessed Valuation**

Property tax levied against the assessed value of property within the County generally represents approximately \_\_\_% of General Fund revenues annually. Possible causes for a reduction in assessed values include the complete or partial destruction of taxable property within the County caused by natural or manmade disasters, such as flood, sea level rise, fire, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes). Any significant reduction in assessed value would have a material effect on Revenues available to make Base Rental Payments on the 2021 Bonds.

### **Climate Change**

**General.** The adoption by the State of the California Global Warming Solutions Act of 2006 (Assembly Bill No. 32) and subsequent companion bills demonstrate the commitment by the State to take action and reduce greenhouse gases (“GHG”) to 1990 levels by 2020 and 80% below 1990 levels by 2050. The State Attorney General’s Office, in accordance with the terms of Senate Bill No. 375, now requires that local governments examine local policies and large-scale planning efforts to determine how to reduce GHG emissions. Additionally, in 2006, the State adopted Senate Bill No. 32, which established a revised Statewide GHG emission reduction target of 40% below 1990 levels by 2030.

Additionally, the State’s 100 Percent Clean Energy Act of 2018 (“Senate Bill No. 100”), establishes targets for making the State’s power sources emissions free by December 31, 2045. Achieving that goal will require the State to increase its renewable energy portfolio as a source of electricity and will require utility companies, including those companies from whom the County may purchase energy from, to source energy from renewable zero-carbon resources.

**County Climate Change Policy.** In 2005, the County released the “*Contra Costa County Climate Protection Report*,” which provided an initial GHG inventory, reported existing County efforts to reduce GHG emissions and potential actions that could reduce GHG emissions in the future. The Board of

Supervisors then adopted a resolution in February 2007 to join Local Governments for Sustainability and to conduct a GHG emissions inventory of the County's countywide and municipal emissions. In October 2007, the Board of Supervisors adopted a resolution to complete a climate action plan for the county's municipal facilities and operations, which was funded by the Bay Area Air Quality Management District (BAAQMD).

In December 2008 the Board of Supervisors adopted a Municipal Climate Action Plan (the "2008 Plan") which reviewed GHG emissions from County operations. The 2008 Plan established formal GHG reduction targets, GHG reduction measures and methods for analysis and monitoring of GHG reduction measures for the County.

On December 15, 2015, the Board of Supervisors adopted an updated Climate Action Plan (the "2015 Plan") for the County identifying the strategy for achieving the Assembly Bill No. 32 GHG emissions reduction targets and further addressed climate change locally. The 2015 Plan includes sections covering the scientific and regulatory environment, an updated GHG inventory and forecast, a GHG reduction strategy and implementation plan.

*[Statement Regarding Progress Towards GHG emission reduction goals?]*

**Sea Level Rise.** In May 2009, the California Climate Change Center released a final paper (for informational purposes only) entitled "*The Impacts of Sea-Level Rise on the California Coast*" prepared by the Pacific Institute and funded by the California Energy Commission, the California Environmental Protection Agency, the Metropolitan Transportation Commission, the California Department of Transportation, and the California Ocean Protection Council. This paper posits that increases in sea level will be a significant consequence of climate change over the next century.

Climate change models predict more intense rainfall events, more frequent or extensive runoff, and more frequent and severe flood events. Localized flood events may increase in periods of heavy rain. Although climate change is likely to lead to a drier climate overall, risks from regular, more intense rainfall events can generate more frequent and/or more severe flooding that upsets California's managed balance between storage and protection. Additionally, erosion may increase and water quality may decrease as a result of increased rainfall amounts.

The Pacific Institute identified several portions of shoreline areas within the County which may be affected by sea level rise. Local impacts of climate change are not definitive, but the County, including and portions of the unincorporated areas of Bay Point (formerly West Pittsburg), North Richmond, and Rodeo could experience changes to local and regional weather patterns; rising bay water levels; increased risk of flooding; changes in salinity and tidal patterns of San Francisco and San Pablo bays; coastal erosion; water restrictions; and vegetation changes.

In addition, the County participated in the Adapting to Rising Tides (ART) project to identify risks of sea level rise throughout the County. In March 2017, a final report (the "ART Study-West") was released identifying the major risks to West and Central Contra Costa County, from Richmond to unincorporated Bay Point. In summary, the report estimates that sea levels may rise 2-12 inches by 2030, 5-24 inches by 2050, and 17-66 inches by 2100 in Contra Costa County. Using these estimates combined with National Research Council data, the ART Study-West quantifies the damage posed by sea-level rise across Contra Costa County, with particular emphasis on what is at risk across sectors and for the most vulnerable communities in the County.

A separate study is being completed for the eastern portion of the County (the "ART Study-East") in collaboration with Adapting to Rising Tides, the Delta Stewardship Council and the County. The ART

Study-East project concentrates on the threats from current and future flooding in the Sacramento/San Joaquin Delta region, from the City of Pittsburg to the Clifton Court Forebay (located southeast of the unincorporated community of Byron). This study is currently in progress and is expected to be completed in 20\_\_\_\_\_.

Sea level rise occurs as a result of rising average ocean temperatures, thermal expansion, and melting of snow and ice. While many different climate change effects will impact the County, sea level rise has been extensively researched and quantified, allowing for a clearer geographic understanding of its effects. The rate and amount of sea level rise will be influenced by rising average temperatures and the speed of melting glacial ice. There is a degree of uncertainty in many projections, and the present rate of sea level rise is faster than many previous projects have estimated. On average, the Pacific Institute paper projected that the County will experience a 40% increase in acreage vulnerable to a 100-year flood event between 2000 and 2100.

**Wildfires.** The State continues to battle devastating wildfires. According to recent research, California’s annual wildfire extent increased fivefold since the 1970’s. It is believed that this trend was mainly due to an eightfold increase in summertime forest-fire area and was very likely driven by drying of fuels promoted by human-induced warming.<sup>1</sup> This trend is likely to continue, resulting in significant economic and public safety challenges for the State, the San Francisco Bay Area, and the County.

Climate change concerns are leading to new laws and regulations at the federal, State and local levels. Research suggests that the State will experience hotter and drier conditions, reductions in winter snow and increases in winter rains, sea level rise, significant changes to the water cycle, increased occurrences of extreme and unpredictable weather events, and increased catastrophic wildfires and severity of flood events. The compound impacts of which will affect economic systems throughout the State, the San Francisco Bay Area region, and the County. The County is unable to predict the impact that such laws and regulations, if adopted, and the effects of climate change will have on the Revenues available to make Base Rental Payments, however, the effects could be material.

**Drought.** From 2012 through 2016, the State experienced “exceptional drought conditions” (the most severe drought classification) according to the U.S. Drought Monitor. Other notable historical droughts included 2007-09, 1987-92, 1976-77, and off-and-on dry conditions spanning more than a decade in the 1920s and 1930s.

Droughts cause public health and safety impacts, as well as economic and environmental impacts. Public health and safety impacts are primarily associated with catastrophic wildfire risks and drinking water shortage risks for small water systems in rural areas and private residential wells. Examples of other impacts include costs to homeowners due to loss of residential landscaping, degradation of urban environments due to loss of landscaping, agricultural land fallowing and associated job loss, degradation of fishery habitat, and tree mortality with damage to forest ecosystems.

It is not possible for the County to make any representation regarding the extent to which drought conditions could cause reduced economic activity within the County or the extent to which droughts may have in the future on General Fund revenues of the County.

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<sup>1</sup> Williams, A. P., Abatzoglou, J. T., Gershunov, A., Guzman-Morales, J., Bishop, D. A., Balch, J. K., & Lettenmaier, D. P. (2019). Observed impacts of anthropogenic climate change on wildfire in California. *Earth's Future*, Vol. 7, Issue 8, 892–910. <https://doi.org/10.1029/2019EF001210>



## **Potential Impacts of Coronavirus and Other Health-Related Risks**

**Background.** On January 7, 2020, the Centers for Disease Control and Prevention established an incident management system for, and has since responded to, an outbreak of respiratory disease caused by a novel coronavirus that was first detected in China and which has now been detected worldwide, including the United States. The virus has been named “SARS-CoV-2” and the disease it causes has been named “coronavirus disease 2019” (“COVID-19”). On January 30, 2020, the International Health Regulations Emergency Committee of the World Health Organization (“WHO”) declared the COVID-19 outbreak a “public health emergency of international concern.”

On January 31, 2020, Health and Human Services Secretary declared a public health emergency for the United States to aid the nation’s healthcare community in responding to COVID-19, and on March 11, 2020, WHO declared COVID-19 to be a pandemic.

On March 4, 2020, the Governor of the State declared a State of Emergency to make additional resources available, formalize emergency actions currently underway across multiple State agencies, including the California Department of Public Health, the California Health and Human Services Agency, the Governor’s Office of Emergency Services and other agencies, and help the State prepare for broader spread of COVID-19. A week later, the Governor announced that State public health officials issued an updated policy determining that all gatherings in the State of more than 250 should be postponed or canceled until at least the end of March 2020. And, on March 10, 2020, the Board of Supervisors adopted resolutions proclaiming the existence of a local emergency and requesting the Governor to proclaim a state of emergency within the County and the County Department of Health Services issued guidance for social distancing, including the cancellation or postponement of events for greater than 49 people.

**Federal Responses and Relief Actions.** On March 13, 2020, a national emergency was declared by the President to combat COVID-19. This declaration provides access to the Federal Emergency Management Agency (FEMA) Public Assistance program, which allows for a 75% federal cost share on certain emergency protective measures taken at the direction or guidance of public health officials in response to the COVID-19 pandemic. Qualifying expenditures are those that are not supported by the authority of another federal agency (*i.e.* reimbursement for response activities funded by another federal agency grant program). Examples of reimbursable activities include the activation of Emergency Operations Centers, National Guard costs, law enforcement, and other measures necessary to protect public health and safety.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act established the Coronavirus Relief Fund (CRF) and appropriated \$150 billion to the CRF. The CRF is to be used to make payments for specified uses to states and certain local governments with populations over 500,000; the District of Columbia and U.S. Territories; and Tribal governments.

On April 22, 2020, the County received an allocation of \$201,281,393.70 from the U.S. Treasury as a direct allocation from the CRF as it is a local jurisdiction with a population exceeding 500,000. The CARES Act includes certain restrictions on the use of the CRF direct allocation and the County is reviewing how to best direct this revenue in concert with other potential cost recovery items.

**State Responses and Actions.** On March 19, 2020, the Governor issued Executive Order N-33-10 requiring all residents to remain home or at their places of residence, except as needed to maintain continuity of operation of 16 critical infrastructure sectors identified by the federal government (essential businesses).

Following the President's emergency declaration, the Governor requested that the federal government declare a major disaster in California due to COVID-19. That request was approved by the President on March 22, 2020, which activated additional federal resources directed to assist the State, including deployment of mobile hospital units and a U.S. Navy hospital ship among other things. The County was a recipient of mobile field hospital equipment and took delivery of those resources at the Craneway Pavilion in Richmond, which will serve as a 250-bed alternate care site supporting the capacity of the County's hospital and clinic system. On April 28, 2020, the Board of Supervisors ratified a renewal of the license agreement for the Craneway Pavilion through May 2020.

The California Governor's Office of Emergency Services (CalOES) is facilitating the collection of FEMA Requests for Public Assistance (RPA) from agencies (public and private) impacted by the COVID-19 pandemic and has requested that impacted agencies adopt required Project Assurances for Federal Assistance and a resolution designating agents that can act on behalf of the impact agency.

[On August 28, 2020 the Governor announced “The California Blueprint for a Safer Economy” (the “Blueprint”), a tool for reducing COVID-19 in the State with revised criteria for loosening and tightening restrictions on activities. Every county in the State is assigned to a tier based on its test positivity and adjusted case rate for tier assignment. There are four tiers, designated by color: purple (widespread), red (substantial), orange (moderate), and yellow (minimal) to designate community disease transmission with each tier having a different level of associated restrictions. Based upon size, counties can travel between tiers based upon performance in two case measures, among other things:

“Adjusted Case Rate,” the average daily number of COVID-19 cases over seven days, excluding persons out of State or with unknown county of residence and persons incarcerated, divided by the number of people living in the county multiplied by a case rate adjustment factor (as set forth in the Blueprint); and

“Testing Positivity Rate,” the total number of positive polymerase chain reaction (“PCR”) tests for COVID-19 over a seven-day period (based on specimen collected date) divided by the total number of PCR tests conducted, excluding persons out of State or with unknown county of residence and persons incarcerated, multiplied by 100.

Additionally, the California Health Equity Metric (the “Metric”) took effect on October 6, 2020. The Metric is designed to help guide counties in their continuing efforts to reduce COVID-19 cases in all communities and requires more intensive efforts to prevent and mitigate the spread of COVID-19 among Californians who have been disproportionately impacted by the pandemic. In order to advance to the next less restrictive tier, each county will need to meet an equity metric or demonstrate targeted investments to eliminate disparities in levels of COVID-19 transmission, depending on the size of a specific county

On November 16, 2020, in light of the recent, unprecedented surge in the rate of increase of COVID-19 cases, the Governor made the following changes to the tier framework, described above, effective until further notice:

- Tier assignments may occur any day of the week and may occur more than once a week when the California Department of Public Health (“CDPH”) determines that the most recent reliable data indicate that immediate action is needed to address COVID-19 transmission in a county;
- Counties may be moved back more than one tier if CDPH determines that the data support the more intensive intervention. Key considerations will include the rate of increase in new cases and/or test positivity, more recent data as noted below, public health capacity, and other epidemiological factors;

- The most recent reliable data will be used to complete the assessment; and
- In light of the extreme circumstances requiring immediate action, counties will be required to implement any sector changes the day following the tier announcement.

As of the date of this Official Statement, the County is in the \_\_\_\_\_ (\_\_\_\_\_) tier.]

**County Responses and Actions.** The County has activated the Emergency Operations Center (EOC) and several Department Operations Centers (DOC) to assist in the response to the pandemic. Those operations centers are the hub for procurement and distribution of services and equipment necessary to respond to the emergency.

On March 16, 2020, the County, along with Health Officers from the San Francisco Bay Area, announced Public Health Orders requiring residents to stay home to limit the spread of COVID-19. These “shelter-in-place” orders were initially in effect through April 7, 2020. Pursuant to County Code Section 42-2.602, on March 20, 2020, the County Administrator, in his capacity of Administrator of Emergency Services, issued an emergency blanket purchase order in the amount of \$20 million for the procurement of services and supplies necessary to facilitate the COVID-19 response within the County.

On March 31, 2020 the shelter-in-place order was extended through May 3, 2020 and both expanded and clarified certain activities to be deemed non-essential to include use of shared recreational facilities and most construction activities, among other things. On April 17, 2020, the County and the Health Officers issued a “Cover Your Face” order, which went into effect on April 22, 2020 and requires face coverings when working in or visiting an essential business, riding on public transportation, and visiting a healthcare facility. Since March 31, the initial County shelter-in-place order has been extended several times, most recently on December 4, 2020. These interventions are designed to reduce harm from the spread of the coronavirus in the community. Because COVID-19 spreads so easily, it is believed that without dramatic intervention like these orders, the number of patients requiring medical attention in hospitals could dramatically increase and quickly overwhelm hospital facilities and increase the risks to health care workers and other first responders. Also see the discussion in APPENDIX B–“COUNTY FINANCIAL INFORMATION–Major General Fund Revenues.”

Currently, the spread of COVID-19 is altering the behavior of businesses and the public in a manner that is having negative effects on global and local economies. There can be no assurances that the spread of COVID-19 will not have a longer-term material adverse impact on the economy and the financial condition of the County. Potential impacts to the County associated with COVID-19 transmission include, but are not limited to, reductions in commercial activity, with corresponding decreases in major revenues such as sales tax and increases in expenditures to clean, sanitize, and maintain County facilities as a result of public health risks. The degree to which any such impact to the operations and finances of the County is extremely difficult to predict due to the evolving nature of COVID-19 transmission, including uncertainties relating to (i) the duration of the outbreak, (ii) the severity of the outbreak, and (iii) the ultimate geographic spread of the outbreak, as well as with regard to what actions may be taken by governmental authorities to contain or mitigate its impact.

## **Cybersecurity**

The County, like many other public and private entities, relies on computer and other digital technology and systems to conduct its operations. The County and its departments are potentially subject to multiple cyber threats including, but not limited to, hacking, viruses, malware, ransomware, and other attacks on computers and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to County systems for the purposes of misappropriating assets or

information or causing operational disruption or damage. The County maintains insurance coverage for cyber threat losses if a successful breach occurs, however, the County makes no representation that such insurance would be sufficient to cover all losses in the event of a material and sustained cyber breach. In January 2020, the County Library branches and its administrative offices experienced a ransomware attack of its computer system resulting in the affected servers being taken offline, and in February 2020, a second outage occurred. The County Library is working with law enforcement and IT experts to gather information and prevent future attacks. The County Library does not collect social security numbers or store credit card payment information, and in 2019 ceased collecting driver's license information and removed that information from customer records. Currently, there is no evidence that any personal patron data was compromised. The County Library computer system is not integrated with the general County computer systems

No assurances can be given that the security and operational control measures of the County will be successful in guarding against any and each cyber threat and attack. The results of any attack on the computer and information technology systems of the County could have a material adverse impact on the operations and finances of the County and damage the digital networks and systems. The resulting impacts on the operations of the County and the costs of remedying any such damage could be material and result in a delay of payments of the Base Rental Payments or the ability of the County to comply with its reporting obligations under the Continuing Disclosure Agreement.

### **Hazardous Substances**

Owners and operators of real property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance whether or not the owner (or operator) has or had anything to do with creating or handling the hazardous substance. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly and adversely affect the operations and finances of the County.

Although the County handles, uses and stores certain hazardous substances, including but not limited to, solvents, paints and certain other chemicals on or near the Facilities, the County knows of no existing hazardous substances which require remedial action on or near the Facilities. However, it is possible that such substances do currently or potentially exist and that the County is not aware of them.

### **Limited Liability of Authority to the Owners**

Except as expressly provided in the Trust Agreement, the Authority will not have any obligation or liability to the Owners of the 2021 Bonds with respect to the payment when due of the Base Rental Payments by the County, or with respect to the performance by the County of other agreements and covenants required to be performed by it contained in the Facilities Lease, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Trust Agreement.

## **State Funding of Counties**

The County receives a significant portion of its funding from subventions by the State. In Fiscal Year 2019-20, approximately 23% (representing approximately [384.9] million) of the Recommended General Fund Budget consisted of payments from the State. For Fiscal Year 2020-21, approximately 23% (representing approximately [408.6] million) of the Recommended General Fund Budget is expected to consist of payments from the State. As a result, decreases in the revenues received by the State can affect subventions made by the State to the County and other counties in the State. The potential impact of State budget actions on the County in particular, and other counties in the State generally, in this and future Fiscal Years is uncertain. For a discussion of the potential impact of State budget actions on the County in particular, and counties in the State generally, see APPENDIX B–“COUNTY FINANCIAL INFORMATION–State Budgets.”

## **Loss of Tax Exemption**

As discussed under “TAX MATTERS,” interest on the 2021 Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of issuance, as a result of acts or omissions of the Authority or the County subsequent to the issuance of the 2021 [Bonds in violation of the covenants contained in the Trust Agreement or the Facilities Lease. The Trust Agreement *does not* contain a special redemption provision triggered by the occurrence of an event of taxability. As a result, if interest on the 2021 Bonds were to become includable in gross income for purposes of the federal income tax, the 2021 Bonds would continue to remain outstanding until maturity or unless earlier redeemed pursuant to optional redemption.

## **IRS Examination**

The IRS has an ongoing program of examining tax and revenue anticipation notes, other working capital financings and other tax-exempt obligations to determine whether, in the view of the IRS, interest on such obligations is properly excluded from gross income for federal income tax purposes.

In 2011, the IRS selected three series of tax allocation revenue bonds issued by the Authority in 1999, 2003 and 2007 for examination. The Authority provided certain information relating to those bonds to the IRS as requested and made a settlement payment to the IRS with respect to those bonds. In January 2013, the IRS completed and closed its examination of those bonds with no change in position that interest received by bondholders of those bonds is excludable from gross income under Section 103 of the Code.

It is possible that the 2021 Bonds or other tax-exempt obligations of the County may be selected for examination under such program. There is no assurance that an IRS examination of the 2021 Bonds or other tax-exempt obligations of the County will not adversely affect the market value of the 2020 Bonds. See “TAX MATTERS.”

## **Pension and Other Post-Employment Benefit Liability**

Many factors influence the amount of the pension and other post-employment benefit liabilities of the County, including, without limitation, inflationary factors, changes in laws, changes in the levels of benefits provided or in the contribution rates of the County, increases or decreases in the number of covered employees, changes in actuarial assumptions or methods (including but not limited to the assumed rate of return), and differences between actual and anticipated investment experience of the plans. Any of these factors could give rise to additional liability of the County as a result of which the County would be obligated to make additional payments in order to fully fund its obligations. See

APPENDIX B—"COUNTY FINANCIAL INFORMATION—Pension Plan" and "—Other Post-Employment Benefits."

**Changes in Law**

Initiative measures have been proposed or adopted which affect the ability of local governments to increase taxes and rates. Article XIII A, Article XIII B, Article XIII C, Article XIII D, and Propositions 218, 1A, 22 and 26, were each adopted as measures that qualified for the ballot through the State's initiative process. From time to time, other initiative measures could be adopted, which may place further limitations on the ability of the State and the County to increase revenues or to increase appropriations which may affect the revenues available to make the Base Rental Payments or the ability of the County to expend its revenues. There is no assurance that the electorate or the State Legislature will not at some future time approve additional limitations which could affect the ability of the County to make payments under the Facilities Lease and adversely affect the security for the 2021 Bonds.

**Secondary Market**

There can be no guarantee that there will be a secondary market for the 2021 Bonds or, if a secondary market exists, that any 2021 Bonds can be sold for any particular price. Prices of municipal securities for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price. No assurance can be given that the market price for the 2021 Bonds will not be affected by the introduction or enactment of any future legislation, or changes in interpretation of existing law.

**CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES,  
REVENUES AND APPROPRIATIONS**

Described below are certain measures which have impacted or may in the future impact the County's General Fund Budget.

**Article XIII A of the California Constitution**

*General.* In 1978, California voters approved Proposition 13, adding Article XIII A to the California Constitution. Article XIII A was subsequently amended on several occasions in various respects. Article XIII A limits the amount of any ad valorem tax on real property to 1% of the full cash value thereof, except that additional ad valorem taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978 and on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters voting on such indebtedness and or bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities approved by 55% of the voters voting on the proposition. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash" or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, and to provide that there would

be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster or in the event of certain transfers to children or spouses or of the elderly or disabled to new residences.

### **Legislation Implementing Article XIII A**

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the County and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years. See APPENDIX B—“COUNTY FINANCIAL INFORMATION—*Ad Valorem* Property Taxes.”

### **Article XIII B of the California Constitution**

On October 6, 1979, California voters approved Proposition 4, known as the Gann Initiative, which added Article XIII B to the California Constitution. Propositions 98 and 111, approved by the California voters in 1988 and 1990, respectively, substantially modified Article XIII B. The principal effect of Article XIII B is to limit the annual appropriations of the State and any city, county, school district, authority, or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted for changes in the cost of living and population. The initial version of Article XIII B provided that the “base year” for establishing an appropriations limit was the 1978-79 fiscal year, which was then adjusted annually to reflect changes in population, consumer prices and certain increases in the cost of services provided by these public agencies. Proposition 111 revised the method for making annual adjustments to the appropriations limit by redefining changes in the cost of living and in population. It also required that beginning in Fiscal Year 1990-91 each appropriations limit must be recalculated using the actual 1986-87 appropriations limit and making the applicable annual adjustments as if the provisions of Proposition 111 had been in effect.

Appropriations subject to limitations of a local government under Article XIII B include generally any authorization to expend during a fiscal year the proceeds of taxes levied by or for that entity and the proceeds of certain State subventions to that entity, exclusive of refunds of taxes. Proceeds of taxes include, but are not limited to all tax revenues plus the proceeds to an entity of government from (1) regulatory licenses, user charges and user fees (but only to the extent such proceeds exceed the cost of providing the service or regulation), (2) the investment of tax revenues, and (3) certain subventions received from the State. Article XIII B permits any government entity to change the appropriations limit by a vote of the electors in conformity with statutory and constitutional voting effective for a maximum of four years.

As amended by Proposition 111, Article XIII B provides for testing of appropriations limits over consecutive two-year periods. If an entity’s revenues in any two-year period exceed the amounts permitted to be spent over such period, the excess has to be returned by revising tax rates or fee schedules over the subsequent two years. As amended by Proposition 98, Article XIII B provides for the payment of a portion of any excess revenues to a fund established to assist in financing certain school needs. Appropriations for “qualified capital outlays” are excluded from the limits of Proposition 111.

The Article XIII B limits for the County for the last four Fiscal Years and estimated for Fiscal Year 2020-21 are set forth below.

<b>Fiscal Year</b>	<b>Article XIII A Limit</b>	<b>Budget Amount</b>
2016-17	\$19,899,587,179	\$397,683,814
2017-18	20,874,666,951	\$423,977,321
2018-19	21,855,776,298	447,954,143
2019-20	22,861,142,008	472,687,280
2020-21 <sup>†</sup>	23,825,882,201	506,596,368

<sup>†</sup> Budgeted.

Source: County Auditor-Controller.

The County has never exceeded its Article XIII B appropriations limit and does not anticipate having any difficulty in operating within the appropriations limit.

### **Article XIII C and Article XIII D of the California Constitution**

On November 5, 1996, the voters of the State approved Proposition 218, known as the “Right to Vote on Taxes Act.” Proposition 218 added Articles XIII C and XIII D to the State Constitution, which contain a number of provisions affecting the ability of a local agency to levy and collect both existing and future taxes, assessments, fees and charges. Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of a local agency require a majority vote and taxes for specific purposes, even if deposited in the general fund, require a two-thirds vote. Further, any general purpose tax which the local agency imposed, extended or increased without voter approval after December 31, 1994 may continue to be imposed only if approved by a majority vote in an election held prior to November 5, 1998. The voter approval requirements of Article XIII C reduce a local agency’s flexibility to deal with fiscal problems by raising revenue through new or extended or increased taxes and no assurance can be given that the County will be able to impose, extend or increase taxes in the future to meet increased expenditure requirements. Article XIII D contains several provisions making it generally more difficult for local agencies to levy and maintain “assessments” for municipal services and programs. “Assessment” in this Article is defined to mean any levy or charge upon real property for a special benefit conferred upon the real property.

Article XIII D also contains several provisions affecting a “fee” or “charge,” defined for purposes of Article XIII D to mean “any levy other than an *ad valorem* tax, a special tax, or an assessment, imposed by a local agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service.” All new and existing property related fees and charges must conform to requirements prohibiting, among other things, fees and charges which (i) generate revenues exceeding the funds required to provide the property related service, (ii) are used for any purpose other than those for which the fees and charges are imposed, (iii) with respect to any parcel or person, exceed the proportional cost of the service attributable to the parcel, (iv) are for a service not actually used by, or immediately available to, the owner of the property in question, or (v) are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. Further, before any property related fee or charge may be imposed or increased, written notice must be given to the record owner of each parcel of land affected by such fee or charge. The local agency must then hold a hearing upon the proposed imposition or increase, and if written protests against the proposal are presented by a majority of the owners of the identified parcels, the local agency may not impose or increase the fee or charge. Moreover, except for fees or charges for sewer, water and refuse collection services (or fees for electrical and gas service, which are not treated as “property related” for purposes of Article XIII D), no



property related fee or charge may be imposed or increased without majority approval by the property owners subject to the fee or charge or, at the option of the local agency, two-thirds voter approval by the electorate residing in the affected area.

The County does not believe that it is currently collecting fees, charges or assessments in violation of Article XIII D. The County has two enterprise funds that are self-supporting from fees and charges, which could, depending upon judicial interpretation of Proposition 218, ultimately be determined to be property related for purposes of Article XIII D. In the event that fees and charges cannot be appropriately increased, or are reduced pursuant to exercise of the initiative power (described in the following paragraph), the County may have to decide whether to support any deficiencies in these enterprise funds with moneys from the general fund or to curtail service, or both.

In addition to the provisions described above, Article XIII C also removes prohibitions and limitations on the initiative power in matters of any “local tax, assessment, fee or charge.” Consequently, the voters of the County could, by future initiative, repeal, reduce or prohibit the future imposition or increase of any local tax, assessment, fee or charge. “Assessment,” “fee” and “charge,” are not defined in Article XIII C and it is not clear whether the definitions of these terms in Article XIII D (which are generally property-related as described above) would limit the scope of the initiative power set forth in Article XIII C. If the Article XIII D definitions are not held to limit the scope of Article XIII C initiative powers, then the Article XIII C initiative power could potentially apply to revenue sources that currently constitute a substantial portion of general fund revenues. No assurance can be given that the voters of the County will not, in the future, approve initiatives that repeal, reduce or prohibit the future imposition or increase of local taxes, assessments, fees or charges.

## **Proposition 62**

On November 4, 1986, California voters adopted Proposition 62, an initiative statute that, among other things, requires (i) that any new or increased general purpose tax be approved by a two-thirds vote of the local governmental entity’s legislative body and by a majority vote of the voters voting in an election on the issue, (ii) that any new or increased special purpose tax be approved by a two-thirds vote of the local governmental entity’s legislative body and by a two-thirds vote of the voters voting in an election on the issue, and (iii) that the revenues from a special tax be used for the purposes or for the services for which the special tax was imposed.

On September 28, 1995, the California Supreme Court filed its decision in *Santa Clara County Local Transportation Authority v. Guardino*, 11 Cal. 4th 220 (1995) (the “Santa Clara decision”), which upheld a Court of Appeal decision invalidating a one-half cent countywide sales tax for transportation purposes levied by a local transportation authority. The California Supreme Court based its decision on the failure of the authority to obtain a two-thirds vote for the levy of a “special tax” as required by Proposition 62. The Santa Clara decision did not address the question of whether it should be applied retroactively. In *McBrearty v. City of Brawley*, 59 Cal. App. 4th 1441 (1997), the Court of Appeal, Fourth District, concluded that the Santa Clara decision is to be applied retroactively to require voter approval of taxes enacted after the adoption of Proposition 62 but before the Santa Clara decision.

Following the California Supreme Court’s decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association et al. v. City of La Habra*, 25 Cal. 4th 809 (2011). In this case, the court held that the public agency’s continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to

Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

Proposition 62 as an initiative statute does not have the same level of authority as a constitutional initiative, but is analogous to legislation adopted by the State Legislature, except that it may be amended only by a vote of the State's electorate. Since the passage of Proposition 218, however, certain provisions of Proposition 62 (e.g., voter approval of taxes) are governed by the California Constitution. The requirements of Proposition 218 and Proposition 62 are not in complete harmony, and so where they diverge, the local governmental entity must meet both standards. For a discussion of taxes affected by Proposition 218, see "–Article XIII C and Article XIII D of the California Constitution" above. If a court determined that a jurisdiction imposed a tax in violation of Proposition 62, Proposition 62 would require that the portion of the one percent general *ad valorem* property tax levy allocated to that jurisdiction be reduced by \$1 for every \$1 in revenue attributable to the tax for each year that the tax had been collected.

### **Proposition 1A**

The California Constitution and existing statutes give the Legislature authority over property taxes, sales taxes and the vehicle license fee (the "VLF"). The Legislature has authority to change tax rates, the items subject to taxation and the distribution of tax revenues among local governments, schools, and community college districts. The State has used this authority for many purposes, including increasing funding for local services, reducing State costs, reducing taxation, addressing concerns regarding funding for particular local governments, and restructuring local finance. The California Constitution generally requires the State to reimburse the local governments when the State mandates a new local program or higher level of service. Due to the ongoing financial difficulties of the State in recent years, it has not provided reimbursements for many mandated costs. In other cases, the State has suspended mandates, eliminating both responsibility of the local governments for complying with the mandate and the need for State reimbursements.

On November 3, 2004, the voters of the State approved Proposition 1A, which amended the California Constitution to, among other things, reduce the State Legislature's authority over local government revenue sources by placing restrictions on the State's access to local government's property, sales and vehicle license fee revenues. Proposition 1A generally prohibits the shift of property tax revenues from cities, counties and special districts, except to address a "severe state financial hardship," which must be approved by a two-thirds vote of both houses of the Legislature, and only then if, among other things, such amounts were agreed to be repaid with interest within three years. The measure also (a) protects the property tax backfill of sales tax revenues diverted to pay the State's economic recovery bonds, and the reinstatement of the sales tax revenues once such bonds are repaid, and (b) protects local agency vehicle license fee revenue (or a comparable amount of backfill payments from the State).

If the State reduces the VLF rate below its current level of 0.65 percent of the vehicle value, Proposition 1A requires the State to provide local governments with equal replacement revenues. Proposition 1A provides two significant exceptions to the above restrictions regarding sales and property taxes. First, the State may shift to schools and community colleges up to 8 percent of local government property tax revenues if the Governor proclaims that the shift is needed due to a severe State financial hardship, the legislature approves the shift with a two-thirds vote of both houses and certain other conditions are met. The State must repay local governments for the diversion of their property tax revenues, with interest, within three years. Second, Proposition 1A allows the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county.

Proposition 1A amends the California Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their

costs to comply with the mandates. If the State does not provide funding for the activity that has been determined to be mandated, the requirement on cities, counties or special districts to abide by the mandate would be suspended. In addition, Proposition 1A expands the definition of what constitutes a mandate to encompass State action that transfers to cities, counties and special districts financial responsibility for a required program for which the State previously had complete or partial financial responsibility. This provision does not apply to mandates relating to schools or community colleges, or to those mandates relating to employee rights.

Proposition 1A restricts the State's authority to reallocate local tax revenues to address concerns regarding funding for specific local governments or to restructure local government finance. For example the State could not enact measures that changed how local sales tax revenues are allocated to cities and counties. In addition, measures that reallocated property taxes among local governments in a county would require approval by two-thirds of the members of each house of the legislature (rather than a majority vote). As a result, Proposition 1A could result in fewer changes to local government revenues than otherwise would have been the case.

### **Proposition 22**

Proposition 22 ("Proposition 22") which was approved by California voters in November 2010, prohibits the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services and prohibits fuel tax revenues from being loaned for cash-flow or budget balancing purposes to the State General Fund or any other State fund. In addition, Proposition 22 generally eliminates the State's authority to temporarily shift property taxes from cities, counties, and special districts to schools, temporarily increase a school and community college district's share of property tax revenues, prohibits the State from borrowing or redirecting redevelopment property tax revenues or requiring increased pass-through payments thereof, and prohibits the State from reallocating vehicle license fee revenues to pay for State-imposed mandates. The County is unable to predict how Proposition 22 will be interpreted, or to what extent the measure will affect the revenues in the general fund of local agencies, although it could eventually provide greater stability in local agency revenues.

Due to the prohibition with respect to the State's ability to take, reallocate, and borrow money raised by local governments for local purposes, Proposition 22 supersedes certain provisions of Proposition 1A (2004). However, borrowings and reallocations from local governments during 2009 are not subject to Proposition 22 prohibitions. In addition, Proposition 22 supersedes Proposition 1A of 2006. Accordingly, the State is prohibited from borrowing sales taxes or exercise taxes on motor vehicle fuels or changing the allocations of those taxes among local governments except pursuant to specified procedures involving public notices and hearings.

### **Proposition 26**

On November 2, 2010, the voters of the State approved Proposition 26 ("Proposition 26"), revising certain provisions of Articles XIII A and XIII C of the California Constitution. Proposition 26 re-categorizes many State and local fees as taxes, requires local governments to obtain two-thirds voter approval for taxes levied by local governments, and requires the State to obtain the approval of two-thirds of both houses of the State Legislature to approve State laws that increase taxes. Furthermore, pursuant to Proposition 26, any increase in a fee beyond the amount needed to provide the specific service or benefit is deemed to be a tax and the approval thereof will require a two-thirds vote. In addition, for State imposed charges, any tax or fee adopted after January 1, 2010 with a majority vote which would have required a two-thirds vote if Proposition 26 were effective at the time of such adoption is repealed as of November 2011 absent the re-adoption by the requisite two-thirds vote.

Proposition 26 amends Article XIII C of the State Constitution to state that a “tax” means a levy, charge or exaction of any kind imposed by a local government, except: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property or the purchase, rental or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law, including late payment fees, fees imposed under administrative citation ordinances, parking violations, etc.; (6) a charge imposed as a condition of property development; or (7) assessments and property related fees imposed in accordance with the provisions of Article XIII D. Fees, charges and payments that are made pursuant to a voluntary contract that are not “imposed by a local government” are not considered taxes and are not covered by Proposition 26.

Proposition 26 applies to any levy, charge or exaction imposed, increased, or extended by local government on or after November 3, 2010. Accordingly, fees adopted prior to that date are not subject to the measure until they are increased or extended or if it is determined that an exemption applies. If the local government specifies how the funds from a proposed local tax are to be used, the approval will be subject to a two-thirds voter requirement. If the local government does not specify how the funds from a proposed local tax are to be used, the approval will be subject to a fifty percent voter requirement. Proposed local government fees that are not subject to Proposition 26 are subject to the approval of a majority of the governing body. In general, proposed property charges will be subject to a majority vote of approval by the governing body although certain proposed property charges will also require approval by a majority of property owners.

### **Future Initiatives**

The laws and Constitutional provisions described above were each adopted as measures that qualified for the ballot pursuant to the State’s initiative process. From time to time other initiative measures could be adopted, further affecting revenues of the County, the County’s ability to expend revenues. Neither the Authority nor the County can anticipate the nature or impact of such measures.

## **THE AUTHORITY**

The Authority is a joint powers authority, organized pursuant to an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 16, 2015 (the “JPA Agreement”), by and between the County and the Contra Costa County Flood Control and the Water Conservation District (the “District”). The JPA Agreement amended and restated the Joint Exercise Powers Agreement, dated as of April 7, 1992, between the County and the Contra Costa County Redevelopment Agency (the “Agency”) and provided for the addition of the District and the withdrawal of the Successor to the Agency as members of the Authority. The JPA Agreement was entered into pursuant to the California Government Code, commencing with Section 6500. The Authority is a separate entity constituting a public instrumentality of the State of California and was formed for the public purpose of assisting in financing and refinancing projects for the benefit of the County and the District.

The Authority is governed by a five member Board of Directors. The Board of Supervisors of the County constitutes the Board of Directors of the Authority. The Executive Director and Secretary of the Authority is the County Administrator; the Assistant Executive Director of the Authority is the County Public Works Director; the Deputy Executive Directors of the Authority are the Chief Assistant County Administrator and the County Finance Director; the Treasurer of the Authority is the County Auditor-Controller; and the Assistant Secretary of the Authority is the County Finance Director. The Authority's powers include, but are not limited to, the power to issue bonds and to sell such bonds to public or private purchasers at public or by negotiated sale. The Authority is entitled to exercise the powers common to its members and necessary to accomplish the purposes for which it was formed. These powers include the power to make and enter into contracts; to employ agents and employees; to acquire, construct, manage, maintain and operate buildings, works or improvements; to acquire, hold or dispose of property within the County; and to incur debts, liabilities or obligations.

## THE COUNTY

The County of Contra Costa lies northeast of the San Francisco Bay and is the ninth most populous county in California. The County seat is in the City of Martinez. Major industries in the County include petroleum refining and telecommunications. The General Fund Final Budget for Fiscal Year 2019-20 was approximately \$[1.878] billion and for Fiscal Year 2020-21 is approximately [1.790] billion.

For certain economic, demographic and financial information with respect to the County, see APPENDIX A—"GENERAL COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION," APPENDIX B—"COUNTY FINANCIAL INFORMATION" and APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020."

## RATINGS

Moody's Investors Service ("Moody's") and S&P Global Ratings ("S&P") have assigned ratings of "\_\_\_" and "\_\_\_," respectively, to the 2021 Bonds.

Certain information was supplied by the Authority and the County to Moody's and S&P to be considered in evaluating the 2021 Bonds. A rating reflects only the view of the agency giving such rating and is not a recommendation to buy, sell or hold the 2021 Bonds. An explanation of the significance of the rating may be obtained from the rating agency at the following addresses: Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007 and S&P Global Ratings, 55 Water Street, New York, New York 10041.

There is no assurance that such ratings will continue for any given period of time or that they will not be reduced or withdrawn entirely by the rating agencies, or either of them, if in their or its, judgment, circumstances so warrant. The Authority, the County, and the Trustee undertake no responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal may have an adverse effect on the market price of the 2021 Bonds.

In providing a rating on the 2021 Bonds, the rating agencies may have performed independent calculations of coverage ratios using their own internal formulas and methodology which may not reflect the provisions of the 2021 Indenture. The Authority and the County make no representation as to any such calculations, and such calculations should not be construed as a representation by the Authority or the County as to past or future compliance with any bond covenants, the availability of particular revenues for the payment of debt service on the 2021 Bonds or for any other purpose.

The County will covenant in the Continuing Disclosure Certificate to file on EMMA, notices of any ratings changes on the 2021 Bonds. See “CONTINUING DISCLOSURE” and APPENDIX G–“PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT.” Notwithstanding such covenants, information relating to ratings changes on the 2021 Bonds may be publicly available from the rating agencies prior to such information being provided to the County and prior to the date notice of such rating change is obligated to be filed on EMMA. Purchasers of the 2021 Bonds are directed to the rating agencies and their respective websites and official media outlets for the most current ratings changes with respect to the 2021 Bonds following the initial issuance of the 2021 Bonds.

## **LITIGATION MATTERS**

At the time of delivery of and payment for the 2021 Bonds, the County and the Authority will each certify that there is no action, suit, litigation, inquiry or investigation before or by any court, governmental agency, public board or body served, or to the best knowledge of the County or the Authority threatened, against the County or the Authority in any material respect affecting the existence of the County or the Authority or the titles of their officers to their respective offices or seeking to prohibit, restrain or enjoin the sale or delivery of the 2021 Bonds, the execution of the Trust Agreement, the Facilities Lease, the Site Leases or the payment of Base Rental Payments or challenging, directly or indirectly, the location of the Facilities, or the proceedings to lease the Facilities from the Authority.

Various other legal actions are pending against the County. The aggregate amount of the uninsured liabilities of the County which may result from all legal claims currently pending against it will not, in the opinion of the County, materially affect the County’s finances or impair its ability to make Base Rental Payments under the Facilities Lease.

## **TAX MATTERS**

### **Federal Income Taxes**

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements that must be met subsequent to the issuance and delivery of the 2021 Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the 2021 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the 2021 Bonds. Pursuant to the Trust Agreement and the Tax Certificate, by and between the Authority and the County (the “Tax Certificate”), the Authority and the County have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the 2021 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the County have made certain representations and certifications in the Trust Agreement and the Tax Certificate. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the Authority and the County described above, interest on the 2021 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

In rendering these opinions, Bond Counsel has relied upon representations and covenants of the Authority and the County in the Tax Certificate concerning the property financed or refinanced with proceeds of the 2021 Bonds, the investment and use of Bond proceeds and the rebate to the federal government of certain earnings thereon. In addition, Bond Counsel has assumed that all such representations are true and correct and that the Authority and the County will comply with such covenants. Bond Counsel has expressed no opinion with respect to the exclusion of the interest on the 2021 Bonds from gross income under Section 103(a) of the Code in the event that any of such Authority or County representations are untrue or the Authority or the County fails to comply with such covenants, unless such failure to comply is based on the advice or the opinion of Bond Counsel.

### **State Taxes**

Bond Counsel is also of the opinion that interest on the 2021 Bonds is exempt from personal income taxes of the State of California under present State law. Bond Counsel expresses no opinion as to other State or local tax consequences arising with respect to the 2021 Bonds nor as to the taxability of the 2021 Bonds or the income therefrom under the laws of any state other than California.

### **Original Issue Discount**

Bond Counsel is further of the opinion that the excess of the principal amount of a maturity of the 2021 Bonds over its issue price (i.e., the first price at which price a substantial amount of such maturity of the 2021 Bonds was sold to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (each, a “Discount Bond” and collectively the “Discount Bonds”) constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the 2021 Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such issue price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

### **Original Issue Premium**

Bonds sold at prices in excess of their principal amounts are “Premium Bonds”. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser’s adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

## **Ancillary Tax Matters**

Ownership of the 2021 Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the 2021 Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the 2021 Bonds is subject to information reporting to the Internal Revenue Service (the “IRS”) in a manner similar to interest paid on taxable obligations. In addition, interest on the 2021 Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinions attached as Appendix F. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the 2021 Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

## **Changes in Law and Post Issuance Events**

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the 2021 Bonds for federal or state income tax purposes, and thus on the value or marketability of the 2021 Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the 2021 Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the 2021 Bonds may occur. Prospective purchasers of the 2021 Bonds should consult their own tax advisors regarding the impact of any change in law on the 2021 Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the 2021 Bonds may affect the tax status of interest on the 2021 Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the 2021 Bonds, or the interest thereon, if any action is taken with respect to the 2021 Bonds or the proceeds thereof upon the advice or approval of other counsel.



## **LEGAL MATTERS**

Nixon Peabody LLP, San Francisco, California, Bond Counsel, will render an opinion with respect to the validity of the 2021 Bonds. Copies of such approving opinion will be available at the time of delivery of the 2021 Bonds. The form of the legal opinion proposed to be delivered by Bond Counsel is included as APPENDIX F to this Official Statement. Bond Counsel undertakes no responsibility for the accuracy, completeness, or fairness of this Official Statement. Certain legal matters will be passed upon for the County and the Authority by County Counsel, and by Schiff Hardin LLP, San Francisco, California, Disclosure Counsel, and for the Underwriter by Katten Muchin Rosenman, New York, New York. Compensation paid to Bond Counsel, Disclosure Counsel and Underwriter's Counsel is contingent on the delivery of the 2021 Bonds.

## **MUNICIPAL ADVISOR**

The County has retained Montague DeRose and Associates, LLC, Walnut Creek, California as Municipal Advisor (the "Municipal Advisor") to the County and the Authority in connection with the issuance of the 2021 Bonds. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or negotiable instruments. The Municipal Advisor has not audited, authenticated, or otherwise verified the information set forth in this Official Statement or other information relating to the 2021 Bonds. The Municipal Advisor makes no guaranty, warranty or other representation on any matter related to the information contained in this Official Statement. The compensation of the Municipal Advisor is [not] contingent upon the successful delivery of the 2021 Bonds.

## **CONTINUING DISCLOSURE**

The County will undertake all responsibilities for any continuing disclosure to Owners of the 2021 Bonds as described below.

The County will enter into a Continuing Disclosure Agreement with Digital Assurance Certification, L.L.C., as Dissemination Agent, to be dated the date of delivery of the 2021 Bonds (the "Continuing Disclosure Agreement"), which provides for certain disclosure obligations on the part of the County. Pursuant to the Continuing Disclosure Agreement, the County will covenant for the benefit of Owners and Beneficial Owners of the 2021 Bonds to provide certain financial information and operating data relating to the County by not later than nine months after the end of its fiscal year (which fiscal year currently ends on June 30), commencing with the report for the fiscal year ending June 30, 2021 (the "Annual Report"), and to provide notices of the occurrence of certain specified events (the "Specified Events"). The Annual Report and notices of Specified Events will be filed by the County or the Dissemination Agent, through the Electronic Municipal Market Access site maintained by the MSRB. These covenants will be made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule"). For a form of the Continuing Disclosure Agreement, see APPENDIX G—"PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT."

During the last five years, the County has regularly filed its annual reports and notices of Specified Events in accordance with its prior continuing disclosure undertakings. However, in connection with the County of Contra Costa Public Financing Authority Lease Revenue Bonds (Refunding and Capital Projects), 2015 Series A and 2015 Series B, the County failed to provide the construction status of the 2015 Project as of June 30, 2016, as required by the continuing disclosure certificate. A remedial filing on EMMA to supplement the 2016 Operating Data filing was made on March 2, 2018.

The County has established procedures intended to ensure compliance with its continuing disclosure undertakings, including the appointment of Digital Assurance Certification, L.L.C., as Dissemination Agent for *all* bond transactions for which it has continuing disclosure undertakings; adoption of a Debt Management Policy, including disclosure procedures, which is reviewed annually by the Board of Supervisors; and the designation of the County Administrator, the Director of Conservation and Development, and the County Finance Director, or their written designees as the Disclosure Representative for the County.

## UNDERWRITING

Pursuant to the terms of a Bond Purchase Agreement with respect to the 2021 Bonds, dated \_\_\_\_\_, 2021 (the "Purchase Agreement"), by and among the Authority, the County and Barclays Capital Inc. (the "Underwriter"), the Underwriter will purchase all of the 2021 Bonds, if any are purchased. The obligation of the Underwriter to make such purchase is subject to the terms and conditions set forth in the Purchase Agreement.

The Underwriter purchased the 2021 Bonds at a price of \$\_\_\_\_\_ (which represents the aggregate principal amount of the 2021 Bonds plus an aggregate net original issue premium in the amount of \$\_\_\_\_\_ and less an aggregate Underwriter's discount in the amount of \$\_\_\_\_\_).

The Underwriter may change the initial public offering prices and yields set forth on the inside cover pages of this Official Statement. The Underwriter may offer and sell the 2021 Bonds to certain dealers and others at prices lower or yields higher than the public offering prices and yields set forth on the inside cover pages hereof.

## MISCELLANEOUS INFORMATION

References are made herein to certain documents, reports and laws that are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents, reports and laws for full and complete statements of the contents thereof. Copies of documents referred to herein are available upon written request from the County: 1025 Escobar Street, 4th Floor, Martinez, California 94553-0663; Attention: Finance Director. The County may impose a charge for copying, mailing and handling.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority or the County and the purchasers or Owners of any of the 2021 Bonds.

The execution and delivery of this Official Statement has been duly authorized by the Board of Directors of the Authority and approved by the County Board of Supervisors.

COUNTY OF CONTRA COSTA PUBLIC  
FINANCING AUTHORITY

By: \_\_\_\_\_  
Monica Nino  
Executive Director

**APPENDIX A**

**GENERAL COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION**

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## APPENDIX A

### GENERAL COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION

*This Appendix A contains general information concerning the historic economic and demographic conditions in the County. The information was obtained from the sources indicated and is limited to the time periods indicated. The information is historic in nature and reflects information available as of its dated date; it is not possible to predict whether the trends shown will continue in the future. The County makes no representation as to the accuracy or completeness of data obtained from parties other than the County. In particular, certain of the information provided in under this Appendix predates the COVID-19 pandemic. See “Certain Bondowners’ Risks – Potential Impacts of Corona Virus and Other Health-Related Risks.”*

#### **General**

The County of Contra Costa, California (the “County”) was incorporated in 1850 as one of the original 27 counties of the State of California (the “State”), with the City of Martinez as the County seat. It is one of the nine counties in the San Francisco-Oakland Bay Area. The County covers about 733 square miles and extends from the northeastern shore of the San Francisco Bay easterly about 50 miles to San Joaquin County. The County is bordered on the south and west by Alameda County and on the north by the Suisun and San Pablo Bays. The western and northern shorelines are highly industrialized, while the interior sections are suburban/residential, commercial and light industrial. The County contains 19 incorporated cities, including Richmond in the west, Antioch in the northeast, and Concord in the middle.

A large part of the County is served by the San Francisco Bay Area Rapid Transit District (“BART”), which has enabled the expansion of both residential and commercial development throughout much of the County. In addition, economic development along the Interstate 680 corridor in the County has been substantial and has accounted for significant job creation in the Cities of Concord, Walnut Creek and San Ramon.

#### **County Government**

The County has a general law form of government. A five-member Board of Supervisors, each member of which is elected to a four-year term, serves as the County’s legislative body. Also elected are the County Assessor, Auditor-Controller (the “County Auditor-Controller”), Clerk-Recorder, District Attorney-Public Administrator, Sheriff-Coroner and Treasurer-Tax Collector (the “County Treasurer”). A County Administrator appointed by the Board of Supervisors runs the day-to-day business of the County. The current County Administrator is Monica Nino.

**Contra Costa County  
Elected Officials**

*[Terms and Offices to be updated on January 4, 2021]*

Name	Office	Expiration of Current Term
John M. Gioia	Supervisor, District 1	January 2, 2023
Candace Andersen	Supervisor, District 2, <i>Chair</i>	January 4, 2021
Diane Burgis	Supervisor, District 3, <i>Vice Chair</i>	January 4, 2021
Karen Mitchoff	Supervisor, District 4	January 2, 2023
Federal D. Glover	Supervisor, District 5	January 4, 2021
Robert R. Campbell	Auditor-Controller	January 2, 2023
Russell V. Watts	Treasurer-Tax Collector	January 2, 2023
Gus S. Kramer	Assessor	January 2, 2023
Deborah Cooper	Clerk Recorder	January 2, 2023
Diana Becton	District Attorney	January 2, 2023
David O. Livingston	Sheriff-Coroner	January 2, 2023

Brief resumes of key County officials are set forth below.

***Monica Nino, County Administrator.*** Ms. Nino was appointed County Administrator by the Board of Supervisors on December 8, 2020 and is responsible for the overall administration of County government. Prior to her appointment, she served as the County Administrator for San Joaquin County, California, from 2013 to 2020 where she oversaw 26 county departments, an annual operating budget of \$1.9 billion, and over 7,500 county employees serving 765,000 residents. Prior to that, Ms. Nino served as the Chief Executive Officer for Stanislaus County, where she began her career in local government in 1988. Ms. Nino also served on the San Joaquin Health Commission, Sex Offender Management Board (appointed by Governor Brown), the Council of Governments Management & Finance Committee, and iHub San Joaquin. Ms. Nino received her \_\_\_\_\_ degree from \_\_\_\_\_. [Summary of professional memberships, board memberships, accolades – *To Come*].

***Robert R. Campbell, Auditor-Controller.*** Mr. Campbell was elected Auditor-Controller of the County in June 2010 and is the chief accounting officer for the County. Prior to his election to the Office of Auditor-Controller, Mr. Campbell was the Chief Accountant over the property tax division. Mr. Campbell has worked for the County for more than 30 years. He received a Bachelor of Science degree in business administration from the California State University, Hayward. Mr. Campbell was appointed by the State Controller as the County Auditors’ Association representative to the California Uniform Construction Cost Accounting Commission in 2011 and by the State Treasurer as a member of the State Task Force on Bond Accountability in 2015. Mr. Campbell is also an active member of the State Association of County Auditors, a member of the Government Finance Officers Association and the Association of Government Accountants. Mr. Campbell is a former president of the State Association of County Auditors Property Tax and Payroll Managers’ committees, and served as a member on various State Association’s Property Tax Guideline Committees.

***Russell V. Watts, Treasurer-Tax Collector.*** Mr. Watts was elected Treasurer-Tax Collector in June 2010. In this capacity he also serves as ex officio member on the Board of Trustees of the Contra Costa County Employees’ Retirement Association, representing the County at large. Mr. Watts also serves on the County’s Debt Advisory Committee and the OPEB Trust Advisory Group, and is the Plan Administrator for the Public Agencies Post-Retirement Health Care Plan Trust. Mr. Watts is a member of the California Association of County Treasurer-Tax Collectors and serves on both the Executive and Legislative Committees. He is also a member of the Government Finance Officers Association. Mr. Watts has sat on the Contra Costa County Treasury Oversight Committee since 2003. Mr. Watts received his Bachelor of Arts from Brigham Young University and earned his Masters in Public Administration at the

University of North Carolina-Chapel Hill. He has worked in tax administration and treasury management since 1994.

### **Population**

The County is the ninth most populous county in California, with its population reaching approximately 1,153,561 as of January 1, 2020. This represents an increase of approximately 0.22% compared to the County's population as of January 1, 2019. The availability of rapid transit, close proximity to major employment hubs in San Francisco and Oakland, and relatively affordable existing and new housing have combined to attract more residents to the County over the past decade.

Population growth in the County has been strongest in unincorporated areas as well as in the cities of Antioch, Brentwood, Hercules, Oakley, Pittsburg and San Ramon.

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The following is a summary of the County’s population levels since 2016.

**Table A-1**  
**County of Contra Costa**  
**Population<sup>†</sup>**  
**(as of January 1)**

<u>Incorporated Cities</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Antioch	111,425	112,062	112,094	112,423	112,520
Brentwood	59,559	61,453	62,993	64,365	65,118
Clayton	11,361	11,378	11,364	11,347	11,337
Concord	129,220,	129,825,	130,269	130,435	130,143
Danville	44806	43,826	43,881	43,923	43,876
El Cerrito	24,559	24,608	24,675	24,852	24,953
Hercules	24,870	25,339,	25,339	25,488	25,530
Lafayette	25,380	25,484	26,504	25,644	25,604
Martinez	37,305,	37,414	37,439	37,424	37,106
Moraga	16,741	16,799	16,908	16,939	16,946
Oakley	39,725	40,474	41,232	41,979	42,461
Orinda	18,722	18,746	18,822	18,911	19,009
Pinole	19,430	19,498	19,546	19,563	19,505
Pittsburg	69,867	71,530	73,215	73,565	74,321
Pleasant Hill	34,272	34,300	34,292	34,286	34,267
Richmond	109,449	110,103	110,585	110,793	111,217
San Pablo	30,899	31,073	31,341	31,481	31,413
San Ramon	79,483,	80,812	81,580	82,100	83,118
Walnut Creek	69,549	70,031	70,031	70,958	70,860
SUBTOTAL INCORPORATED	955,622	964,755	971,468	976,476	979,304
Unincorporated	172,783	174,106	173,673	174,145	174,257
TOTAL	1,128,405	1,138,861	1,145,141	1,150,621	1,153,561
California	39,131,307	39,398,702	39,586,646	39,695,376	39,782,870

<sup>†</sup> Columns may not total due to independent rounding.

Source: State of California, Department of Finance, Table 2: E-4 Population Estimates for Cities, Counties and State, 2011-2020 with 2010 Benchmark, Sacramento, California, May 2020.



## Industry and Employment

As shown below, the County's civilian labor force was 561,700 in 2019 (the most recent year for which annual data is available). With average 2019 unemployment rates of 3.1% and 4.0% for the County and the State, respectively, the County has achieved a lower unemployment rate than that of the State in each of the prior five calendar years. Preliminary State Development Department data for December 2020 indicates that the unemployment rate (not seasonally adjusted) for the County was \_\_% compared to \_\_% for the State.

**Table A-2**  
**County of Contra Costa**  
**Employment and Unemployment of**  
**Resident Labor Force**  
**Wage and Salary Employment by Industry**  
**Annual Averages**  
**(Not Seasonally Adjusted)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019<sup>†</sup></u>
County Civilian Labor Force <sup>(1)</sup>	545,100	553,600	559,200	560,900	561,700
Employment	517,700	528,900	537,800	542,800	544,500
Unemployment	27,400	24,800	21,400	18,100	17,300
Unemployment Rate:					
County	5.0%	4.5%	3.8%	3.2%	3.1%
State of California	6.2%	5.5%	4.8%	4.2%	4.0%
United States	5.3%	4.9%	4.4%	3.9%	3.7%
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Wage and Salary Employment <sup>(2)</sup>					
Farm	700	800	800	700	
Natural Resources, Mining and Construction	22,800	25,400	25,500	26,200	
Manufacturing	15,000	14,900	15,600	15,600	
Durable Goods	6,700	6,600	6,500	6,400	
Nondurable Goods	8,300	8,300	9,100	9,200	
Trade, Transportation and Utilities	62,500	64,900	65,200	64,200	
Information	8,300	8,100	8,000	7,800	
Financial Activities	26,300	27,000	27,400	26,900	
Professional and Business Services	50,900	52,100	54,300	55,200	
Educational and Health Services	64,100	67,300	69,300	70,600	
Leisure and Hospitality	38,300	40,500	40,700	41,500	
Other Services	12,700	13,000	13,000	13,400	
Government	49,300	50,400	50,500	50,900	
TOTAL <sup>(3)</sup>	<u>365,900</u>	<u>379,300</u>	<u>385,900</u>	<u>388,600</u>	

† Most recent annual data available. Wage and Salary employment by industry for 2019 is not yet available.

(1) Based on place of residence.

(2) Based on place of work.

(3) Columns may not total due to independent rounding.

Source: State of California, Employment Development Department, and Labor Market Information Division, March 2019 Benchmark and Census 2010 population controls at the State level, and United States Bureau of Labor Statistics.

## Major Employers

Major industries in the County include petroleum refining, telecommunications, financial and retail services, steel manufacturing, prefabricated metals, chemicals, electronic equipment, paper products and food processing. Most of the County's heavy manufacturing is located along the County's northern boundary fronting on the Suisun Bay and San Pablo Bay leading to San Francisco Bay and the Pacific Ocean.

The following Table A-3 provides a listing of major employers headquartered or with locations in the County who participated in the data collection survey and their estimated firm-wide employment levels.

**Table A-3**  
**County Contra Costa**  
**Principal Employers<sup>†</sup>**  
**2020**  
*[To be Updated]*

<b>Employer</b>	<b>Estimated Employees</b>	<b>% of Total County Employment</b>
Chevron Corporation	10,000+	1.84%
Bay Alarm Co.	1,000-4,999	0.56
St. Mary's College	1,000-4,999	0.55
Bio-Rad Laboratories, Inc.	1,000-4,999	0.55
Job Connections	1,000-4,999	0.55
John Muir Medical Center	1,000-4,999	0.55
Kaiser Permanente	1,000-4,999	0.55
La Raza Market	1,000-4,999	0.55
Martinez Medical Offices	1,000-4,999	0.55
USS POSCO Industries	1,000-4,999	0.55
Doctors Medical Center	1,000-4,999	0.55
Contra Costa Newspapers, Inc.	1,000-4,999	0.55
All Others	506,800	93.20
TOTAL	543,800 <sup>(4)</sup>	100.00%

<sup>†</sup> Government employers excluded.

Sources: State of California Employment Development Department, June 2019.

## Personal Income

The United States Department of Commerce, Bureau of Economic Analysis (the "BEA") produces economic account statistics that enable government and business decision-makers, researchers, and the public to follow and understand the performance of the national economy.

The BEA defines "personal income" as income received by persons from all sources, including income received from participation in production as well as from government and business transfer payments. Personal income represents the sum of compensation of employees (received), supplements to wages and salaries, proprietors' income with inventory valuation adjustment and capital consumption adjustment (CCAdj), rental income of persons with CCAdj, personal income receipts on assets, and personal current transfer receipts, less contributions for government social insurance. Per capita personal income is calculated as the personal income divided by the resident population based upon the Census Bureau's annual midyear population estimates.

Table A-4 below presents the latest available total income and per capita personal income for the County, the State and the nation for the calendar years 2015 through 2019 (the most recent annual data available). The County has traditionally had per capita income levels significantly higher than those of the State and the nation.

**Table A-4  
County of Contra Costa  
Personal Income  
Calendar Years 2015 through 2019<sup>†</sup>**

<b>Year and Area</b>	<b>Personal Income (millions of dollars)</b>	<b>Per Capita Personal Income (dollars)</b>
<b>2019<sup>†</sup></b>		
County	\$98,423	\$85,324
State	2,632,280	66,619
United States	18,542,262	56,490
<b>2018</b>		
County	\$93,701	\$81,442
State	2,514,503	63,720
United States	17,883,255	54,606
<b>2017</b>		
County	88,448	77,211
State	2,383,130	60,549
United States	16,893,582	51,118
<b>2016</b>		
County	82,677	72,698
State	2,273,557	58,048
United States	16,151,881	50,015
<b>2015</b>		
County	77,847	69,234
State	2,172,930	55,833
United States	15,717,140	49,019

<sup>†</sup> Most recent annual data available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, Last Updated September 24, 2020 –revised statistics for 2013-2019.

## Commercial Activity

Commercial activity comprises an important part of the County’s economy, with taxable transactions totaling approximately \$18.0 billion in calendar year 2019. Presented in Table A-5 below is a summary of taxable transactions in the County since 2015.

**Table A-5**  
**COUNTY OF CONTRA COSTA**  
**TAXABLE TRANSACTIONS<sup>†</sup>**  
**CALENDAR YEARS 2015 TO 2019**  
**(\$ in Thousands)**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Motor Vehicle and Parts Dealers	\$2,245,947	\$2,389,936	\$2,466,061	\$2,524,584	\$2,441,947
Furniture and Home Furnishings Stores	686,740	718,157	710,526	779,695	700,037
Building Materials and Garden Equipment and Supplies	1,002,124	1,069,948	1,159,632	1,247,703	1,229,980
Food and Beverage Stores	816,995	841,672	894,222	911,240	924,880
Gasoline Stations	1,341,604	1,249,397	1,409,204	1,638,072	1,611,849
Clothing and Clothing Accessories Stores	902,810	940,766	956,380	1,006,195	1,027,195
General Merchandise Stores	1,567,416	1,598,156	1,651,647	1,711,123	1,704,564
Food Services and Drinking Places	1,613,644	1,704,675	1,786,381	1,853,159	1,959,850
Other Retail Group	1,359,781	1,413,795	1,467,381	1,532,116	1,718,142
Total Retail and Food Services	11,537,063	11,926,501	12,501,433	13,163,368	13,318,443
All Other Outlets	3,142,689	4,177,784	4,256,199	4,444,000	4,762,302
<b>TOTAL ALL OUTLETS</b>	<b>\$15,786,868</b>	<b>\$16,104,285</b>	<b>\$16,757,632</b>	<b>\$17,607,890</b>	<b>\$18,080,746</b>
% CHANGE		2.01%	4.06%	5.07%	2.69%

<sup>†</sup> Columns do not total due to independent rounding.

Sources: California Department of Tax and Fee Administration, formerly the California State Board of Equalization, Taxable Sales in California—Taxable Sales—Counties by Type of Business (Taxable Table 3).

Much of the County’s commercial activity is concentrated in central business districts of its cities and unincorporated towns. Regional shopping centers, numerous smaller centers and several “big box” warehouse stores serve County residents. The County is served by all major banks including Bank of America and Wells Fargo Bank. In addition there are numerous local banks and branches of smaller California and foreign banks.

See also APPENDIX B—“COUNTY FINANCIAL INFORMATION.”

## Construction Activity

The value of building permits in the County decreased by 17.8% in calendar year 2019 compared to calendar year 2018 levels.

The following Table A-6 provides a summary of residential building permit valuations and number of new dwelling units authorized in the County from calendar year 2015 through calendar year 2019.

**Table A-6**  
**COUNTY OF CONTRA COSTA**  
**BUILDING PERMIT VALUATIONS**  
**CALENDAR YEARS 2014 THROUGH 2018<sup>2</sup>**  
**(\$ in Thousands)**

<b>Residential</b>								
<b>Year</b>	<b>Single Family</b>		<b>Multifamily</b>		<b>Alterations and Additions</b>	<b>Total Residential</b>	<b>Nonresidential Valuation</b>	<b>Total<sup>(2)</sup></b>
	<b>Units</b>	<b>Valuation</b>	<b>Units</b>	<b>Valuation</b>				
2015	1,909	\$629,639	629	\$123,089	\$301,222	\$1,053,949	\$526,816	\$1,580,765
2016	1,853	605,152	1,043	155,052	312,967	1,073,170	668,425	1,741,595
2017	1,732	541,941	272	55,155	354,341	951,436	607,769	1,559,205
2018	1,647	576,116	1,161	169,461	337,089	1,082,667	729,898	1,812,564
2019	1,573	502,568	1,229	213,698	300,066	1,016,332	472,956	1,489,288

(1) Most recent annual data available.

(2) Total represents the sum of residential building permit valuations. Data may not total due to independent rounding.

Source: Construction Industry Research Board.

**Urban Limit Line.** In 1990, County voters approved a measure limiting urban development to no more than 35% of the land in the County and requiring that at least 65% be preserved for agriculture, opens pace, wetlands, parks, and other non-urban uses, and established an Urban Limit Line (a “ULL”). In 2006 County voters passed Measure L, that: (i) extended the term of the ULL to 2026; (ii) requires 4/5 Board of Supervisors approval and voter approval to expand the ULL by more than 30 acres; (iii) adopted a new ULL Map; (iv) retained the 65/35 land preservation standard and protections for the prime agricultural land in the County and, (v) established new review procedures.

On April 3, 2007, the County received a letter from the Contra Costa Transportation Authority acknowledging that through the passage of Measure L, the County had a voter-approved Urban Limit Line in compliance with the GMP under Measure J. To date, the County, and the cities of Antioch, Brentwood, Pittsburg and San Ramon each have voter-approved ULL in compliance with the Measure C GMP.

## Transportation

Availability of a broad transportation network has been one of the major factors in the County’s economic and population growth. Interstate 80 connects the western portion of the County to San Francisco and the central portion of the County to Sacramento and points north via Interstate 5, the major north-south highway from Mexico to Canada. Interstate 680 connects the central County communities to the rest of the Bay Area and portions of the Central Valley of the State via State Routes 4 and 24, the County’s major east-west arteries.

Ground transportation is available to County residents from several service providers, as described below:

- Central Contra Costa Transit Authority provides local bus service to the central area of the County including Walnut Creek, Pleasant Hill and Concord.
- BART connects the County to Alameda County, including the Oakland International Airport, San Francisco, including the San Francisco International Airport, and Daly City and Colma in San Mateo County with two main lines, one from the San Francisco area to Richmond and one to the Concord/Walnut Creek/Pittsburg/Bay Point area. BART is expanding service into Santa Clara County in two phases. The first phase, with stops in Milpitas, and Berryessa/North San Jose opened for service on June 13, 2020. Construction of the second phase, extending the line six miles into downtown San Jose and terminate in Santa Clara, is currently expected to commence in 2022. BART currently has 50 stations and more than 131 miles of roadway in its system.
- AC Transit provides local bus service and connects Contra Costa communities to San Francisco and Oakland.
- Other bus service is provided by Greyhound.
- Commuter rail service is provided by the Capital Corridor, with daily runs between the Bay Area and Sacramento that stop at the intermodal facility in Martinez, the County seat.
- The Santa Fe and Union Pacific Railroads' main lines serve the County, both in the industrial coastal areas and in the inland areas.

Commercial water transportation and docking facilities are available through a number of port and marina locations in the County. The Port of Richmond on San Francisco Bay and several privately owned industrial docks on both San Pablo and Suisun Bays serve the heavy industry located in the area. The Port of Richmond, owned and operated by the City of Richmond, is comprised of five City owned terminals, five dry docks and 10 privately owned terminals, covers approximately 202 acres and handles more than 20 million metric tons of general, liquid and dry bulk commodities annually. The majority of the shipments are bulk liquids, primarily petroleum, petroleum products, chemicals and petrochemicals, coconut and other vegetable oils, tallow and molasses. Imports of automobiles, agricultural products, vehicles, steel products, scrap metals and other diversified bulk cargo are significant components of Port activities.

Major scheduled airline passenger and freight transportation for County residents is available at either Oakland or San Francisco International Airports, located about 20 and 30 miles, respectively, from the County. In addition, there are two general aviation fields, one located in Byron and the other in Concord.

### **Environmental Control Services**

**Water.** The East Bay Municipal Utility District (“EBMUD”) and the Contra Costa County Water District (“CCWD”) supply water to the County. EBMUD supplies water to the western part of the County, including Alamo, Crockett, Danville, Diablo, Hercules, Lafayette, Moraga, Orinda, Pinole, portions of Pleasant Hill, Richmond, Rodeo, San Pablo, San Ramon, Selby and portions of Walnut Creek. Approximately 89% of its supply is from the Mokelumne River watershed stored at the 69.4 billion gallon capacity Pardee Dam in Ione, California. EBMUD is entitled to 325 million gallons per day under a contract with the State Water Resources Control Board, plus an additional 119 million gallons per day in

a single dry year under a contract with the U.S. Water and Power Resources Service (formerly the U.S. Bureau of Reclamation).

CCWD obtains its water from the Sacramento-San Joaquin Delta and serves approximately 500,000 customers in the central and eastern part of the County, including Antioch, Bay Point, Clayton, Clyde, Concord, Martinez, Oakley, portions of Pleasant Hill, Pittsburg and portions of Walnut Creek. It is entitled under a contract with the U.S. Water and Power Resources Service to purchase 195,000 acre-feet per year. Water purchased by CCWD has ranged between 80,000 and 110,000 acre-feet annually. In addition, a number of industrial users and several municipalities draw water directly from the San Joaquin River under their own riparian rights, so that actual water usage in the service area averages about 125,000 acre-feet annually. To provide expanded water storage capacity, CCWD constructed the Los Vaqueros Reservoir with a capacity of 100,000 acre-feet south of the City of Antioch. In 2012, construction of the first phase expanding the Los Vaqueros Reservoir to a capacity of up to 160,000 acre-feet was completed. The final environmental documents for the second phase of the expansion project to increase the capacity up to 275,000 acre-feet were noticed in the Federal Register on February 28, 2020. Design and construction of the second phase is expected to commence in 2022 and be completed in 2029.

**Sewer.** Sewer services in the County are provided by approximately 20 sanitation districts and municipalities. Federal and State environmental requirements, plus grant money available from these two sources, resulted in upgrading, expanding and/or building new facilities by approximately 14 agencies.

**Flood Control.** The Contra Costa County Flood Control and Water Conservation District (the “Control District”) has been in operation since 1951 to plan, build, and operate flood control projects in unincorporated areas of the County except for the Delta area on its eastern border. The Delta is interspersed with inland waterways that fall under the jurisdiction of the U.S. Army Corps of Engineers and the State Department of Water Resources. The Control District is responsible for meeting requirements set forth by the Environmental Protection Agency (“EPA”) with respect to addressing potential pollutants in nonspecific groundwater runoff. The County is not presently able to estimate the cost of compliance with EPA requirements, although such costs may be significant.

## **Education and Health Services**

**Education.** Public school education in the County is available through nine elementary school districts, two high school districts, and seven unified school districts, one independent charter and the County Department of Education. School enrollment for Fiscal Year 2019-20 numbered approximately 178,400 students including approximately 11,930 in nonpublic, non-sectarian district schools.

Higher education is available in the County through a combination of two-year community colleges and four-year colleges, including the Contra Costa County Community College District which has campuses in Richmond, Pleasant Hill and Pittsburg; California State University East Bay which operates a branch campus, called Contra Costa Center, in the City of Concord where late afternoon and evening classes in business, education and liberal arts are offered; and St. Mary’s College of California, a four-year private institution, located on a 100-acre campus in Moraga. Also located within the County is the John F. Kennedy University with campuses in Pleasant Hill and Pittsburg, the UC Berkeley Extension Contra Costa Center in San Ramon and the University of Phoenix Campus in Concord.

**Health Services.** There are seven privately operated hospitals and one public hospital in the County, with a combined total of approximately 1,666 beds. The major public hospital is the Contra Costa Regional Medical Center located in Martinez. See “–Contra Costa Regional Medical Center.” Three of the private hospitals are run by Kaiser, the largest health maintenance organization in the United States. The John Muir/Mt. Diablo Health System operates hospitals in Walnut Creek, Concord, and San Ramon. Sutter Health operates Sutter Delta Center in Antioch.

Contra Costa Regional Medical Center. The public hospital in the County is Contra Costa Regional Medical Center (“CCRMC”), a 167-bed facility, including a public health/clinical laboratory, located in Martinez. The County converted former Los Medanos Hospital into the Pittsburg Health Center, completed construction of an ambulatory care clinic on the campus of CCRMC, and expanded clinics in Antioch, Concord, and Brentwood. The Bay Point Family Health Center in Pittsburg was reopened in February 2009, following extensive renovations, including construction of a state-of-the-art children’s dental clinic. The County also operates the foot West County Health Center in Richmond, which includes a behavioral health center and medical clinic expansion that opened on March 9, 2020.

Closure of Doctors Medical Center. An acute care community hospital, Doctors Medical Center, located in the western portion of the County with a population of approximately 250,000 (many of whom are low income), was operated by the West Contra Costa Healthcare District (the “Healthcare District”) until Doctors Medical Center was closed on April 21, 2015.

Prior to closure, Doctors Medical Center had been experiencing financial difficulties for many years and in 2006 the Healthcare District filed a voluntary petition for Chapter 9 bankruptcy protection. A bankruptcy reorganization plan was approved in 2008, and the bankruptcy case was concluded in 2010.

Since 2006, the County provided approximately \$25.6 million in emergency funding to Doctors Medical Center through various property tax transfer agreements with the Healthcare District. In return, the Healthcare District authorized allocations of its *ad valorem* property taxes to the County pursuant to various property tax transfer agreements that are administered by the Auditor-Controller.

On December 2, 2014, the Board of Supervisors adopted a resolution authorizing a permanent waiver of up to \$9 million in *ad valorem* property tax transfers to the County that would only go into effect if, prior to October 30, 2015, the Healthcare District secured additional funding of at least \$15 million per year for Fiscal Years 2015-16 through 2017-18 to support a full-service hospital at Doctors Medical Center.

The Health Care District was not able to secure sufficient funding for Doctors Medical Center to satisfy the permanent waiver condition and, as stated previously, the hospital closed. For this reason, the permanent waiver *did not* go into effect. The County continues to receive allocations of *ad valorem* property pursuant to the Transfer Agreements until the amounts required to be transferred have been satisfied.

In October 2016 the Healthcare District filed a second Chapter 9 bankruptcy petition. A Second Amended Plan for Adjustment of Debts dated July 1, 2017 (the “Plan”) allocating significant revenues of the Health Care District to the repayment of debt through 2027 was confirmed by order of the Bankruptcy Court and entered January 3, 2018. The Effective Date of the Plan occurred on the date the hospital was sold on April 3, 2018. A Motion for Order Closing case is anticipated to be filed in early 2021.



As of June 2020, the aggregate amount of *ad valorem* property taxes transferred to the County under the Transfer Agreements was \$26,559,582.65. The *ad valorem* property tax transfers to the County under the Transfer Agreements will be completed in Fiscal Year 2021-22.

**APPENDIX B**

**COUNTY FINANCIAL INFORMATION**

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## APPENDIX B

### COUNTY FINANCIAL INFORMATION

*Certain statements contained in this Appendix B are “forward-looking statements.” Particularly because of the evolving nature of the current public health crisis, no assurance can be given that any estimates of future impact discussed herein will be achieved, and actual results may differ materially from the potential impact described herein. In this respect, the words “estimate,” “forecast,” “project,” “anticipate,” “expect,” “intend,” “believe,” “budget” and similar expressions are intended to identify forward-looking statements. All projections, forecasts, assumptions and other forward-looking statements in this Appendix B are expressly qualified in their entirety by this cautionary statement.*

#### **Introduction**

California counties administer numerous health and social service programs as the administrative agent of the State and pursuant to State law. Many of these programs have been either wholly or partially funded with State revenues which have been subject each year to the State budget and appropriation process. Currently, the County is required to provide health care to all indigents, administer welfare programs, provide justice facilities (courts and jails) and administer the property tax system and real estate recordings. Due to competing program priorities and the lack of available State funds, some of these programs have had reduced State support without a corresponding reduction in program responsibilities for county governments. The result has been that the County has increased its contribution to maintain mandated services while optional local services have been reduced. The Board of Supervisors has responded to this trend in part by instituting measures to improve management, thereby reducing costs while increasing productivity and maintaining services with diminished funding.

The level of intergovernmental revenues that the County received from the State in Fiscal Year 2019-20 and in subsequent Fiscal Years is likely to be affected by the financial condition of the State.

#### **State Budgets**

Approximately 23% of the County’s Fiscal Year 2020-21 General Fund Adopted Budget, as finally determined is expected to consist of payments collected by the State and passed-through to the County or collected by the County and allocated to County purposes by State law. For Fiscal Year 2019-20, approximately 23% (representing approximately \$383.7 million) of the County’s General Fund Budget consisted of payments from the State. The financial condition of the State has an impact on the level of these revenues. See also “–County Budget Process–*Budget Schedule for Fiscal Year 2020-21.*”

To the extent the State should be constrained by its Article XIII B appropriations limit, or its obligation to conform to Proposition 98, or other fiscal considerations, the absolute level, or the rate of growth, of State assistance to local governments may be reduced. Any such reductions in State aid could adversely affect local governments, particularly counties.

Information about the State budget and State spending is regularly available at various State-maintained websites. Text of the budget may be found at the website of the Department of Finance, [www.dof.ca.gov](http://www.dof.ca.gov), under the heading “California Budget.” An impartial analysis of the budget is posted by the Office of the Legislative Analyst at [www.lao.ca.gov](http://www.lao.ca.gov). In addition, various State official statements, many of which contain a summary of the State budgets may be found at the website of the State Treasurer, [www.treasurer.ca.gov](http://www.treasurer.ca.gov) and at the Electronic Municipal Market Access site maintained by the

Municipal Securities Rulemaking Board at [www.emma.msrb.org](http://www.emma.msrb.org). Information on these websites has not been reviewed or verified by the County, the Underwriter or the Municipal Advisor and is not incorporated by reference in this Official Statement.

## County Budget Process

**General.** The County's Fiscal Year spans from July 1 to June 30; however, the budget development process begins as early as December with the Board of Supervisors setting a Preliminary Budget Schedule for preparation of the upcoming budget.

The County Administrator typically presents the Board of Supervisors, department heads and the public with an analysis of key issues and budget projections at an annual retreat in January. In 2020, that retreat was cancelled due to the COVID-19 pandemic and budget hearings were not held until April 28, 2020. See "*Budget Schedule for Fiscal Year 2020-21*." Following the annual retreat in a typical year, the County Administrator releases budget instructions, then works with departments on annual budget submissions, meeting with department administrative staff through February to develop final budget recommendations. In March, the County Administrator's Office develops a Recommended Budget in addition to the State Controller's Office required Budget Schedules for consideration by the Board of Supervisors in April. Chapter 1, Division 3, Title 3 of the State Government Code, commencing with Section 29000 *et. seq.* (the "County Budget Act") requires that each county adopt a recommended budget no later than June 30 of each year and an adopted (or final) budget no later than October 2 of each year. The adoption of a recommended budget by each June 30 provides counties with spending authority until a final budget is passed. In the County, the State schedules are presented with the recommended budget companion document, which includes detailed information and narrative regarding the County, including its current and projected financial situation; the programs/services and administrative/program goals of individual departments; and the County Administrator's budgetary recommendations for the upcoming budget year. After public hearings and budget deliberations, the Board of Supervisors adopts the Recommended Budget by May 31 (pursuant to Board of Supervisors Policy). After the State budget is passed (legally due by June 15) and County Fiscal Year-end closing activities are completed in August, a Final Budget is prepared for consideration by the Board of Supervisors to allow incorporation of any needed adjustments resulting from the final State budget. If significant changes to programs or revenues are required based upon the final State budget and/or closing activities, public budget hearings regarding the Final Budget may be scheduled.

The practice of the County is to adopt its Final Budget no later than mid-September of each year.

The County Administrator monitors actual expenditures and revenue receipts each month, and mid-year adjustments may be made in order to ensure that the budget remains in balance throughout the Fiscal Year. Annually, the County Administrator's staff prepares a report presented to the Board of Supervisors detailing the activity within each budget category and providing summary information on the status of the budget at mid-year. Actions that are necessary to ensure a healthy budget status at the end of the Fiscal Year are recommended in the budget status report; other items which have major fiscal impacts are also reviewed. Supplemental appropriations, which are normally financed by unanticipated revenues during the Fiscal Year, and any amendments or transfers of appropriations between summary accounts or departments, must be approved by the Board of Supervisors. Pursuant to adoption of a resolution by the Board of Supervisors, the County Administrator is authorized to approve transfers of appropriations among summary accounts within a department as deemed necessary and appropriate. Accordingly, the legal level of budgetary control by the Board of Supervisors is at the department level. The County's ability to increase its revenues is limited by State laws that prohibit the imposition of fees to raise general revenue, except to recover the cost of regulation or provision of services. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS."

**Budget Schedule for Fiscal Year 2020-21.** On January 14, 2020, the Board of Supervisors established the budget schedule for Fiscal Year 2020-21. Budget hearings were designated to be held on April 14, 2020 with final adoption of the Recommended County and Special Districts Budgets scheduled for May 12, 2020.

In light of the COVID-19 pandemic and efforts to control its spread, specifically the requirements to maintain social distancing, the Board of Supervisors did not hold its budget hearings for Fiscal Year 2020-21 until April 28, 2020 and adopted the Adopted Budget as Finally Determined on September 15, 2020. As previously indicated, this allowed for expenditure authority beginning on July 1, 2020 until a final budget was passed prior to October 2, 2020.

The County anticipates negative economic impacts due to COVID-19, which may result in modifications to the Fiscal Year 2021-22 Recommended County and Special Districts Budgets that may result in program and service level reductions.

In addition, the County Budget Policy requires a review of the current budget at mid-year (*i.e.* after January 1st). The County will review the Fiscal Year 2020-21 budget position at that time in concert with the annual budget development process for the Fiscal Year 2021-22 budget.

### **Recent County General Fund Budgets**

The County derives its revenues from a variety of sources including taxes (property and sales), licenses, permits and franchises issued by the County, fines, forfeits, forfeitures and penalties collected by the County, use of County property and money, aid from other governmental agencies, charges for services provided by the County and other miscellaneous revenues.

Set forth in Table B-1 is a description of the County's comparative Final Budgets for Fiscal Years 2015-16 through 2020-21. Base Rental Payments are included in and allocated to individual department budgets. Complete General Fund budgets, including, but not limited to, key assumptions and certain projections relating to the County's retirement expenses, which are incorporated into this Official Statement by this reference, are available on County's website. For a summary of the audited financial results of the County for Fiscal Year 2015-15 through Fiscal Year 2019-20, see TABLE B-6—"GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FISCAL YEAR 2015-16 THROUGH 2019-20." See also "COMPREHENSIVE FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020" in APPENDIX B.

**Fiscal Year 2020-21.** The County's Fiscal Year 2020-21 budget, adopted by the Board of Supervisors on September 15, 2020 (the "Fiscal Year 2020-21 Final Budget"), reflects a General Fund budget of \$1.85 billion, which was approximately 10% or \$175.5 million higher than the Fiscal Year 2019-20 actuals. The Fiscal Year 2020-21 Final Budget assumes an increase in assessed valuation of 4.5%. Proposition 172 sales tax revenue, a significant source of revenue for public safety departments, is budgeted at \$76.9 million, which was approximately 8.7% or \$6.7 million lower than the Fiscal Year 2019-20 final budget.

**Fiscal Year 2019-20.** The County's Fiscal Year 2019-20 budget, adopted by the Board of Supervisors on September 17, 2019 (the "Fiscal Year 2019-20 Final Budget"), reflected a General Fund budget of \$1.8 billion, which was approximately 7.9% or approximately \$101.4 million higher than the Fiscal Year 2018-19 Final Budget. The Fiscal Year 2019-20 Final Budget assumed an increase in assessed valuation of 5%. On July 1, 2019, the County Assessor announced that the Countywide increase in assessed valuation was 5.3%. Proposition 172 sales tax revenue, a significant source of revenue for

public safety departments, was budgeted at \$85.5 million, which was approximately 1.0 million higher than the Fiscal Year 2018-19 actuals.

A summary of Final General Fund Budgets for Fiscal Years 2015-16 through 2019-20 is presented in Table B-1.

**Table B-1**  
**County of Contra Costa**  
**General Fund Budget Summary**  
**for Fiscal Years 2015-16 through 2019-20<sup>†</sup>**  
**(\$ in 000's)**

	<u>Final Budget 2015-16</u>	<u>Final Budget 2016-17</u>	<u>Final Budget 2017-18</u>	<u>Final Budget 2018-19</u>	<u>Final Budget 2019-20</u>
<b>Requirements</b>					
General Government	\$203,850	\$223,862	\$243,822	\$244,331	\$286,364
Public Protection	428,979	444,197	469,125	481,222	486,644
Health and Sanitation	307,706	329,021	390,742	394,659	463,053
Public Assistance	459,864	461,313	454,622	484,789	498,910
Public Ways and Facilities	52,061	44,205	44,063	44,471	45,878
Reserves and Debt Service	<u>7,672</u>	<u>10,750</u>	<u>9,030</u>	<u>10,000</u>	<u>10,000</u>
TOTAL REQUIREMENTS	<u>1,460,132</u>	<u>1,513,348</u>	<u>1,611,404</u>	<u>1,659,472</u>	<u>1,790,849</u>
<b>Available Funds</b>					
Property Taxes	320,580	343,791	362,855	382,300	403,000
Fund Balance Available	37,128	43,089	48,891	45,725	85,751
Other Taxes	20,660	20,683	24,080	27,480	26,500
Licenses, Permits and Franchises	11,476	10,829	10,819	10,519	11,838
Fines, Forfeitures and Penalties	26,422	26,213	24,643	13,840	23,883
Use of Money and Property	11,300	3,259	5,283	7,079	21,527
Intergovernmental	549,444	554,131	566,756	593,402	609,931
Charges for Current Services	217,492	229,560	253,397	257,448	259,648
Other Revenue	<u>265,630</u>	<u>281,793</u>	<u>314,680</u>	<u>329,123</u>	<u>348,771</u>
TOTAL AVAILABLE FUNDS	<u>\$1,460,132</u>	<u>\$1,513,348</u>	<u>\$1,611,404</u>	<u>\$1,659,472</u>	<u>\$1,790,849</u>

<sup>†</sup> Columns may not total due to independent rounding.  
Source: County Auditor-Controller.

## County Financial Management Policies

The Board of Supervisors has adopted a comprehensive set of financial management policies to provide for: (i) the annual adoption of a policy for the prudent investment of County funds; (ii) establishing a Treasury Oversight Committee; (iii) establishing and maintaining a General Fund reserve (iv) establishing formal fiscal policies regarding the adoption and maintenance of an annual balanced budget, and (v) establishing parameters for issuing and managing debt. Each of these financial management policies is described below.

**Investment Policy.** Since June 2014, the County annually adopts an investment policy (the “Investment Policy”) governing the County’s investment of funds in the County Treasurer’s Investment Pool, which as of June 30, 2020 held assets in the - par amount of \$3.98 billion. The most recent update to the Investment Policy was approved by the Board of Supervisors on June 16, 2020. For a description of the Investment Policy and investments held in the County Treasurer’s Investment Pool, see APPENDIX D– “COUNTY INVESTMENT POLICY.”

**Treasury Oversight Committee.** In November 1995, the Board of Supervisors adopted an Order establishing a committee (the “Treasury Oversight Committee”). The Treasury Oversight Committee is composed of seven members: the County Superintendent of Schools or his/her designee; a representative selected by a majority of the presiding officers of the governing bodies of the school districts and community college districts in the County; a representative selected by a majority of the presiding officers of the legislative bodies of the special districts in the County that are required or authorized to deposit funds in the County treasury; a representative appointed by the Board of Supervisors; and three members of the public nominated by the County Treasurer-Tax Collector (the “County Treasurer”). Members of the Treasury Oversight Committee are appointed to four year terms.

The Treasury Oversight Committee is responsible for reviewing and monitoring the County Treasurer’s annual investment policy and ensuring an annual audit is conducted to determine the County Treasurer’s compliance with Government Code sections 27130-27137.

**General Fund Reserve Policy.** In January 2006, the Board of Supervisors adopted a General Fund Reserves Policy, as revised in June 2011 to comply with GASB 54–“Fund Balance Reporting and Governmental Fund Type Definitions” (the “Reserves Policy”). The Reserves Policy requires the County to maintain a General Fund balance equal to a minimum of 10% of General Fund revenues and an unreserved balance equal to a minimum of 5% of General Fund revenues. Reserves exceeding the minimum are applied only to one-time uses such as additional reserves or capital projects up to an amount equal to 1% of General Fund revenues. The reserves can be used only in emergency situations and only if accompanied by a Board-approved plan to restore reserves to the target levels. Since Fiscal Year 2005-06, the County’s audited financial reports confirm compliance with the Reserves Policy. For Fiscal Year 2019-20, the total General Fund balance (approximately \$631.4 million) was approximately 36.7% of actual revenues and the unassigned portion (approximately \$351.7 million) is projected to be approximately 20.4%.

**Budget Policy.** In November 2006, the Board of Supervisors adopted a Budget Policy (the “Budget Policy”) to establish best practices for the budget process and require the preparation of multi-year budget projections. Among other things, the Budget Policy requires: (i) the adoption of structurally balanced budgets; (ii) preparation of mid-year departmental updates on budget status, with corrective actions presented to the Board of Supervisors within 30 days for any cost centers over budget; and (iii) adoption of an annual budget early enough (and no later than May 31) to allow all impacts on programs and/or revenues to be in effect on the first day of the Fiscal Year (July 1).

***Debt Management Policy.*** In December 2006, the Board of Supervisors adopted a Debt Management Policy, most recently revised on March 10, 2020, that formalizes the parameters for issuing and managing outstanding debt, guidance regarding the timing and purpose for which various types of debt instruments and other financial obligations may be issued, the types and amounts of which permissible debt, and the methods of sale and structural features may be incorporated in debt transactions. The Debt Management Policy provides that the County prepare a multi-year capital program and sets forth guidelines for the term of debt issues, refunding savings targets and other structural debt features.

The Debt Management Policy established a Debt Affordability Advisory Committee (the “Advisory Committee”) that annually reviews and evaluates existing and proposed debt and other findings; assesses the ability of the County to generate and repay debt; and issues an annual report to the County Administrator defining the debt capacity of the County, which report is an important element of the budget process and includes recommendations made by the Advisory Committee regarding how much new debt can be authorized by the County without overburdening itself with debt service payments. The Advisory Committee is composed of the Auditor-Controller, the County Treasurer-Tax-Collector, the Director/Conservation and Development, and the County Director of Finance.

The Advisory Committee examines specific statistical measures to determine debt capacity and relative debt position and compares these ratios to other counties, rating agency standards and County historical ratios to determine debt affordability.

From Moody’s Investors Service, the Advisory Committee evaluates the County against debt ratios from the most recently available national medians for counties in the “Aa” rating tier with population of at least one million.

The Advisory Committee also evaluates the County against a group of cohort counties, namely, other large urban counties in the State. The Advisory Committee utilizes each respective cohort county’s most recently available comprehensive audited financial report to measure the comparative performance of the County on the various debt measures calculated by Moody’s and S&P as noted above, and also against the additional ratios below:

1. Direct debt per capital; and
2. Debt payments as a percentage of General Fund revenues.

***Workers’ Compensation Confidence Level Policy.*** In September 2007, the Board of Supervisors adopted a Workers’ Compensation Internal Services Fund Funding Policy that established a targeted minimum confidence level (the measure of probability that the workers’ compensation trust fund will have sufficient money to cover all benefits and claims that have been incurred) of 80%. The actuarial report dated as of June 30, 2020 indicated that the total County self-insurance reserves reflected an approximately 94% confidence level on a discounted basis.

## **Major General Fund Revenues**

The County derives its revenues from a variety of sources including taxes (property and sales), licenses, permits and franchises issued by the County, fines, forfeits, forfeitures and penalties collected by the County, use of County property and money, aid from other governmental agencies, charges for services provided by the County and other miscellaneous revenues.



The County receives a significant portion of its funding from subventions by the State. In Fiscal Year 2019-20, approximately 23% of the General Fund Budget consisted of payments from the State, and for Fiscal Year 2020-21, approximately 23% of the General Fund Budget is expected to come from such sources. The actual audited amounts for Fiscal Years 2017-18 through 2019-20, the adopted budget as finally determined for Fiscal Year 2019-20, and the approximate percentages of the County’s total General Fund revenues are presented in Table B-2 below.

**Table B-2**  
**County of Contra Costa**  
**General Fund Revenues by Source**  
**Fiscal Years 2017-18 through 2019-20 Audited Actuals, and**  
**Fiscal Year 2019-20 Final Budget<sup>†</sup>**  
**(\$ in thousands)**

	Actual 2017-18		Actual 2018-19		Actual 2019-20		Final Budget 2020-21	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Intergovernmental <sup>(1)</sup>	\$552,539	36.08%	\$582,822	34.91%	\$652,905	37.93%	\$709,338	40.07%
Taxes (Property and Sales) <sup>(2)</sup>	404,317	26.40	431,626	25.85	451,362	26.22	461,313	26.06
Other Revenues <sup>(3)</sup>	290,926	19.00	352,493	21.11	341,748	19.85	363,088	20.51
Charges for Services <sup>(4)</sup>	235,014	15.35	252,284	15.11	236,019	13.71	193,947	10.95
Use of Money and Property	11,007	0.72	33,839	2.03	4,395	0.26	5,672	0.32
Licenses, Permits and Franchises	12,470	0.81	12,045	0.72	22,417	1.30	12,734	0.72
Fines, Forfeits, Forfeitures and Penalties	24,959	1.63	4,374	0.26	12,428	0.72	24,371	1.38
<b>TOTAL</b>	<b>\$1,531,232</b>	<b>100.00%</b>	<b>\$1,659,472</b>	<b>100.00%</b>	<b>\$1,721,274</b>	<b>100.00%</b>	<b>\$1,770,463</b>	<b>100.00%</b>

<sup>†</sup> Columns may not total due to independent rounding.

(1) See “–Intergovernmental.”

(2) See “–Ad Valorem Property Taxes” and “–Sales and Use Taxes.”

(3) See “–Other Revenues.”

(4) See “–Charges for Services.”

Source: County Auditor-Controller, Treasurer-Tax Collector, County Administrator.

***Intergovernmental.*** This major source of revenue represents amounts received by County primarily from the State to fund various programs such as social services and public health. For the last Five Fiscal Years this source of revenue has ranged from approximately 37.9% to approximately 35.8% of General Fund revenues (excluding transfers in). For Fiscal Year 2019-20, the County received approximately \$609.9 million, representing approximately 35.8% of General Fund revenues (excluding transfers in) from this source, and the County estimates that for Fiscal Year 2020-21, it will collect approximately \$\_\_\_ million, representing approximately \_\_\_% of General Fund revenues (excluding transfers in).

### ***Ad Valorem Property Taxes***

General. The County administers the property tax levy and collection system for the County and all local governments in the County. Taxes are levied for each fiscal year on taxable real and personal property that is situated in the County as of the preceding January 1. For assessment and collection purposes, property is classified either as “secured” or “unsecured,” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State assessed property and property secured by a lien on real property which is sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is assessed on the “unsecured roll.”

*Ad valorem* property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. All taxes due November 1, if unpaid, are delinquent at 5 p.m., or the close of business, whichever is later, on December 10, and thereafter a delinquent penalty of 10% is attached. All taxes due on February 1, if unpaid, become delinquent at 5 p.m., or the close of business, whichever is later, on April 10, and thereafter a delinquent penalty of 10% is attached. In addition, property on the secured roll with respect to which taxes are delinquent is declared to be in default after the close of business on June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a redemption penalty of one and one half percent per month to the time of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is declared to be subject to the power of sale by the County Treasurer and may be subsequently sold by the County Treasurer.

Legislation established the “supplemental roll” in 1984, which directs the Assessor to re-assess real property, at market value, on the date the property changes ownership or upon completion of construction. *Ad valorem* property taxes on the supplemental roll are eligible for billing 30 days after the reassessment and notification to the new assessee. The resultant charge (or refund) is a one-time levy on the increase (or decrease) in value for the period between the date of the change in ownership or completion of construction and the date of the next regular tax roll upon which the assessment is entered.

Billings are made on a monthly basis and are due on the date mailed. If mailed between the months of July through October, the first installment becomes delinquent at 5 p.m. on December 10 of the same year and the second becomes delinquent at 5 p.m. on April 10 of the next year. If mailed within the months of November through June, the first installment becomes delinquent at 5 p.m. on the last day of the month following the month in which the bill is mailed. The second installment becomes delinquent at 5 p.m. on the last day of the fourth calendar month following the date the first installment is delinquent.

*Ad valorem* property taxes on the unsecured roll are due as of the January 1 lien date and are delinquent at 5:00 p.m., or the close of business, whichever is later, on August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of one and one-half percent per month begins to accrue beginning November 1. The taxing authority has four ways of collecting unsecured personal property taxes: (1) by filing a civil action against the taxpayer; (2) by filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on

certain property of the taxpayer; (3) by filing a certificate of delinquency for recordation in the County Recorder's office, in order to obtain a lien on certain property of the taxpayer; and (4) by the seizure and sale of personal property, improvements or possessory interest, belonging to the taxpayer.

The County and its political subdivisions operate under the Teeter Plan pursuant to provisions of Sections 4701 through 4717 of the California Revenue and Taxation Code. See “–The Teeter Plan.” Pursuant to those sections, the accounts of all political subdivisions that levy *ad valorem* taxes on the County tax rolls are credited with 100% of their respective tax levies regardless of actual payments and delinquencies. The County Treasury's cash position (from taxes) is protected by a special fund (the “Tax Losses Reserve Fund”) into which all County-wide delinquent penalties are deposited. The County has used this method since Fiscal Year 1950-51. See the “–*Tax Losses Reserve Fund.*”

At the closing of the Fiscal Year 2019-20 tax roll, the County had received 99.03% of total property taxes due (first and second installments) compared to 98.22% at the same time in Fiscal Year 2018-19. This demonstrates that total property tax collections were relatively stable for Fiscal Year 2019-20.

Fiscal Year 2020-21 secured *ad valorem* property tax revenues are expected to comprise approximately 14.9% of General Fund revenues of the County.

Assessment Appeals. Property values determined by the County Assessor, which are used to determine property taxes, may be subject to an appeal by the property owners or property taxpayer (the “Applicant”) by filing a timely assessment appeal. The County Assessment Appeals Board (the “Appeals Board”) hears and determines the assessment appeals. The Appeals Board hears appeals within two years of the filing date, except when this period has been extended. The decision of the Appeals Board may result in a reduction to the County Assessor's enrolled property value and a tax refund to the taxpayer.

Historically, Chevron has filed Property tax assessment appeals challenging the assessed value of its refinery located in the City of Richmond.

On September 17, 2013, the County Board of Supervisors approved execution of a Settlement Agreement and Release (the “Settlement Agreement”) among Chevron USA, Chevron Corporation, the County, the County Assessor, and the City of Richmond, which became effective upon the approval of a Stipulated Settlement by the Appeals Board. Pursuant to the Settlement Agreement, assessment appeals by Chevron for the years 2004 through 2012 were resolved, and Chevron agreed to dismiss the three pending court cases challenging the assessed value, withdraw or dismiss the pending appeals before the Appeals Board, and forgo an approximately \$8 million refund. In addition, Chevron agreed not to file or re-file assessment appeals for any prior fiscal year up to and including Fiscal Year 2013-14 and to annually meet and confer with the County about the value of the refinery facilities. As agreed to by Chevron and the County Assessor, the assessed value of the refinery was determined to be \$3.437 billion for Fiscal Year 2020-21, as of October 23, 2020. The County cannot predict whether additional appeals will be filed by Chevron or any other major property taxpayer in the future, or if filed whether or to what extent such appeals will be successful.

Proposition 8 Appeals. In 1978, the voters of the State passed Proposition 8 (“Proposition 8”), a constitutional amendment to Article XIII A that allows a *temporary* reduction in assessed value when real property suffers a decline in value. A decline in value occurs when the *current market* value of real property is less than the *current assessed* (taxable) factored base year value as of the lien date, January 1.

A property owner may apply for a Proposition 8 reduction of the *ad valorem* property tax assessment for such owner's property by filing a written application, in the form prescribed by the State Board of Equalization, with the appropriate county assessment appeals board (a “Proposition 8” appeal).

In addition to reductions in assessed value resulting from Proposition 8 appeals, Proposition 8 also allows assessors to reduce assessed value unilaterally to reflect reductions in market value.

Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which written application is filed. The assessed value increases to its pre-reduction level for fiscal years following the year for which the reduction application is filed. However, if the taxpayer establishes through proof of comparable values that the property continues to be overvalued (known as “ongoing hardship”), a county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year as well. In a similar manner, a county assessor may reassert the pre-appeal level of assessed value depending on the county assessor’s determination of current value.

In addition to reductions in assessed value resulting from Proposition 8 appeals, California law also allows assessors to reduce assessed value unilaterally based on a general decline in market value of an area. Although Proposition 8 reductions are temporary only for those property that are not sold to new owners, and are otherwise expected to be eliminated under Proposition 13 if and when market conditions improve, no assurance is given that such reductions will be eliminated.

The Teeter Plan. In 1949, the California Legislature enacted an alternative method for the distribution of secured *ad valorem* property taxes to local agencies. This method, known as the Teeter Plan, is set forth in Sections 4701-4717 of Revenue and Taxation Code of the State of California (the “Law”). Generally, the Teeter Plan provides for a tax distribution procedure by which secured roll taxes are distributed to taxing agencies within the County included in the Teeter Plan on the basis of the tax levy, rather than on the basis of actual tax collections. The County deposits in the Tax Losses Reserve Fund all future delinquent tax payments, penalties and interest, and a complex tax redemption distribution system for all participating taxing agencies is avoided. While the County bears the risk of loss on delinquent taxes that go unpaid, it benefits from the penalties associated with these delinquent taxes when they are paid. In turn, the Teeter Plan provides participating local agencies with stable cash flow and the elimination of collection risk. The constitutionality of the Teeter Plan was upheld in *Corrie v. County of Contra Costa*, 110 Cal. App. 2d 210 (1952). The Teeter Plan was named after Desmond Teeter, the then Auditor-Controller of the County who originated this method of tax distribution. The County was the first Teeter Plan county in the State.

Effect of COVID-19 on Property Tax Collections. In response to COVID-19, on May 6, 2020, the Governor signed Executive Order N-61-20 suspending provisions of the Revenue and Taxation Code requiring for residential real property occupied by the taxpayer, and real property owned and operated by a taxpayer qualifying as a small business under the regulations of the Small Business Administration that impose penalties, costs or interest for failure to pay secured and unsecured property taxes or supplemental taxes by the due date. To be eligible for this relief, the property taxes owed must not have been delinquent prior to March 4, 2020, the taxpayer must timely file a claim for relief, and must demonstrate that it has suffered economic hardship due to COVID-19 that makes them unable to render payment.

The County is unable to predict the extent that this order will have on the willingness of taxpayers to make timely payment of their property tax, however, at the closing of the Fiscal Year 2019-20 tax roll, the County had received 99.03% of total property taxes due compared to 98.22% at the same time in Fiscal Year 2018-19. See “–General.” The County does not believe that any such delays or foregone revenue will have a material effect on the finances of the County.

The County Assessor has informed taxpayers that it will proactively review all assessments within the County as of January 1, 2021 to determine if property value has been impacted by COVID-19, with reductions, if any, reflected in the assessed value for Fiscal 2021-22.

Proposition 19. On November 3, 2020, the voters of the State passed Proposition 19—“Changes Certain Property Tax Rules. Legislative Constitutional Amendment” (“Proposition 8”), a constitutional amendment to Article XIII A that, among other things, changes the rules for tax assessment transfers. This Proposition permits eligible homeowners (*i.e.* persons over 55 years old, persons with severe disabilities, and victims of natural disasters and hazardous waste contamination) to transfer their tax assessments to a different home of greater market value anywhere in the State, allowing such homeowners to move to a more expensive homes without paying higher property taxes. Proposition 19 also eliminated the parent-to-child and grandparent-to-grandchild exemption of the first \$1 million from reassessment where the child or grandchild does not use the inherited property as their principal residence. The County has not yet completed any projections of the effects of Proposition 19 on revenues, however the County does not believe such effects will have any material negative implications.

Tax Losses Reserve Fund. Pursuant to the Law, the County is required to establish the Tax Losses Reserve Fund to cover losses that may occur in the amount of tax liens as a result of special sales of tax-defaulted property (*i.e.*, if the sale price of the property is less than the amount owed). During each fiscal year, the Tax Losses Reserve Fund is reviewed and when the amount of the fund exceeds certain levels, the excess may be credited to the County General Fund as provided by Sections 4703 and 4703.2 of the California Revenue and Taxation Code. State law allows any county to draw down their tax losses reserve fund to a balance equal to (i) 1% of the total of all taxes and assessments levied on the secured roll for that year, or (ii) not less than 25% of the current year delinquent secured tax levy.

As of June 30, 2020, the balance in the Tax Losses Reserve Fund was approximately \$89.7 million.

Delinquencies. As described above, once an installment of property tax becomes delinquent, penalties are assessed commencing on the applicable delinquency date until the delinquent installment(s) and all assessed penalties are paid. In the event of foreclosure and sale of property by a mortgage holder, all past due property taxes, penalties and interest are required to be paid before the property can be transferred to the purchaser/new owner. However, in response to the COVID-19 pandemic, Executive Order N-61-20 suspends the collection of interest, penalties, and costs on certain property specified in the Order through May 6, 2021. See “—Effect of COVID-19 on Property Tax Collections.

In addition, as required under the Teeter Plan (described above), the County maintains a Tax Losses Reserve Fund, to cover potential losses that may result if tax-defaulted property is sold by the County for less than the amount of the taxes owed.

A 10-year history of secured County tax levies, delinquencies and the Tax Losses Reserve Fund cash balances as of June 30 of each year is shown in Table B-3 below.

**Table B-3**  
**County of Contra Costa**  
**Summary of Secured Assessed Valuations<sup>(1)</sup> and Ad Valorem Property Taxation**  
**Fiscal Years 2011-12 through 2020-21**

Fiscal Year (June 30)	Secured Assessed Valuation <sup>(1)</sup>	Secured Property Tax Levies	Current Year Tax		Balance in Delinquent Property Tax (June 30)	Total Tax Losses Reserve Fund	Tax Losses Reserve Fund as % of Total Delinquencies
			Delinquencies	% Delinquent			
2011-12	\$138,382,133,511	\$1,973,645,892	\$54,993,259 <sup>(2)</sup>	2.79%	\$96,699,117	\$101,354,611	104.81%
2012-13	139,353,572,756	1,974,837,555	21,622,707	1.09	58,162,000	96,423,523	165.78
2013-14	144,725,591,361	2,092,731,716 <sup>(3)</sup>	20,610,514	0.99	51,636,396	90,648,537	175.55
2014-15	158,026,299,690	2,286,997,538	20,281,677	0.89	46,986,870 <sup>(4)</sup>	84,019,204	179.00
2015-16	170,368,542,713	2,425,971,799	20,735,057	0.85	43,767,386	77,371,819	177.00
2016-17	180,813,194,404	2,554,065,674	21,342,994	0.84	43,206,946	69,309,831	160.00
2017-18	191,190,578,610	2,707,458,628	20,550,218	0.76	43,455,808	62,091,211	143.00
2018-19	203,089,152,567	2,875,385,332	23,184,063	0.81	46,155,928	76,175,894	165.00
2019-20	213,519,088,284	3,055,014,187	29,239,776	0.96	53,513,612	89,694,521	168.00
2020-21 <sup>(5)</sup>	223,758,847,763	3,152,510,994	N/A	N/A	N/A	N/A	N/A

(1) Assessed values are those defined under California Revenue and Taxation Code Sections: 601 and 721 *et. seq.* Article XIII A, added to California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value which appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased to reflect: (i) annual inflation up to 2%; (ii) current market value at time of ownership change; and (iii) market value for new construction.

(2) Adjusted on January 3, 2019 from the original amount reported of \$54,933,259.

(3) Adjusted on January 5, 2015 from the original amount reported of \$2,083,809,768.

(4) Adjusted on January 3, 2019 from the original amount of \$46,987,870.

(5) Estimated.

Source: County Auditor-Controller-Property Tax Division.

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The 10 largest property taxpayers in the County, as shown on the Fiscal Year 2020-21 secured tax roll and the approximate amounts of their *ad valorem* property tax payments and the 10 largest property taxpayers by assessed value are shown below in Table B-4A and Table B-4B, respectively.

**Table B-4A**  
**County of Contra Costa**  
**Ten Largest Property Taxpayers**  
**By Taxes Paid**  
**Fiscal Year 2020-21<sup>(1)</sup>**

Taxpayer	Total Taxes Paid <sup>(2)</sup>	Percent of Total County Tax Roll
Chevron USA Inc.	\$48,811,613	1.60%
Pacific Gas & Electric	43,707,532	1.43
Equilon Enterprises LLC	18,542,959	0.61
Phillips 66 Company	13,946,518	0.46
Tesoro Refining & Marketing	13,009,547	0.43
Golden Rain Foundation of WC TRE	12,090,512	0.40
BRE Properties Inc.	9,765,260	0.32
SDC 7	9,477,386	0.31
MCD-RCCA-El Cerrito LLC	8,557,544	0.28
Sierra Pacific Properties Inc.	8,413,848	0.28
SUBTOTAL TEN LARGEST TAXPAYERS	\$186,322,718	6.11%
Other Taxpayers	2,865,142,657	93.89
TOTAL	\$3,051,465,375	100.00%

(1) Estimated as of October 23, 2020.  
(2) Column does not total due to rounding.  
Source: County Treasurer-Tax Collector.

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**Table B-4B**  
**County of Contra Costa**  
**Ten Largest Property Taxpayers**  
**By Taxable Assessed Value (Secured and Unitary)<sup>(1)</sup>**  
**Fiscal Year 2019-20**

Taxpayer	Taxable Assessed Value <sup>(2)</sup>	Percent of Total
Chevron USA Inc.†	\$3,436,949,809	1.57%
Equilon Enterprises LLC	1,573,436,287	0.72
Phillips 66 Company	1,139,677,920	0.52
Tesoro Refining & Marketing	1,019,738,684	0.47
Golden Rain Foundation of WC TRE	911,609,310	0.42
SDC 7	817,539,671	0.37
Mcd-Rcca-El Cerrito LLC	643,314,664	0.29
BRE Properties Inc.	635,235,271	0.29
Sierra Pacific Properties Inc.	583,564,893	0.27
Marsh Landing LLC	456,000,000	0.21
SUBTOTAL TEN LARGEST TAXPAYERS	\$11,217,066,509	5.12%
Other Taxpayers	218,949,260,049	94.88
TOTAL	\$219,061,430,714	100.00%

(1) Ranking is based on assessed valuation which may be different from taxes paid due to special purpose levies by some taxpayers.

(2) Estimated as of October 23, 2020

Source: County Treasurer-Tax Collector.

Taxation of State-Assessed Utility Property. The State Constitution provides that most classes of property owned or used by regulated utilities be assessed by the State Board of Equalization (the “SBE”) and taxed locally. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as “unitary property,” a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and “operating nonunitary” property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for unitary property of regulated railways and certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year. In 1999, the SBE adopted a rule that provides for local assessment of certain investor-owned electric utility facilities. As a result of this rule, the County Assessor currently assesses three power plants located in the County. However, assessment of certain power plants has been transferred to the SBE, so the portion of the County’s total net assessed valuation constituting unitary property subject to SBE assessment has increased (see further discussion below).

For Fiscal Year 2019-20, approximately 1.54% of the County’s total net assessed valuation constituted property subject to State assessment by the SBE, for which approximately \$57.185 million of property taxes are expected to be collected in Fiscal Year 2019-20. The portion of Fiscal Year 2019-20 tax collections through the SBE assessment methodology attributable to the County General Fund for Fiscal Year 2019-20 is estimated to be \$8.09 million.

For Fiscal Year 2020-21, approximately 1.49% of the County’s total net assessed valuation constituted property subject to State assessment by the SBE, for which approximately \$62.392 million of



property taxes are expected to be collected in Fiscal Year 2020-21. The portion of Fiscal Year 2020-21 tax collections through the SBE assessment methodology attributable to the County General Fund are expected to be approximately \$8.05 million.

***Sales and Use Taxes.*** The sales tax is an excise tax imposed on retailers for the privilege of selling tangible personal property. The use tax is an excise tax imposed on a person for the storage, use or other consumption of tangible personal property purchased from any retailer. The proceeds of sales and use taxes imposed within the boundaries of the unincorporated areas of the County. For the last five Fiscal Years, this source of revenue has represented approximately 1% of General Fund revenues (excluding transfers in).

On November 3, 2020, the voters of the county passed Measure X, authorizing the imposition of a one-half cent transaction and use tax within the incorporated and unincorporated areas of the County for 20 years commencing in 2021. Approval of Measure X required a simple majority vote and passed with 58.45% of the vote. Prior to the election, the County estimated that this transaction and use tax would generate approximately \$81 million annually. Since the passage of Measure X, the County received an updated revenue estimate for Fiscal Year 2021-22 of \$96,107,385; however, this estimate was generated prior to the Governor's action of November 16, 2020 bringing much of the State back into the most restrictive tier of the California Health Equity Metric. See "CERTAIN RISK FACTORS–Potential Impacts of Coronavirus and Other Health-Related Risks– *State Responses and Actions*" The County has not yet determined the amount of Measure X revenues to be budgeted for Fiscal Year 2021-22; however, the County anticipates that amount will at least \$81 million.]

Commercial activity comprises an important part of the County's economy, with taxable transactions totaling approximately \$2.5 billion in calendar year 2019, the most recent year for which complete annual data is available. For calendar year 2019, the approximately 18.9% increase in total taxable transactions was due primarily to increases in gasoline stations (175.4%), motor vehicle and parts dealers (150.6%); and other retail group (30.9%). Presented in Table B-5B below is a summary of taxable transactions in the County since 2015.

**Table B-5**  
**County of Contra Costa**  
**Taxable Transactions<sup>†</sup>**  
**Calendar Years 2015 to 2019**  
**(\$ in thousands)**

	2015	2016	2017	2018	2019
Motor Vehicle and Parts Dealers	\$2,758	\$4,363	\$4,029	\$6,336	\$15,878
Home Furnishings and Appliance Stores	103,183	105,676	100,483	87,389	101,726
Building Materials and Garden Equipment and Supplies Dealers	44,542	46,354	52,834	75,001	72,649
Food and Beverage Stores	1,479	1,016	1,157	2,066	1,726
Gasoline Stations	21,520	12,081	15,181	9,256	25,082
Clothing and Clothing Accessories Stores	131,588	145,737	159,213	189,735	211,057
General Merchandise Stores	80,172	92,388	116,013	138,769	159,154
Food Services and Drinking Places	4,200	8,224	6,670	2,864	3,108
Other Retail Group	358,579	408,677	476,101	538,244	704,824
Total Retail and Food Services	746,706	824,515	931,687	1,049,429	1,295,206
All Other Outlets	1,564,486	1,627,857	1,606,471	1,482,966	1,716,756
TOTAL ALL OUTLETS	\$2,311,192	\$2,452,372	\$2,538,158	\$2,532,395	\$3,011,962
% CHANGE		6.1%	3.5%	(0.2%)	18.9%

<sup>†</sup> Columns do not total due to independent rounding.

Sources: Taxable Sales in California (Sales and Use Tax) Annual Reports, California Department of Tax and Fee Administration, formerly the California State Board of Equalization.

Much of the County’s commercial activity is concentrated in central business districts of its cities and unincorporated towns. Regional shopping centers, numerous smaller centers and several “big box” warehouse stores serve County residents. The County is served by all major banks including Bank of America and Wells Fargo Bank. In addition there are numerous local banks and branches of smaller California and foreign banks.

### **Dissolution of Redevelopment Agency**

**No revenues of the Contra Costa County Redevelopment Agency (the “Former Agency”) have ever been pledged as a payment source for County indebtedness in the past and such revenues are not pledged to the payment of the Series 2020 Bonds. No General Fund expenses of the County have ever been paid from Former Agency revenues.**

Two bills enacted as part of the 2011 State Budget Act (ABx1 26 and ABx1 27 (Chapter 6, Statutes of 2011-12, First Extraordinary Session) (the “Dissolution Act” and “AB 27,” respectively) dissolved all redevelopment agencies, and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the dissolved redevelopment agencies and to administer the wind down and dissolution of the dissolved redevelopment agencies. The California Supreme Court upheld the Dissolution Act, resulting in the formal dissolution of all redevelopment agencies in the State, including the Former Agency, effective February 1, 2012.

All revenues that would have been allocated to redevelopment agencies, including the Former Agency, will be allocated to the applicable redevelopment property tax trust fund created by the county auditor-controller for the “successor agency.” Such funds will to be used for payments on indebtedness

and other “enforceable obligations” (as defined in the Dissolution Act), and to pay certain administrative costs and any amounts in excess of that amount are to be distributed to taxing agencies.

In addition, under the Dissolution Act tax increment is no longer deemed to flow to the successor agency and the requirement to deposit a portion of the tax increment into a low and moderate income housing fund is also no longer required.

Pursuant to California Health and Safety Code Section 34173(d), the Board of Supervisors declared that the County would act as the “successor agency” to the Former Agency (the “Successor Agency”) under the Dissolution Act. Pursuant to Assembly Bill No. 1484, the Successor Agency is a separate public entity from the County. The Dissolution Act also required that an oversight board for each successor agency be established no later than May 1, 2012. The Successor Agency duly established the Oversight Board of the Successor Agency to the Contra Costa County Redevelopment Agency (the “Oversight Board”) pursuant to California Health and Safety Code Section 34179(a). As of July 1, 2018, the County established a Countywide oversight board (the “Oversight Board”) to oversee the activities of all successor agencies within the County, including the Successor Agency.

The Dissolution Act expressly limits the liabilities of a successor agency in performing duties under the Dissolution Act to the amount of property tax revenues received by such successor agency under the Dissolution Act (generally equal to the amount of former tax increment received by the former redevelopment agency) and the assets of the former redevelopment agency. The Dissolution Act does not provide for any new sources of revenue, including general fund revenues of the County, for any Former Agency bonds (but as discussed below, the costs to the County of performing its obligations under the Dissolution Act and of pursuing the economic development goals of the Former Agency are uncertain and could be significant).

*Under the Dissolution Act, the County Auditor-Controller is required to determine the amount of property taxes that the redevelopment agencies would have received had they not been dissolved pursuant to the Dissolution Act, using assessed values on the last equalized roll on August 20, statutory formulas or contractual agreements with taxing entities, and deposit such amount in the Redevelopment Property Tax Trust Fund. The Redevelopment Property Tax Trust Fund is administered by the County Auditor-Controller for the benefit of the holders of enforceable obligations and the taxing entities that receive pass-through payments and property tax distributions.*

Although provisions have been made under the Dissolution Act to provide funds (*i.e.* property tax revenues) to continue certain enforceable obligations, the costs of the Successor Agency in performing its duties under the Dissolution Act, including performing all enforceable obligations of the Former Agency, and pursuing community development goals that the Former Agency undertook and that are not covered by enforceable obligations are uncertain, and could impose significant costs on the General Fund not offset by property tax revenues.

The Successor Agency does not issue separate financial statements. Although a separate legal entity from the County, the financial results for the Successor Agency are reported as fiduciary funds in the CAFR of the County.

## Accounting Policies, Reports and Audits

The County believes that its accounting policies used in preparation of its audited financial statements conform to generally accepted accounting principles applicable to counties. The County's governmental funds use the modified accrual basis of accounting. This system recognizes revenues when they become available and measurable. Expenditures are recognized when the fund liability is incurred. Proprietary funds and fiduciary funds (except for Agency funds) use the accrual basis of accounting, whereby revenues are recognized when they are earned and become measurable, while expenses are recognized when the liabilities are incurred.

The County Treasurer also holds certain trust and agency funds not under the control of the Board of Supervisors, such as those of school districts, which are accounted for on a cash basis.

The California Government Code requires every county to prepare an annual financial report. The County Auditor-Controller prepares the Comprehensive Annual Financial Report for the County. This annual report covers financial operations of the County, County districts and service areas, and various trust transactions of the County Treasury. Under California law, independent audits are required of all operating funds under the control of the Board of Supervisors. The County has had independent audits for more than 40 years. See APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020."

In addition to the above-mentioned audits, the County Grand Jury may also conduct management audits of certain offices of the County.

The County, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into these categories as follows: (i) governmental funds; (ii) proprietary funds; and (iii) fiduciary funds.

**Governmental Funds:** used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of resources that are available for spending as well as on balances of resources that are available for spending at the end of the Fiscal Year.

The County maintains 26 individual governmental funds (*e.g.* General Fund, special revenue funds, debt service funds, capital projects funds, and permanent fund) for reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Contra Costa County Fire Protection District Special Revenue Fund.

**Proprietary Funds:** used to account for information of the same type as the government-wide financial statements, only in more detail. These are of two different types: (i) enterprise funds (used to report the same functions presented as business-type activities in the government-wide financial statements) and (ii) internal service funds (used to accumulate and allocate costs internally among the County's various functions and to account for its administrative costs and payment of claims for its various insurance programs to protect County assets and employees).

**Fiduciary Funds:** used to account for resources held for the benefit of entities legally separate from the County and individuals, which are not part of the reporting entity. Fiduciary Funds are not

reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

Presented in Table B-6 on the following page is the County's Schedule of Revenues, Expenditures and Changes in Fund Balances for the County General Fund as of June 30 for the five most recent fiscal years for which audited financial statements are available. More detailed information from the County's audited financial report for the fiscal year ending June 30, 2020 appears in APPENDIX C to this Official Statement.

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**Table B-6**  
**County of Contra Costa**  
**General Fund Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Fiscal Years 2015-16 through 2019-20**  
**(\$ in thousands)**

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
<b>REVENUES</b>					
Taxes	\$364,391	\$385,577	\$404,317	\$431,626	
Licenses, permits & franchises	13,142	12,779	12,470	12,045	
Fines, forfeitures & penalties	27,606	27,807	24,959	4,374	
Use of money & property <sup>†</sup>	7,500	4,475	11,007	33,839	
Intergovernmental revenues <sup>†</sup>	515,374	541,797	552,539	582,822	
Charges for services <sup>†</sup>	219,953	224,147	235,014	252,284	
Other revenue <sup>†</sup>	261,356	275,551	290,926	352,493	
<b>TOTAL REVENUES</b>	<u>1,409,322</u>	<u>1,472,133</u>	<u>1,531,232</u>	<u>1,669,483</u>	
<b>EXPENDITURES</b>					
<b>Current:</b>					
General government	167,259	181,643	212,603	245,425	
Public protection	393,841	410,458	425,495	439,066	
Health & sanitation	273,042	287,681	319,231	363,619	
Public assistance	416,021	435,145	429,732	439,283	
Education	-	-	-	-	
Public ways and facilities	35,341	36,383	35,112	35,829	
Recreation and culture	-	-	-	-	
<b>Debt service:</b>					
Principal	92	96	-	-	
Interest	38	34	-	-	
<b>TOTAL EXPENDITURES</b>	<u>1,285,634</u>	<u>1,351,440</u>	<u>1,422,173</u>	<u>1,523,222</u>	
Excess (deficiency) of Revenues over (under) Expenditures	123,688	120,693	109,059	146,261	
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	435	552	3,501	3,905	
Transfers out	(50,844)	(52,293)	(58,489)	(63,579)	
Issuance of debt	-	-	-	-	
Premium on debt issues	-	-	-	-	
Capital lease financing	1,542	1,203	863	2,677	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(48,867)</u>	<u>(50,538)</u>	<u>(54,125)</u>	<u>(56,997)</u>	
<b>NET CHANGE IN FUND BALANCES</b>	74,821	70,155	54,934	89,264	
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	295,337	370,158	440,313	495,247	
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$370,158</u>	<u>\$440,313</u>	<u>\$495,247</u>	<u>\$584,511</u>	

<sup>†</sup> The terms "Use of money and property," "Intergovernmental revenues," "Charges for services," and "Other revenue" are defined in "Accounting Standards and Procedures for Counties." Revision No. 2, Effective May 1, 2014. California State Controller's Office.  
Source: County Auditor-Controller.

## County Employees

A summary of the total number of County full-time equivalent (FTE) employees for the last 10 years and budgeted for Fiscal Year 2020-21 is set forth below:

**Table B-7**  
**County of Contra Costa**  
**Full-Time Equivalent County Employees<sup>(1)</sup>**

<u>As of June 30</u>	<u>Number of FTE Employees</u>
2011	8,142
2012	8,329
2013	8,391
2014	8,852
2015	9,273
2016	9,778
2017	9,877
2018	9,718
2019	9,823
2020	9,751
2021 <sup>(2)</sup>	9,812

(1) As of June 30, 2020.

(2) Budgeted.

Source: County Administrator's Office.

## Contract Negotiations

County employees are represented in 34 bargaining units by 16 labor organizations, the principal ones being Teamsters, Local 856, Local 2700 of the American Federation of State County and Municipal Employees ("AFSCME"), Professional and Technical Engineers, Local 21 (AFL-CIO), Deputy Sheriff's Association, and Local 1021 of the Service Employees International Union ("SEIU") which, combined, represent approximately 69% of all permanent County and Contra Costa County Fire District employees in a variety of classifications.

All employee organizations are currently under contract and Memoranda of Understanding (the "MOUs") with the employee organizations are current and remain in full force and effect. Table B-8 summarizes the labor organizations at the County, contract expiration dates, and status of negotiations.

**Table B-8**  
**County of Contra Costa**  
**Labor Organization Unit Contract Expiration Dates**  
**(As of November 1, 2020)**

<b>Labor Organization</b>	<b>Contract Expiration Date</b>	<b>Total Number of Employees<sup>(1)</sup></b>
AFSCME Local 512, Professional and Technical Employees	06/30/22	234
AFSCME Local 2700, United Clerical, Technical and Specialized Employees	06/30/22	1,474
California Nurses Association	09/30/21	767
Contra Costa County Defenders Association	06/30/22	95
Contra Costa County Deputy District Attorneys Association	06/30/22	87
Deputy Sheriff's Association, Management Unit, Rank and File , and Probation	06/30/23	1,035
District Attorney Investigator's Association	06/30/23	19
Contra Costa County Firefighters Association, IAFF, Local 1230	06/30/23	332
Management Classified, Exempt and Management Project	N/A <sup>(2)</sup>	418
Physicians and Dentists of Contra Costa	10/31/22	254
Professional and Technical Engineers, Local 21, AFL-CIO	06/30/22	1,129
Public Employees Union, Local One	06/30/22	541
SEIU Local 1021, Rank and File and Service Line Supervisors Units	06/30/22	847
Teamsters, Local 856	06/30/22	1,821
United Chief Officers' Association	06/30/23	12
Western Council of Engineers	06/30/22	25
TOTAL		<u>9,090</u>

(1) Figures represent permanent employee counts.

(2) Negotiations are in process and the employees continue to work for the County pursuant to the terms of the existing MOU for this labor organization.

(3) Not represented.

Source: Contra Costa County Human Resources Department.

**Pension Plan** [*Section to be conformed with 2019-20 CAFR*]

**Description.** The Contra Costa County Employees' Retirement Association ("CCCERA") is a cost-sharing multiple-employer defined pension benefit plan governed by the County Employees' Retirement Law of 1937, as amended (the "1937 Act"), and the Public Employees' Pension Reform Act of 2013 ("PEPRA" and together with the 1937 Act, the "Retirement Law"). The plan covers substantially all of the employees of the County, its special districts, the Housing Authority of the County, First 5 children and Families Commission, and 12 other member agencies. CCCERA issues a stand-alone financial report, which is available at its office located at 1355 Willow Way, Suite 221, Concord, California 94520 and on their website at <http://www.cccera.org/publicationssample.html>. For additional information on the County's pension plan, see APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Note 14—Employees' Retirement Plan."

**Benefits Provided.** CCCERA provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the county or participating agencies become members of CCCERA effective on the first day of the first full pay period after employment. Part-time employees in permanent positions must work at least 20 hours a week in order to be a member of CCCERA. There are separate retirement plans for General and Safety member employees.



For members with membership dates before January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation. There is no final compensation limit in the maximum retirement benefit for members with membership dates on or after January 1, 2013.

Final average compensation consists of the highest 12 consecutive months for General Tier 1, General Tier 3 (non-disability) and Safety Tier A members and the highest 36 consecutive months for General Tier 2, General Tier 3 (disability), PEPRA General Tier 4, PEPRA Tier 5, Safety Tier C, PEPRA Safety Tier D, and PEPRA Safety Tier E members.

CCCERA provides an annual cost of living adjustment (a "COLA") benefit to all retirees. The COLA, based on the Consumer Price Index for the San Francisco-Oakland-San Jose Area, is capped at 3.0% for General Tier 1, General Tier 3 (non-disability benefits), PEPRA General Tier 4, PEPRA General Tier 5 (3% non-disability benefits), Safety Tier A and PEPRA Safety Tier D. The COLA is capped at 4.0% for General Tier 3 (disability benefits), General Tier 2 and PEPRA General Tier 5 (3% disability benefits). The COLA is capped at 2.0% for General Tier 5, Safety Tier C and PEPRA Safety Tier E.

Safety Plan. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain other "Safety" classifications. There are currently five tiers applicable to Safety members. Safety members with membership dates before January 1, 2013, are included in Tier A (Enhanced and Non-Enhanced). County Sheriff's Department Safety members hired on or after January 1, 2007, but before January 1, 2013, are placed in Safety Tier C Enhanced. Any new Safety Member who becomes a member on or after January 1, 2013, is designated PEPRA Safety Tier D or E (Safety Members from certain bargaining units) and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code §7522 et seq. Safety members prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 50, and have acquired five years of retirement service credit.

Safety member benefits are calculated pursuant to the provisions of California Government Code Sections 31664 and 31664.1 of the Retirement Law for Non-Enhanced and Enhanced formulae, respectively. The monthly allowance is equal to 1/50th (or 2%) of final compensation times years of accrued retirement service credit times age factor from Section 31664 (Non-Enhanced) or 3% of final compensation times years of accrued retirement service credit times age factor from Section 31664.1 (Enhanced). For those Safety members with membership dates on or after January 1, 2013, (PEPRA Safety Tier D and Tier E) benefits are calculated pursuant to the provisions found in California Government Code Section 7522.25(d) of the Retirement Law. The monthly allowance is equal to the final compensation multiplied by years of accrued retirement service credit multiplied by the age factor from Section 7522.25(d) of the Retirement Law.

General Plan. All other employees are classified as General members. There are currently eight tiers applicable to General members. General Tier 1 (Enhanced and Non-Enhanced) includes general members hired before July 1, 1980, and electing not to transfer to Tier 2 Plan. In addition, certain General members with membership dates before January 1, 2013, hired by specific employers who did not adopt Tier 2 are placed in Tier 1. General Tier 2 includes most General members hired on or after August 1, 1980, and all General members hired before July 1, 1980, electing to transfer to the Tier 2 plan. Effective October 1, 2002, for the County, Tier 2 was eliminated and all County employees (excluding CNA employees) in Tier 2 were placed in Tier 3 (Enhanced and Non-Enhanced). Effective January 1, 2005, all CNA employees in Tier 2 were placed in Tier 3. New General Members who become a member on or after January 1, 2013, are designated as PEPRA General Tier 4 (hired by specific employers who did not

adopt Tier 2) and Tier 5 (with 2%/3% maximum COLAs) and are subject to the provisions of California Government Code §7522 et seq. General members prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 52, and have acquired five years of retirement service credit.

General Tier 1 and Tier 3 benefits are calculated pursuant to the provisions of Sections 31676.11 and 31676.16 of the Retirement Law for Non-Enhanced and Enhanced benefit formulae, respectively. The monthly allowance is equal to 1/60th (Non-Enhanced) and 1/50th (Enhanced) of final compensation times years of accrued retirement service credit times age factor from either section 31676.11 (Non-Enhanced) or 31676.16 (Enhanced). General Tier 2 benefit is calculated pursuant to the provisions of Sections 31752 of the Retirement Law. General member benefits for those with membership dates on or after January 1, 2013, (PEPRA General Tier 4 and 5) are calculated pursuant to the provisions found in California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a) of the Retirement Law.

Contributions. The County and participating agencies contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from the CCCERA actuary after the completion of the annual actuarial valuation. The average employer contribution rate as of December 31, 2018, for Fiscal Year 2018-19 beginning July 1, 2018, (based on the December 31, 2016, valuation) was 38.08% of compensation. Contributions in relation to the actuarially determined contribution were \$262,317,000.

Members are required to make contributions to CCCERA based on the retirement plan or tier in which they are included. The average member contribution rate as of December 31, 2018, for Fiscal Year 2018-19, (based on the December 31, 2016, valuation) was 12.08% of compensation.

A copy of CCCERA's Comprehensive Annual Financial Report for calendar year end December 31, 2018, can be located at [www.cccera.org](http://www.cccera.org).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pension. At June 30, 2019, the County reported a liability of \$1,138,158,000 for its proportionate share of the Net Pension Liability (the "NPL") which includes Pension Obligation Bond proceeds. The NPL was measured as of December 31, 2018. The County's proportion of the NPL was based on a projection of the County's covered payroll for Fiscal Year 2018-2019 relative to the covered payroll of all Pension Plan participants. At December 31, 2018, the County's proportion was 79.70%, an increase from 75.74% at December 31, 2017.

For Fiscal Year 2018-19, the County recognized pension expense of \$255,967,000. Pension expense represents the change in the NPL during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/lost, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

For the reported deferred outflows and inflows of resources see APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY OF CONTRA COSTA FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Note 14—Employees' Retirement Plan."

Actuarial Assumptions. The Total Pension Liability (the “TPL”) as of December 31, 2018, was determined by actuarial valuation as of December 31, 2018. The actuarial assumptions used were based on the results of an experience study for the period January 1, 2016, through December 31, 2018. They are the same as the assumptions used in the CCCERA funding valuations as of December 31, 2018, and December 31, 2017. In particular, the following actuarial assumptions were applied to all periods included in the measurement for both the December 31, 2017, and December 31, 2016, actuarial valuations:

Inflation	2.75%
Salary increases	General: 3.75% to 15.25% Safety: 4.25% to 16.25%, varying by service, including inflation
Investment rate of return	7.00%

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

The long-term expected rate of return on pension plan investments was determined in 2016 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. Those returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

For the target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Large Cap U.S. Equity	5.00%	5.44%
Developed International Equity	13.00	6.54
Emerging Markets Equity	11.00	8.73
Short-Term Govt/Credit	23.00	0.84
U.S. Treasury	3.00	1.05
Risk Diversifying Strategies	7.00	3.53
Global Infrastructure	3.00	7.90
Private Credit	12.00	5.80
REIT	1.00	6.80
Value Add Real Estate	5.00	8.80
Opportunistic Real Estate	4.00	12.00
Risk Parity	5.00	5.80
Private Equity	8.00	9.27
TOTAL	100.00%	

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

Discount Rate. The discount rate used to measure the TPL was 7.00%. The projection of cash flows used to determine the discount rate assumed employer and employee contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer

contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2018.

Sensitivity of the County’s Proportionate Share of the NPL to Changes in the Discount Rate. The following presents the County’s proportionate share of the NPL of the CCCERA as of December 31, 2018, which is allocated to all employers, calculated using the discount rate of 7.00%, as well as what the county’s NPL would be if it were calculated using a discount rate that is 1- percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate (in thousands):

	<b>1% Decrease 6.00%</b>	<b>Discount Rate 7.00%</b>	<b>1% Increase 8.00%</b>
County’s proportionate share of the net pension plan liability	\$2,204,366	\$1,138,158	\$264,662

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

**Other Post Employment Benefit (OPEB)** *[Section to be conformed with 2019-20 CAFR]*

**Plan Description.** The County administers a single-employer defined benefit healthcare plan. This plan provides post-employment medical and dental insurance benefits to eligible retired employees and their dependents. Health benefit provisions for active employees are established and may be amended through negotiations between the County and the respective bargaining units. The county does not issue a separate audit report for its OPEB. The contribution requirements for retired employees participating in County health plans may be modified by the Board of Supervisors, and the contribution requirements for retired employees participating in PERS are as required by State statute. The County contracts with Kaiser Permanente, Health Net, Contra Costa Health Plans, and the California Public Employees’ Retirement System to provide medical benefits, and Delta Dental and PMI Deltacare for dental benefits.

The Board of Supervisors appointed the Auditor-Controller, Chief Administrative Officer, Director of Finance, Contra Costa Regional Medical Center Finance Director, and the Treasurer-Tax Collector as the Plan’s Board of Trustees. The Treasurer-Tax Collector has been designated as the Plan Administrator. As of June 30, 2019, Public Agency Retirement Services is the Trust Administrator.

The Board of Supervisors has the right at any time and for any reason, in its sole discretion, to modify, alter, or amend the Plan in whole or in part, in any manner and without limit, including reducing or eliminating the payment of any benefits. Benefits provided under this plan for a retired employee of an employer and his or her spouse or dependent shall be paid from the assets contributed to the Public Agencies Post-Retirement Health Care Plan (Trust) by the employee’s employer and not from the assets contributed by any other employer. Union Bank of California (Trustee) shall, upon the written direction of the Plan Administrator, make distributions from the assets of the Trust to the insurers, third party administrators, health care and welfare providers or other entities providing Plan benefits or services, or to the employer for reimbursement of Plan benefits and expenses paid by the employer.

***Contributions***

Benefits Provided. The County contracts with Kaiser Permanente, Health Net, Contra Costa Health Plans, and the California Public Employees’ Retirement System (CalPERS) to provide medical benefits and Delta Dental and PMI Deltacare for dental benefits.

The Board of Supervisors has adopted changes to the subsidy the County currently pays toward eligible retirees’ monthly medical and dental premiums for both safety and non-safety employees. This subsidy varies by bargaining unit and date of hire.

Currently, eligible County retirees may participate in the plans upon retirement from the County (drawing a pension from CCCERA). Currently, eligible members in deferred retirement status may participate in County health plans as retirees, so long as they begin receiving a pension from CCCERA within 24 months of separation from the County.

	<u>Primary Government</u>
Active plan members	9,041
Retirees and beneficiaries receiving benefits	6,735

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

For a summary of the current subsidy for each bargaining unit, see APPENDIX C–“COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY OF CONTRA COSTA FOR THE FISCAL YEAR ENDED JUNE 30, 2020–Note 15–Other Postemployment Benefit (OPEB)–Benefits Provided.”

Contributions. The County makes all contributions to the trustee. All contributions are paid to the trustee for investment and reinvestment pursuant to the terms of the Public Agencies Post-Retirement Health Care Plan Trust Agreement. The contribution requirements for active employees and the County are established and may be amended through negotiations between the County and the respective bargaining units. For Fiscal Year 2018-19, the funding was based on the “pay-go” basis plus a contribution of \$21,090,000 to the Contra Costa County Other Employee Benefit Trust Fund. For Fiscal Year 2018-19, the County paid \$47,297,000 as the “pay-go” cost (approximately 60.85% of total contributions).

The contributions for fiscal year ended June 30, 2019, were as follows (in thousands):

	<u>Retirees</u>
Total blended premiums at \$7,023 per plan member	\$47,297
Implicit rate subsidy	9,334
Employer pre-funding contributions	21,090
Total Employer Contributions	<u>\$77,721</u>

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

Certain plan members and survivors of retirees receiving benefits contributed \$16,222,000 or approximately 20.87% of the total contributions, through their required contribution.

Investments. The Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Plan Administrator. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan. The following was the adopted asset allocation policy as of June 30, 2019:

	<b>Expected 1-Year Nominal Return</b>	<b>Targeted Asset Allocation</b>
Total Domestic Equity		
Large Cap	7.10%	17.00%
Mid Cap	7.70	6.00
Small Cap	8.42	8.00
Global Equity (Developed)	7.83	7.00
International Equity	8.43	9.00
U.S. Fixed Income	4.98	38.00
Real Estate	7.79	4.00
Cash (Money Market)	3.08	1.00
Alternatives	6.69	10.00

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

Annual OPEB Expense and Net OPEB Liability. For the purposes of allocating the net OPEB liability within the County’s CAFR, prior retiree eligibility was used. The allocation is determined by a ratio of retirees and the department from which the retiree retired.

At June 30, 2019, the county reported \$650,074,000 for the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of January 1, 2018. The County’s net OPEB liability was based on a projection of the County’s covered payroll of \$758,797,000.

Plan Fiduciary Net Position (plan assets) was valued as of the measurement date while the total OPEB liability was determined based upon rolling forward the total OPEB liability from actuarial valuations as of January 1, 2018. As of June 30, 2019, the Plan Fiduciary Net Position was \$308,514,000.

For the year ended June 30, 2019, the County recognized OPEB expense of \$60,261,000. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for service cost, interest on the total OPEB liability, and expected investment return, net of investment expense.

For the components of the OPEB liability as of June 30, 2019 and a summary of the deferred outflows and inflows of resources, see APPENDIX C–“COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY OF CONTRA COSTA FOR THE FISCAL YEAR ENDED JUNE 30, 2020–Note 15–Other Postemployment Benefit (OPEB)–OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB.”

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The County began pre-funding benefits at a rate of \$20 million per year in Fiscal Year 2008-19. The Board of Supervisors has budgeted \$20,000,000 to pre-fund the OPEB liability in Fiscal Year 2019-20. Until January 1, 2015, CCCERA personnel were employees of the County. The OPEB liability of employees of CCCERA who retired as county employees before January 1, 2015, is included with the county's data.

The total OPEB liability was determined by an actuarial valuation as of January 1, 2018, using the actuarial assumptions summarized in APPENDIX C—"COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY OF CONTRA COSTA FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Note 15—Other Postemployment Benefit (OPEB)—OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB—Actuarial Methods and Assumptions."

Discount Rate. In the January 1, 2019, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 6.15% discount rate. This rate was derived based on the OPEB fund's investment policy for a partially funded plan and includes a 2.75% long-term inflation assumption.

The actuarial cost method used for determining the benefit obligations is the individual Entry Age Normal Cost Method. Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of expected salary for each year of employment between entry age (defined as age at hire) and assumed exit.

The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the sum of (a) the actuarial value of the assets, and (b) the actuarial present value of future normal costs is called the Unfunded Actuarial Accrued Liability (the "UAAL").

A discount rate of 6.15% was used in the valuation to reflect the county's current policy of partially funding its OPEB liabilities. This rate is derived based on the fund's investment policy, level of partial funding, and includes a 2.75% long-term inflation assumption. County OPEB Irrevocable Trust assets are invested in the Public Agency Retirement Services' Highmark Portfolio. Based on the portfolio's target allocation, the average return of Trust assets over the next 50 years is expected to be 6.12%.

Sensitivity of the County's Net OPEB Liability to Changes in the Discount Rate. The following presents the county's net OPEB liability as of June 30, 2019, calculated using the discount rate of 6.15%, as well as what the county's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.15%) or 1-percentage-point higher (7.15%) than the current rate (in thousands):

	<b>1% Decrease 5.15%</b>	<b>Discount Rate 6.15%</b>	<b>1% Increase 7.15%</b>
Net OPEB Liability as of June 30, 2019	\$754,076	\$650,074	\$562,580

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the Plan, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates (in thousands):

	<b>1% Decrease In Healthcare Costs Trend Rate</b>	<b>Current Healthcare Costs Trend Rate</b>	<b>1% Increase In Healthcare Costs Trend Rate</b>
Net OPEB Liability as of June 30, 2019	\$589,551	\$650,074	\$724,382

Source: Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019.

### **Long Term Obligations**

The County has never defaulted on the payment of principal or interest on any of its indebtedness. Following is a brief summary of the County’s general obligation debt, lease obligations and direct and overlapping debt.

***No General Obligation Debt.*** The County has no direct general obligation bonded indebtedness and has no authorized and unissued general obligation debt.

***Lease Obligations.*** The County has made use of various lease arrangements with private and public financing entities, nonprofit corporations, the County of Contra Costa Public Financing Authority and the Contra Costa County Employees’ Retirement Association for the use and acquisition of capital assets. These capital lease obligations have terms ranging from five to 30 years. The longest capital lease ends in 2040. Certain of the lease obligations of the County reflect annual payments made for debt service on lease revenue bonds issued to finance capital projects. As of June 30, 2020, the County had approximately [\$261.8] million in lease revenue obligations outstanding. For a summary of the County’s outstanding lease revenue obligations, see APPENDIX C—“COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Basic Financial Statements.”

***Pension Obligation Bonds.*** The County issued pension obligation bonds in 1994, a portion of which were restructured in 2001, and again in 2003 (of which [\$85.7] million principal amount are outstanding as of June 30, 2020) to refund debentures issued to evidence its statutory obligation to make pension payments with respect to its UAAL to CCCERA. See also “–Pension Plan.”



Fiscal Year debt service for the County’s lease revenue obligations and pension obligation bonds outstanding as of June 30, 2020 is shown in Table B-9 below.

**Table B-9**  
**County of Contra Costa**  
**Outstanding Lease Revenue Obligations and**  
**Pension Obligation Bonds**  
**(As of June 30, 2020)**

<b>Fiscal Year Ending (June 30)</b>	<b>Total Lease Debt Service<sup>(1)</sup></b>	<b>Total POB Debt Service</b>	<b>Total Debt Service</b>
2021	37,577,704	\$45,452,243	83,029,947
2022	35,067,292	47,382,398	82,449,689
2023	35,045,074	–	35,045,074
2024	25,031,119	–	25,031,119
2025	22,824,201	–	22,824,201
2026	20,446,724	–	20,446,724
2027	19,244,912	–	19,244,912
2028	12,863,233	–	12,863,233
2029	11,551,472	–	11,551,472
2030	11,553,281	–	11,553,281
2031	11,558,786	–	11,558,786
2032	11,555,508	–	11,555,508
2033	3,519,416	–	3,519,416
2034	3,520,893	–	3,520,893
2035	3,523,444	–	3,523,444
2036	2,470,618	–	2,470,618
2037	2,471,885	–	2,471,885
2038	2,475,073	–	2,475,073
2039	2,474,988	–	2,474,988
2040	2,471,630	–	2,471,630
TOTAL <sup>(2)</sup>	\$277,247,253	\$92,834,641	\$370,081,894

(1) Includes debt service on the Refunded Bonds and on privately placed Series 2012 Lease Revenue Bonds and 2017 Series A and 2017 Series B Lease Revenue Bonds. Excludes capital leases, debt service on the 2020 Bonds and federal subsidy receipts for certain Build America Bonds and Recovery Zone Bonds payable by the County. See “PLAN OF FINANCE–Refunding.”

(2) Totals may not add due to independent rounding.

Source: County Administrator’s Office.

**Direct and Overlapping Debt.** The County contains numerous municipalities, school districts and special purpose districts, as well as the overlapping East Bay Municipal Utility District, which has issued general obligation bonded and lease indebtedness. Set forth in Table B-10 below is a direct and overlapping debt report (the “Debt Report”) prepared by California Municipal Statistics Inc. that summarizes such indebtedness as of January 1, 2021. The Debt Report is included for general information purposes only and the County does not guaranty the completeness or accuracy of the information contained in the Debt Report.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the County. Such long-term obligations generally are not payable from revenues of the County (except as indicated) nor are they necessarily obligations secured by land within the County. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

**Table B-10**  
**Contra Costa County**  
**Direct and Overlapping Bond Debt**

*[To Come]*

### **Future Capital Projects** *[County to Update]*

The County expects to submit an application for construction grant funding pursuant to Senate Bill 863 (Chapter 37, Statutes of 2014) – “Construction of Adult Local Criminal Justice Facilities” (“Senate Bill No. 863”) for an expansion of the West County Detention Facility in Richmond, California with a focus on rehabilitation and re-entry programming for inmates. Pursuant to Senate Bill No. 863, the State will award up to \$500 million to counties for the acquisition, design, renovation, or construction of adult local criminal justice facilities. The State will allocate available funds to counties through a competitive process. The maximum allocation for large counties, such as the County, is \$80 million. Senate Bill No. 863 requires applicants to provide a minimum 10% match of the total project costs.

The County is also undertaking a comprehensive update of future and existing maintenance needs of certain facilities owned by the County. A draft report identified a 10 year deferred maintenance/capital renewal cost of \$272.2 million when adjusted for surplus and uninhabitable buildings. The County continues to assess this situation.

### **Insurance and Self-Insurance Programs** *[Section to be conformed with 2019-20 CAFR]*

The County is exposed to various risks of loss related to liabilities and damages to the public at large, as well as damage to, loss of, and destruction of assets and has obligations to provide its employees with negotiated and mandated benefits.

The County self-insures its employee dental, state unemployment, management long-term disability, workers’ compensation, automotive liability, public liability, and medical liability exposures. The County reports the activities of these exposures through its internal service funds.

With respect to the workers’ compensation, automotive liability, public liability and medical liability exposures, the County purchases the following excess insurance:

- Workers’ compensation in excess of \$750,000 per incident, with excess coverage provided by CSAC-EIA (the California State Association of Counties Excess Insurance Pooling Fund).
- General and auto liability in excess of \$1 million per incident, to a limit of \$50 million.
- Medical malpractice in excess of \$1 million per incident, to a limit of \$21.5 million above \$1 million.

The County is self-insured for most insurable risk, except for insurance coverage provided by commercial insurance and reinsurance companies that are subject to the following:

- Airports liability and property damage coverage to a limit of \$100 million with no deductible.
- Property insurance - all risk in excess of \$50,000 per incident, to a limit of \$600 million from loss by fire, lightning, and other perils.
- Property insurance - flood damage in excess of \$50,000 per incident, to a limit of \$300,000.

- Property insurance – earthquake in excess of 2% per unit, \$100,000 minimum deductible per occurrence, to a limit of \$465 million.
- Property insurance – terrorism to a limit of \$750 million shared aggregate with a \$500,000 deductible.
- Crime bond coverage in excess of \$100,000 per incident, to a limit of \$20 million for fidelity coverage, computer, and funds transfer fraud.
- Watercraft liability to a limit of \$50 million.
- Sheriff’s helicopters to a limit of \$50 million per incident.
- Boiler and machinery to a limit of \$100 million with a \$5,000 deductible.
- Pollution liability to a limit of \$10 million.
- Cyber liability to a limit of \$2 million, plus costs up to 250,000 notifications.

During the past four years, there have been no instances of the amount of claim settlements exceeding insurance coverage and there has not been a significant reduction in coverage in Fiscal Year 2019-20.

Internal service funds are used to account for the County’s self-insurance activities. The County’s policy is to provide in each Fiscal Year, by charges to affected operating funds, amounts sufficient to cover the estimated expenditures for self-insured claims and the cost of insurance. Charges to operating funds are recorded as expenditures/expenses of such funds and revenues of the internal service funds. Accrual and payment of claims are recorded in the internal service funds.

The County has accrued a liability of [\$173,752,000/\$174,835,000] at June 30, 2020, for all self-insured claims in the internal service funds. The self-insurance reserve is based on actuarially determined amounts for workers’ compensation, public and automobile liability, and medical liability and based on management’s estimates for all other reserves. The actuarially determined claims liabilities, including incurred but not reported claims are based on the estimated ultimate cost of settling the claims, using past experience adjusted for current trends, and any other factors that modify past experience. It also includes incremental claim adjustment expenses. In addition, estimated recoveries on settled and unsettled claims were evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims.

**Health Plans** *[Section to be conformed with 2019-20 CAFR]*

The County administers two health plans: HMO Medi-Cal and HMO Commercial Plans (Plans); which are reported as enterprise funds. The Plans have fee-for-service arrangements in which providers, including the County Hospital, bill for individual services provided to enrollees. These arrangements result in claim submission by providers subsequent to services being rendered. Claims expenses are presented as part of services and supplies expense in the statement of revenues, expenses, and changes in net position. Estimated liabilities for incurred but not reported claims are presented as part of accounts payable and accrued liabilities in the statement of net position. The provision for claims incurred but not reported claims is developed in-house using principles and assumptions that consider among other things,

contractual requirements, historical utilization trends and payment patterns, benefit changes, medical inflation, product mix, seasonality, membership, and other relevant factors.

Changes to the liability amount for Fiscal Years 2017-18 and 2018-19 are as follows (in thousands):

	Internal Service Funds	HMO Medi-Cal Plan Enterprise Fund
Liability at June 30, 2017	\$172,189	\$50,337
FY 2017-18 claims and changes in estimates	28,338	629,754
FY 2017-18 claim payments	<u>(23,995)</u>	(607,276)
Liability at June 30, 2018	176,532	72,815
FY 2018-19 claims and changes in estimates	30,693	617,548
FY 2018-19 claim payments	<u>(33,473)</u>	(623,494)
Liability at June 30, 2019	<u>\$173,752</u>	<u>\$66,869</u>

The actuarially determined claims liabilities, including incurred but not reported claims, are based on the estimated ultimate cost of settling the claims, using past experience adjusted for current trends, and any other factors that modify past experience. It also includes incremental claim adjustment expenses. In addition, estimated recoveries on settled and unsettled claims were evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims.

For additional information on the County’s insurance coverage, see APPENDIX C– “COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2020–NOTES TO THE BASIC FINANCIAL STATEMENTS.”

**APPENDIX C**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE COUNTY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**APPENDIX D**  
**COUNTY INVESTMENT POLICY**

**APPENDIX E**

**SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS**



**APPENDIX F**

**PROPOSED FORM OF BOND COUNSEL OPINION**

## APPENDIX G

### PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated \_\_\_\_\_, 2021, is executed and delivered by the County of Contra Costa, California (the “County”), and acknowledged and agreed to by Digital Assurance Certification, L.L.C., as dissemination agent, in connection with the issuance by the County of Contra Costa Public Financing Authority (the “Authority”) of \$\_\_\_\_\_,000 aggregate principal amount of its Lease Revenue Refunding Bonds (Capital Projects and Refunding), 2021 Series, comprised of \$\_\_\_\_\_ 2021 Series A (Capital Projects) and \$\_\_\_\_\_ 2021 Series A (Refunding) (together, the “2021 Bonds”). The 2021 Bonds are being issued pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”), by and between the Authority and the Trustee and acknowledged by the County. Pursuant to a Facilities Lease, dated as \_\_\_\_\_ 1, 2021 (the “Facilities Lease”), the County has covenanted to comply with its obligations under this Disclosure Agreement and to assume all obligations for continuing disclosure with respect to the 2020 Bonds. The County and the Dissemination Agent covenant and agree as follows:

**SECTION 1. Purpose of the Disclosure Agreement** This Disclosure Agreement is being executed and delivered by the County and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the 2021 Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

**SECTION 2. Definitions.** In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“*Beneficial Owner*” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning the ownership of any 2021 Bonds (including persons holding a 2021 Bonds through nominees, depositories or other intermediaries).

“*Business Day*” shall mean any day of the year which is not a Saturday or Sunday, or a day on which banking institutions located in California are required or authorized to remain closed, or on which the Federal Reserve system is closed.

“*Disclosure Representative*” shall mean the County Administrator, the Director of Conservation and Development, and the County Finance Director or his or her designee, or such other officer or employee as the County shall designate in writing to the Trustee from time to time.

“*Dissemination Agent*” shall initially mean Digital Assurance Certification, L.L.C., or any successor Dissemination Agent which may be designated in writing by the County and which has filed with the County a written acceptance of such designation.

“*Filing Date*” shall mean March 31 of each Fiscal Year of the County (or the next succeeding Business Day if such day is not a Business Day), commencing March 31, 2021.

“*Financial Obligation*” means a debt obligation; derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or a

guarantee of a debt obligation or derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation. The term “Financial Obligation” excludes municipal securities for which a final offering memorandum has been provided to the MSRB consistent with the Rule.

“*Fiscal Year*” shall mean the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other twelve-month period hereafter selected and designated as the official fiscal year period of the County and certified to the Trustee in writing by an Authorized Representative of the County.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“*Official Statement*” means the Official Statement dated \_\_\_\_\_, 2021 relating to the 2021 Bonds.

“*Participating Underwriter*” shall mean the original underwriter of the 2021 Bonds required to comply with the Rule in connection with offering of the 2021 Bonds.

“*Rule*” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“*Specified Event*” shall mean any of the events listed in Section 5(a) or Section 5(b) of this Disclosure Agreement and any other event legally required to be reported pursuant to the Rule.

“*State*” shall mean the State of California.

### SECTION 3. Provision of Annual Reports.

(a) The County shall provide, or shall cause the Dissemination Agent to provide, to the MSRB not later than the Filing Date, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report shall be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; *provided*, that the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Specified Event under Section 5.

(b) Not later than thirty (30) days prior to each Filing Date, the Dissemination Agent shall give notice to the County that the Annual Report is so required to be filed in accordance with the terms of this Disclosure Agreement. Not later than fifteen (15) Business Days prior to the Filing Date, the County shall provide the Annual Report to the Dissemination Agent (if other than the County). If by said date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall notify the County of such failure to receive the Annual Report.

(c) The Dissemination Agent shall:

1. If the County is unable to provide to the Dissemination Agent an Annual Report by the Filing Date, and if not previously filed by the County, send a notice in a timely manner, in electronic format, to the MSRB in substantially the form attached hereto as Exhibit A.
2. File a report with the County certifying that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided.

SECTION 4. Content of Annual Reports. The County's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the County's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) A maturity schedule for the outstanding 2021 Bonds.

(c) Numerical and tabular information for the immediately preceding Fiscal Year of the type contained in the Official Statement under the following captions:

1. Table B-1—"County of Contra Costa General Fund Budget Summary;"
2. Table B-3—"County of Contra Costa Summary of Secured Assessed Valuations and *Ad Valorem* Property Taxation;"
3. Table B-6—"County of Contra Costa General Fund Statement of Revenues, Expenditures and Changes in Fund Balances;"
4. Table B-9—"Contra Costa County Outstanding Lease Revenue Obligations and Pension Obligation Bonds").

***[Other tables- to be discussed]***

(d) In addition to any of the information expressly required to be provided under Sections 4(a) and 4(b), the County shall provide such other information, if any, necessary to the required statements, in light of the circumstances under which they were made, not misleading.

(e) The presentation and format of the Annual Report may be modified from time to time as determined in the judgment of the County to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the County to reflect changes in the business, structure, or operations of the County; provided that any such modifications shall comply with the requirements of the Rule.

(f) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the County or related public entities, which, have been made available to the public on the MSRB website. The County shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Specified Events.

(a) Pursuant to the provisions of this Disclosure Agreement, the County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2021 Bonds, no later than ten (10) Business Days after the occurrence of such event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed (Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2021 Bonds, or other material events affecting the tax status of the 2021 Bonds;
7. Modifications to rights of the 2021 Bond Holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property, if any, securing repayment of the 2021 Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the County or other obligated person;
13. The consummation of a merger, consolidation, or acquisition involving the County or an obligated person, or the sale of all or substantially all of the assets of the County or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) Wherever the County obtains knowledge of the occurrence of Specified Event, the County shall, or shall cause the Dissemination Agent (if not the County) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) Business Days after the occurrence of the Specified Event.

(c) The County acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(10), (a)(12), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier “if material.” The County shall cause a notice to be filed as set forth in this Section 5 with respect to any such event only to the extent that it determines the event’s occurrence is material for purposes of U.S. federal securities law. Whenever the County obtains knowledge of the occurrence of any of these Specified Events, the County will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the County will cause a notice to be filed as set forth in Section 5(c).

(d) If in response to a request under Section 5(b), the County determines that the Specified Event would not be material under applicable federal securities laws, the County shall so notify the Trustee in writing and instruct the Dissemination Agent not to report the occurrence.

(e) If the Dissemination Agent has been instructed by the County to report the occurrence of a Specified Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Specified Events described in Section 5(a)(viii) and (ix) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Trust Agreement.

(f) For purposes of this Disclosure Agreement, any event described in Section 5(a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County in a proceeding under the United States Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County.

(g) The Dissemination Agent may conclusively rely on an opinion of counsel that the instructions of the County to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

SECTION 6 CUSIP Numbers. Whenever providing information to the Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements and notices of Specified Events, the County shall indicate the full name of the 2021 Bonds and the nine-digit CUSIP numbers for the 2021 Bonds as to which the provided information relates.

SECTION 7 Termination of Reporting Obligation. The County’s obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2021 Bonds. If such termination occurs prior to the final maturity of the 2021 Bonds, the County shall give notice of such termination in the same manner as for a Specified Event under Section 5(c).

SECTION 8. Dissemination Agent. (a) The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

(b) The initial Dissemination Agent shall be Digital Assurance Certification, L.L.C. If at any time there is no designated Dissemination Agent appointed by the County, or if the Dissemination Agent so appointed is unwilling or unable to perform the duties of the Dissemination Agent hereunder, the County shall be the Dissemination Agent and undertake or assume its obligations hereunder. The Dissemination Agent (other than the County) shall not be responsible in any manner for the content of any notice or report required to be delivered by the County pursuant to this Disclosure Agreement.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Specified Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any Annual Report or notice of occurrence of a Specified Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Specified Event.

SECTION 10. Amendment; Waiver Notwithstanding any other provision of this Disclosure Agreement, the County may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to such 2021 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2021 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the affected Series of 2021 Bonds in the same manner as provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interest of the Holders or Beneficial Owners of such 2021 Bonds.

(e) In the event of any amendment or waiver of a provision of this Disclosure Agreement, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Specified Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 11. Default. In the event of a failure of the County to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Holders or Beneficial Owners of the 2021 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Disclosure Agreement; provided that any such action may be instituted only in the Superior Court of the State of California in and for the County of Contra Costa or in the U.S. District Court in the County of Contra Costa. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the County to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2021 Bonds.

SECTION 13. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the County:	County of Contra Costa County Administrator's Office 1025 Escobar Street, 4th Floor Martinez, CA 94553-0063 Attention: Tim Ewell, Chief Assistant County Administrator Telephone: 925-335-1036 Email: timothy.ewell@cao.ccounty.us
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If to the Dissemination Agent:	Digital Assurance Certification, L.L.C. 315 E. Robinson Street, Suite 300 Orlando, FL 32801-1674 Attention: Customer Assistance Telephone: 888-824-2663 Email: support@DACBond.com
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Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the 2021 Bonds, and shall create no rights in any other person or entity.



SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Dated: \_\_\_\_\_, 2021

COUNTY OF CONTRA COSTA

By \_\_\_\_\_

Chair of the Board of Supervisors  
County of Contra Costa,  
State of California

DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Dissemination Agent

By: \_\_\_\_\_

Dissemination Agent

**EXHIBIT A**

**FORM OF NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT**

Name of District: County of Contra Costa

Name of Bond Issue: County of Contra Costa Public Financing Authority Lease Revenue Refunding Bonds (Capital Projects and Refunding), 2021 Series, comprised of 2021 Series A (Capital Projects) and Series 2021 B (Refunding)

Date of Issuance: \_\_\_\_\_, 2021

NOTICE IS HEREBY GIVEN that the County of Contra Costa (the "County") has not provided an Annual Report with respect to the above-named Bonds as required by Section 8.08 of the Subleases, each dated as of \_\_\_\_\_ 1, 2021, by and between the County of Contra Costa Public Financing Authority and the County. The County anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as  
Dissemination Agent

By: \_\_\_\_\_  
Dissemination Agent

cc: County of Contra Costa

## APPENDIX H

### DTC AND THE BOOK-ENTRY ONLY SYSTEM

*The following description of the procedures and record keeping with respect to beneficial ownership interests in the 2021 Bonds, payment of principal, redemption premium, if any, and interest with respect to the 2021 Bonds to DTC, its Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the 2021 Bonds and other related transactions by and between DTC, its Participants and the Beneficial Owners is based solely on the understanding of the County of such procedures and record keeping from information provided by DTC. Accordingly, no representations can be made concerning these matters and neither DTC, its Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or its Participants, as the case may be. The County, the Trustee and the Underwriter understand that the current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and that the current “Procedures” of DTC to be followed in dealing with Participants are on file with DTC.*

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the 2021 Bonds. The 2021 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of each Series of the 2021 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of the 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2021 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the

2021 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2021 Bonds, except in the event that use of the book-entry system for the 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the 2021 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Indenture. For example, Beneficial Owners of the 2021 Bonds may wish to ascertain that the nominee holding the 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC, if less than all of the 2021 Bonds within a maturity are being redeemed. DTC's practice is to determine by lot the amount of the interest of each Direct Participant in each issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, premium, if any, and interest on the 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest on the 2021 Bonds to Cede (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2021 Bonds at any time by giving reasonable notice to the County or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The foregoing information concerning DTC concerning and DTC's book-entry system has been provided by DTC, and neither the County nor the Trustee take any responsibility for the accuracy thereof.

NEITHER THE COUNTY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO THE PAYMENTS OR THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS OR THE SELECTION OF BONDS FOR REDEMPTION.

Neither the County nor the Trustee can give any assurances that DTC, DTC Participants, Indirect Participants or others will distribute payments of principal of, premium, if any, and interest on the 2021 Bonds paid to DTC or its nominee, as the registered Owner, or any redemption or other notice, to the Beneficial Owners or that they will do so on a timely basis or that DTC will serve and act in a manner described in this Official Statement.

In the event that the book-entry system is discontinued as described above, the requirements of the Indenture will apply.

The County and the Trustee cannot and do not give any assurances that DTC, the Participants or others will distribute payments of principal, interest or premium, if any, evidenced by the 2021 Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. Neither the County nor the Trustee are responsible or liable for the failure of DTC or any Participant to make any payment or give any notice to a Beneficial Owner with respect to the 2021 Bonds or an error or delay relating thereto.

## FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated \_\_\_\_\_, 2021, is executed and delivered by the County of Contra Costa, California (the “County”), and acknowledged and agreed to by Digital Assurance Certification, L.L.C., as dissemination agent, in connection with the issuance by the County of Contra Costa Public Financing Authority (the “Authority”) of \$\_\_\_\_\_,000 aggregate principal amount of its Lease Revenue Refunding Bonds (Capital Projects and Refunding), 2021 Series, comprised of \$\_\_\_\_\_ 2021 Series A (Capital Projects) and \$\_\_\_\_\_ 2021 Series A (Refunding) (together, the “2021 Bonds”). The 2021 Bonds are being issued pursuant to a Trust Agreement, dated as of \_\_\_\_\_ 1, 2021 (the “Trust Agreement”), by and between the Authority and the Trustee and acknowledged by the County. Pursuant to a Facilities Lease, dated as \_\_\_\_\_ 1, 2021 (the “Facilities Lease”), the County has covenanted to comply with its obligations under this Disclosure Agreement and to assume all obligations for continuing disclosure with respect to the 2020 Bonds. The County and the Dissemination Agent covenant and agree as follows:

**SECTION 1. Purpose of the Disclosure Agreement** This Disclosure Agreement is being executed and delivered by the County and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the 2021 Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

**SECTION 2. Definitions.** In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“*Beneficial Owner*” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning the ownership of any 2021 Bonds (including persons holding a 2021 Bonds through nominees, depositories or other intermediaries).

“*Business Day*” shall mean any day of the year which is not a Saturday or Sunday, or a day on which banking institutions located in California are required or authorized to remain closed, or on which the Federal Reserve system is closed.

“*Disclosure Representative*” shall mean the County Administrator, the Director of Conservation and Development, and the County Finance Director or his or her designee, or such other officer or employee as the County shall designate in writing to the Trustee from time to time.

“*Dissemination Agent*” shall initially mean Digital Assurance Certification, L.L.C., or any successor Dissemination Agent which may be designated in writing by the County and which has filed with the County a written acceptance of such designation.

“*Filing Date*” shall mean March 31 of each Fiscal Year of the County (or the next succeeding Business Day if such day is not a Business Day), commencing March 31, 2021.

“*Financial Obligation*” means a debt obligation; derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or a guarantee of a debt obligation or derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation. The term “Financial Obligation” excludes

municipal securities for which a final offering memorandum has been provided to the MSRB consistent with the Rule.

“*Fiscal Year*” shall mean the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other twelve-month period hereafter selected and designated as the official fiscal year period of the County and certified to the Trustee in writing by an Authorized Representative of the County.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“*Official Statement*” means the Official Statement dated \_\_\_\_\_, 2021 relating to the 2021 Bonds.

“*Participating Underwriter*” shall mean the original underwriter of the 2021 Bonds required to comply with the Rule in connection with offering of the 2021 Bonds.

“*Rule*” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“*Specified Event*” shall mean any of the events listed in Section 5(a) or Section 5(b) of this Disclosure Agreement and any other event legally required to be reported pursuant to the Rule.

“*State*” shall mean the State of California.

### SECTION 3. Provision of Annual Reports.

(a) The County shall provide, or shall cause the Dissemination Agent to provide, to the MSRB not later than the Filing Date, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report shall be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; *provided*, that the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Specified Event under Section 5.

(b) Not later than thirty (30) days prior to each Filing Date, the Dissemination Agent shall give notice to the County that the Annual Report is so required to be filed in accordance with the terms of this Disclosure Agreement. Not later than fifteen (15) Business Days prior to the Filing Date, the County shall provide the Annual Report to the Dissemination Agent (if other than the County). If by said date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall notify the County of such failure to receive the Annual Report.

(c) The Dissemination Agent shall:

1. If the County is unable to provide to the Dissemination Agent an Annual Report by the Filing Date, and if not previously filed by the County, send a notice in a timely manner, in electronic format, to the MSRB in substantially the form attached hereto as Exhibit A.

2. File a report with the County certifying that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided.

SECTION 4. Content of Annual Reports. The County's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the County's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) A maturity schedule for the outstanding 2021 Bonds.

(c) Numerical and tabular information for the immediately preceding Fiscal Year of the type contained in the Official Statement under the following captions:

1 Table B-1—"County of Contra Costa General Fund Budget Summary;"

2. Table B-3—"County of Contra Costa Summary of Secured Assessed Valuations and *Ad Valorem* Property Taxation;"

3. Table B-6—"County of Contra Costa General Fund Statement of Revenues, Expenditures and Changes in Fund Balances;"

4. Table B-9—"Contra Costa County Outstanding Lease Revenue Obligations and Pension Obligation Bonds").

*[Other tables- to be discussed]*

(d) In addition to any of the information expressly required to be provided under Sections 4(a) and 4(b), the County shall provide such other information, if any, necessary to the required statements, in light of the circumstances under which they were made, not misleading.

(e) The presentation and format of the Annual Report may be modified from time to time as determined in the judgment of the County to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the County to reflect changes in the business, structure, or operations of the County; provided that any such modifications shall comply with the requirements of the Rule.

(f) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the County or related public entities, which, have been made available to the public on the MSRB website. The County shall clearly identify each such other document so included by reference.



SECTION 5. Reporting of Specified Events.

(a) Pursuant to the provisions of this Disclosure Agreement, the County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2021 Bonds, no later than ten (10) Business Days after the occurrence of such event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed (Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2021 Bonds, or other material events affecting the tax status of the 2021 Bonds;
7. Modifications to rights of the 2021 Bond Holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property, if any, securing repayment of the 2021 Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the County or other obligated person;
13. The consummation of a merger, consolidation, or acquisition involving the County or an obligated person, or the sale of all or substantially all of the assets of the County or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) Wherever the County obtains knowledge of the occurrence of Specified Event, the County shall, or shall cause the Dissemination Agent (if not the County) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) Business Days after the occurrence of the Specified Event.

(c) The County acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(10), (a)(12), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier “if material.” The County shall cause a notice to be filed as set forth in this Section 5 with respect to any such event only to the extent that it determines the event’s occurrence is material for purposes of U.S. federal securities law. Whenever the County obtains knowledge of the occurrence of any of these Specified Events, the County will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the County will cause a notice to be filed as set forth in Section 5(c).

(d) If in response to a request under Section 5(b), the County determines that the Specified Event would not be material under applicable federal securities laws, the County shall so notify the Trustee in writing and instruct the Dissemination Agent not to report the occurrence.

(e) If the Dissemination Agent has been instructed by the County to report the occurrence of a Specified Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Specified Events described in Section 5(a)(viii) and (ix) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Trust Agreement.

(f) For purposes of this Disclosure Agreement, any event described in Section 5(a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County in a proceeding under the United States Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County.

(g) The Dissemination Agent may conclusively rely on an opinion of counsel that the instructions of the County to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

SECTION 6 CUSIP Numbers. Whenever providing information to the Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements and notices of Specified Events, the County shall indicate the full name of the 2021 Bonds and the nine-digit CUSIP numbers for the 2021 Bonds as to which the provided information relates.

SECTION 7 Termination of Reporting Obligation. The County’s obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2021 Bonds. If such termination occurs prior to the final maturity of the 2021 Bonds, the County shall give notice of such termination in the same manner as for a Specified Event under Section 5(c).

SECTION 8. Dissemination Agent. (a) The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

(b) The initial Dissemination Agent shall be Digital Assurance Certification, L.L.C. If at any time there is no designated Dissemination Agent appointed by the County, or if the Dissemination Agent so appointed is unwilling or unable to perform the duties of the Dissemination Agent hereunder, the County shall be the Dissemination Agent and undertake or assume its obligations hereunder. The Dissemination Agent (other than the County) shall not be responsible in any manner for the content of any notice or report required to be delivered by the County pursuant to this Disclosure Agreement.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Specified Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any Annual Report or notice of occurrence of a Specified Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Specified Event.

SECTION 10. Amendment; Waiver Notwithstanding any other provision of this Disclosure Agreement, the County may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to such 2021 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2021 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the affected Series of 2021 Bonds in the same manner as provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interest of the Holders or Beneficial Owners of such 2021 Bonds.

(e) In the event of any amendment or waiver of a provision of this Disclosure Agreement, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Specified Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 11. Default. In the event of a failure of the County to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Holders or Beneficial Owners of the 2021 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Disclosure Agreement; provided that any such action may be instituted only in the Superior Court of the State of

California in and for the County of Contra Costa or in the U.S. District Court in the County of Contra Costa. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the County to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2021 Bonds.

SECTION 13. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the County: County of Contra Costa  
County Administrator's Office  
1025 Escobar Street, 4th Floor  
Martinez, CA 94553-0063  
Attention: Tim Ewell, Chief Assistant County  
Administrator  
Telephone: 925-335-1036  
Email: timothy.ewell@cao.cccounty.us

If to the Dissemination Agent: Digital Assurance Certification, L.L.C.  
315 E. Robinson Street, Suite 300  
Orlando, FL 32801-1674  
Attention: Customer Assistance  
Telephone: 888-824-2663  
Email: support@DACBond.com

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the 2021 Bonds, and shall create no rights in any other person or entity.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Dated: \_\_\_\_\_, 2021

COUNTY OF CONTRA COSTA

By \_\_\_\_\_  
Chair of the Board of Supervisors  
County of Contra Costa,  
State of California

DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Dissemination Agent

By: \_\_\_\_\_  
Dissemination Agent

**EXHIBIT A**

**FORM OF NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT**

Name of District: County of Contra Costa

Name of Bond Issue: County of Contra Costa Public Financing Authority Lease Revenue Refunding Bonds (Capital Projects and Refunding), 2021 Series, comprised of 2021 Series A (Capital Projects) and Series 2021 B (Refunding)

Date of Issuance: \_\_\_\_\_, 2021

NOTICE IS HEREBY GIVEN that the County of Contra Costa (the "County") has not provided an Annual Report with respect to the above-named Bonds as required by Section 8.08 of the Subleases, each dated as of \_\_\_\_\_ 1, 2021, by and between the County of Contra Costa Public Financing Authority and the County. The County anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as  
Dissemination Agent

By: \_\_\_\_\_  
Dissemination Agent

cc: County of Contra Costa



Contra  
Costa  
County

To: Contra Costa County Fire Protection District Board of Directors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: AUTHORIZE INSTALLMENT SALE AGREEMENT BETWEEN THE COUNTY OF CONTRA COSTA AND THE CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT

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**RECOMMENDATION(S):**

Acting as the Governing Board of the Contra Costa County Fire Protection District:

ADOPT Resolution No. 2020/343 authorizing an Installment Sale Agreement between the District and the County of Contra Costa pursuant to which the County will provide a principal amount up to \$31 million for the construction of Fire Station Nos. 9 (Pacheco) and 86 (Bay Point) in consideration of the payment by the District of installments of principal and interest for a period of 20 years.

**FISCAL IMPACT:**

The District estimates that the total cost of the Installment Sale Agreement with the County will be \$37,884,558; \$30 million in repayment of principal and \$7,884,558 of interest over the period of 20 years. The annual debt service obligation of the District arising from this agreement will be approximately \$1.9 million per year through 2041.

**BACKGROUND:**

The District plans to replace two Fire Stations within the unincorporated areas of Bay Point and Pacheco. The County of Contra Costa is working on an issuance of bonds to

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Timothy Ewell, (925) 655-2043

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

finance new capital project needs of the County and the District has an opportunity for the County to issue additional bonds and use those proceeds to assist the District with its Fire Station replacement projects. The vehicle to accomplish this is through an Installment Sale Agreement between the County and the District, pursuant to which the County will provide funds to finance the District's projects in consideration of the payment by the District of installments of principal and interest as set forth in the Agreement. The principal and interest amounts in the Agreement will then be used by the County to satisfy its debt service payment obligations arising from the 2021 Bonds.

This arrangement allows for the District to benefit from the County's excellent credit rating, resulting in lower interest costs to the District, reducing costs of issuance by participating in a larger County issuance of bonds, whereby the District would only be responsible for its pro-rata share of costs of issuance, and avoiding duplication of staff efforts within the County and the District to facilitate issuance of debt.

CHILDREN'S IMPACT STATEMENT:

No impact.

ATTACHMENTS

Resolution 2020/343

Resolution No. 2020/343 - Clerk's Certificate

Resolution No. 2020/343 - Exhibit A

Installment Sale Agreement



**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 12/15/2020 by the following vote:

**AYE:**

**NO:**

**ABSENT:**

**ABSTAIN:**

**RECUSE:**



**Resolution No. 2020/343**

**RESOLUTION APPROVING AN INSTALLMENT SALE AGREEMENT AND RELATED FINANCING DOCUMENTS; AND AUTHORIZING TAKING OF NECESSARY ACTIONS AND EXECUTION OF NECESSARY DOCUMENTS IN CONNECTION THEREWITH**

**WHEREAS**, the Contra Costa County Fire Protection District (the “District”) desires to construct certain fire stations within the County of Contra Costa (the “Project”);

**WHEREAS**, pursuant to Section 13861 of the Health and Safety Code of the State of California (the “Act”) the District is authorized to acquire property for the benefit of the District;

**WHEREAS**, this Board of Directors of the District (the “Board”) hereby requests the County of Contra Costa (the “County”) assist the District in acquiring the Project;

**WHEREAS**, the County has approved the County of Contra Costa Public Financing Authority’s issuance of its Lease Revenue Bonds (Capital Projects and Refunding) 2021 Series A (Capital Projects) (the “Bonds”) in an amount sufficient to construct the Project and pay related costs of issuance subject to certain repayment conditions;

**WHEREAS**, it is proposed that the District and the County enter into an Installment Sale Agreement (the “Installment Sale Agreement”), pursuant to which the County agrees to sell the Project to the District in consideration of the payment by the District of installments of principal and interest as set forth in the Installment Agreement (the “Installment Payments”);

**WHEREAS**, Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) (“SB 450”) requires that the District obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; **WHEREAS**, in compliance with SB 450, the District has obtained from Montague DeRose and Associates, LLC, as the County’s municipal advisor (the “Municipal Advisor”), the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto;

**WHEREAS**, this Board has been presented with the substantially final form of the Installment Sale Agreement, and the Board has examined and approved such document and desires to authorize and direct the execution of such document and the consummation of such financing;

**WHEREAS**, the District has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions hereinafter authorized; and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the District, as follows:

**Section 1.** The foregoing recitals are true and correct and this Board so finds and determines.

**Section 2.** The District hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the District;

**Section 3.** The Board hereby authorizes and approves the execution and delivery of the Installment Sale Agreement, in a principal amount of not to exceed \$31,000,000 for the financing of the Project and the payment of related transaction costs.

**Section 4.** The form of Installment Sale Agreement on file with the Clerk of the Board is hereby approved and the Chair of the Board, the Vice Chair of the Board, the County Administrator of the County, the Fire Chief of the District, the County Finance Director or any designee of any such official (the “Authorized Signatories”) and the Clerk of the Board or any assistant clerk of the Board (the “Clerk”), each acting alone, are hereby authorized and directed to execute and deliver, and the Clerk to attest, the Installment Sale Agreement in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 5.** The Authorized Signatories and other officers of the District are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, but not limited to, the execution and delivery of signature certificates, no-litigation certificates, tax and rebate certificates, and execution of any project funding agreements, documents or agreements in connection with financing of the Project and documents or agreements in connection with the execution and delivery of the Installment Sale Agreement, closing certificates and opinions. The Authorized Signatories and other appropriate officers of the District before and after the execution and delivery of the Installment Sale Agreement are hereby authorized and directed to execute and deliver any and all documents related to the Project and the Installment Sale Agreement, and pay costs of issuance or to accomplish the transactions contemplated herein.

**Section 6.** All actions heretofore taken by the officers and agents of the County with respect to the execution and delivery of the Installment Sale Agreement are hereby approved and confirmed.

**Section 7.** All of the agreements contemplated by this Resolution may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the District) and sent by e-mail shall be deemed original signatures, unless stated otherwise in the agreement.

**Section 8.** This Resolution shall take effect from and after its date of adoption.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**Contact: Timothy Ewell, (925) 655-2043**

**ATTESTED: December 15, 2020**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

**cc:**

CLERK'S CERTIFICATE

The undersigned, Chief Assistant Clerk of the Board of Directors Contra Costa County Fire Protection District, hereby certifies as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of said County duly and regularly held at the regular meeting place thereof on the 15<sup>th</sup> day of December, of which meeting all of the members of said Board of Directors had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

AYES: [ \_\_\_\_\_ ]

NOES: [ \_\_\_\_\_ ]

An agenda of said meeting was posted at least 96 hours before said meeting at the Chambers of the Board of Supervisors of the County located at 1025 Escobar Street in the City of Martinez, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

The foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting; said resolution has not been amended, modified or rescinded since the date of its adoption; and the same is now in full force and effect.

WITNESS my hand and the seal of the County of Contra Costa this 15<sup>th</sup> day of December, 2020.

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Chief Assistant Clerk of the Board of  
Directors  
Contra Costa County Fire Protection District

## EXHIBIT A

### GOOD FAITH ESTIMATES

The following information was obtained from the County's Municipal Advisor, and is provided in compliance with Section 5852.1 of the California Government Code with respect to the Installment Payments:

1. *Principal Amount.* The Municipal Advisor has determined that, based on the County's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the indebtedness to be entered into is \$23,455,000 (the "Estimated Principal Amount").

2. *True Interest Cost.* Assuming the Estimated Principal Amount is entered into, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the Installment Payments, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price, is 2.28%.

3. *Finance Charge.* Assuming the Estimated Principal Amount is entered into, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the District's finance charge, which means the sum of all fees and charges paid to third parties (or costs associated with the Installment Payments), is \$156,127.

4. *Amount of Proceeds to be Received.* Assuming the Estimated Principal Amount is entered into, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the District, less the finance charge described in paragraph 2 above, is \$30,000,000.

5. *Total Payment Amount.* Assuming the Estimated Principal Amount is entered into, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay Installment Payments plus the finance charge described in paragraph 2 above not paid with the proceeds to be received, calculated to the final Installment Payment, is \$37,884,558.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from those presently estimated due to variations from these estimates in the timing of the sale of the Bonds, the actual principal amount of Bonds sold, the amortization of the Bonds sold and market interest rates at the time of sale. The date of sale and the amount of Bonds sold will be determined by the County based on need for improvement funds and other factors. The actual interest rates at which the Bonds and thus the Installment Payments will be sold will depend on the bond market at the time of sale. The actual amortization of the Installment Payments will also depend, in part, on market interest rates at the time of sale of the Bonds. Market interest rates are affected by economic and other factors beyond the District's control.

## INSTALLMENT SALE AGREEMENT

THIS INSTALLMENT SALE AGREEMENT, (this “Installment Sale Agreement”), dated as of March 1, 2021, is by and between the County of Contra Costa, a political subdivision organized and existing under by virtue of the laws of the State of California (the “County”), and the Contra Costa County Fire Protection District (the “District”), a fire protection district organized and existing under, and by virtue of the laws, of the State of California.

### WITNESSETH:

**WHEREAS**, the District presently owns and operates certain facilities and property for the local provision of fire protection services, rescue services, emergency medical services, hazardous material emergency response services, ambulance services, and other services relating to the protection of lives and property within the service area of the District;

**WHEREAS**, the District wishes at this time to finance the costs of the construction and the acquisition of certain fire stations (the “Project”);

**WHEREAS**, the County Board of Supervisors approved the issuance of the Contra Costa County Public Finance Authority’s Lease Revenue Bonds (Capital Projects and Refunding), 2021 Series A (the “Lease Revenue Bonds”), a portion of the proceeds of which will be used to construct the Project subject to certain repayment conditions;

**WHEREAS**, the District and the County are entering into this Installment Sale Agreement, pursuant to which the County will provide funds to construct the Project and upon construction of the Project, the County will sell the Project to the District in consideration of the payment by the District of installments of principal and interest as set forth in Exhibit A to this Installment Sale Agreement (the “Installment Payments”); and

**NOW, THEREFORE**, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

## ARTICLE I

### DEFINITIONS AND EXHIBITS

**SECTION 1.1. Definitions.** All capitalized terms used in this Section 1.1 shall for all purposes of this Installment Sale Agreement have the meanings herein specified or as hereinafter defined.

“Closing Date” means the date the County deposits the funds necessary to construct the Project with the District pursuant to Section 3.2.

“Event of Default” means any of the events of default as defined in Section 5.1.

“Federal Securities” means any direct general non-callable obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), or obligations the timely payment of principal of and interest on which are directly guaranteed by the United States of America.

“Installment Sale Agreement” means this Installment Sale Agreement, dated as of March 1, 2021, between the County and the District.

“Installment Payment Date” means the date on which each Installment Payment is due and payable, commencing [June 1, 2021] and continuing to and including the date on which the Installment Payments have been paid in full.

“Installment Payments” means all payments required to be paid by the District on any date pursuant to Section 3.6, including any prepayment thereof pursuant to Section 6.2 or 6.3.

“Project” means the facilities and improvements described in Exhibit B attached hereto and by this reference incorporated herein.

[“Project Fund” means the fund established for the construction and acquisition of the Project, as such fund is described in Section 3.2.]

“Revenues” means all income, receipts and revenues of the District of any kind, including, without limitation, any property tax revenues, license revenues and any other revenues of the District.

“Tax Code” means the Internal Revenue Code of 1986. Any reference herein to a provision of the Tax Code shall include all applicable temporary and permanent regulations promulgated under the Tax Code.

“Term of this Installment Sale Agreement” or “Term” means the time during which this Installment Sale Agreement is in effect, as provided in Section 3.3.

**SECTION 1.2. Exhibits.** The following Exhibits are attached to, and by reference made a part of, this Installment Sale Agreement:

Exhibit A: Schedule of Installment Payments to be paid by the District hereunder, showing the date and amount of each such Installment Payment.

Exhibit B: The description of the Project.

## **ARTICLE II**

### **REPRESENTATIONS, COVENANTS AND WARRANTIES**

**SECTION 2.1. Representations, Covenants and Warranties of the District.** The District represents, covenants and warrants to the County as follows:

(a) Due Organization and Existence. The District is a fire protection district organized and existing under and by virtue of Division 12, commencing with Section 13800 of Health and Safety Code of the State of California.

(b) Authorization. The laws of the State of California authorize the District to enter into this Installment Sale Agreement and to enter into the transactions contemplated hereby and thereby, and to carry out its obligations under this Installment Sale Agreement and the Board of Directors of the District has duly authorized the execution and delivery of this Installment Sale Agreement.

(c) No Violations. Neither the execution and delivery of this Installment Sale Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrances whatsoever upon any of the property or assets of the District, other than as set forth herein.

**SECTION 2.2. Representations, Covenants and Warranties of the County.** The County represents, covenants and warrants to the District as follows:

(a) Due Organization and Existence. The County is a County duly organized and existing under the laws of the State of California.

(b) Authorization. The laws of the State of California authorize the County to enter into this Installment Sale Agreement and to enter into the transactions contemplated hereby and thereby, and to carry out its obligations under this Installment Sale Agreement and the Board of Supervisors of the County has duly authorized the execution and delivery of this Installment Sale Agreement.

(c) No Violations. Neither the execution and delivery of this Installment Sale Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the County is now a party or by which the County is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the County.

(d) No Assignments. Except as provided herein, the County will not assign this Installment Sale Agreement, its right to receive Installment Payments from the District, or its duties and obligations hereunder to any other person, firm or entity so as to impair or violate the representations, covenants and warranties contained in this Section 2.2.

## ARTICLE III

### TERMS OF INSTALLMENT SALE

**SECTION 3.1. Sale.** The County hereby sells the Project to the District, and the District hereby purchases the Project from the County, upon the terms and conditions set forth in this Installment Sale Agreement.

**SECTION 3.2. Deposit of Moneys; Construction and Acquisition of the Project.** [On the Closing Date the County shall deposit the sum of \$[\_\_\_\_\_] to a project fund held by the District (the "Project Fund").][or a project fund held by a trustee] The District shall expend as agent of the County the proceeds in the Project Fund for the purpose of acquiring, constructing and installing the Project. The District shall invest proceeds in the Project Fund in investments authorized by California law [and the District's investment policy]. Any unexpended proceeds in the Project Fund upon the completion of the Project shall be applied by the District towards the payment of Installment Payments.]

The County hereby appoints the District as its agent to carry out all phases of the acquisition, construction and installation of the Project and the District hereby accepts such appointment. The District shall enter into contracts and provide for, as agent for County, the complete acquisition, construction and installation of the Project. The District hereby agrees that it will cause the acquisition, construction and installation of the Project to be diligently performed. It is hereby expressly understood and agreed that the County shall be under no liability of any kind or character whatsoever for the payment of any cost of the Project except for the funds deposited in the Project Fund pursuant to the immediately preceding paragraph and that all such costs and expenses shall be paid by the District, regardless of whether the funds deposited with the District are sufficient to cover all such costs and expenses.

[Furthermore, the County shall cause the costs of issuance to paid as set forth in Exhibit C. ]

**SECTION 3.3. Term.** The Term of this Installment Sale Agreement shall commence on the Closing Date, and shall end on the date on which the District shall have paid all of the Installment Payments and all other amounts due and payable hereunder or provision for such payment shall be made as provided herein.

**SECTION 3.4. Title.** As between the County and the District, title to the Project, and each component thereof, shall be deemed conveyed to and vested in the District upon the acquisition and construction thereof. The County shall, execute deliver and cause to be recorded any and all documents reasonably requested by the District to consummate such transfer of title.

**SECTION 3.5. Disclaimer of Warranties.** THE COUNTY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OF THE PROJECT OR ANY PART THEREOF, OR AS TO THE FITNESS FOR ANY PARTICULAR USE OF THE PROJECT OR ANY PART THEREOF OR AS TO THE FITNESS OF THE PROJECT FOR THE USE CONTEMPLATED BY THE DISTRICT OR



ANY PART THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT THERETO. THE DISTRICT ACKNOWLEDGES THAT THE COUNTY IS NOT A CONTRACTOR OF THE PROJECT, THAT THE DISTRICT PURCHASES THE PROJECT "AS-IS", IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE DISTRICT. IN NO EVENT SHALL THE COUNTY BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE ACQUISITION, CONSTRUCTION, EXISTENCE, FURNISHING, FUNCTIONING OF THE PROJECT OR THE DISTRICT'S USE OF ANY ITEM OR PRODUCTS OR SERVICES PROVIDED FOR IN THIS AGREEMENT. THE DISTRICT ACKNOWLEDGES THAT IT IS SOLELY RESPONSIBLE FOR DETERMINING THE SUITABILITY OF THE PROJECT FOR ITS INTENDED USE.

### **SECTION 3.6. Installment Payments.**

(a) Obligation to Pay. The District hereby agrees to pay to the County, as the purchase price of the Project hereunder, Installment Payments with principal components aggregating \$[\_\_\_\_\_] and interest components (calculated at the rate of [\_\_\_\_\_] % on the basis of a 360-day year of twelve 30-day months) on the unpaid principal components thereof, payable in the respective amounts and on the respective Installment Payment Dates specified in Exhibit A attached hereto payable in the respective amounts and on the respective Installment Payment Dates specified in Exhibit A attached hereto.

(b) Effect of Prepayment. [In the event that the District prepays the Installment Payments in full pursuant to Article VI, the District's obligations under this Installment Sale Agreement shall thereupon cease and terminate, including but not limited to the District's obligation to pay Installment Payments under this Section 3.6; subject however, to the provisions of Section 6.1 in the case of prepayment by application of a security deposit. In the event that the District prepays the Installment Sale in part but not in whole pursuant to Section 6.3, the principal components of the remaining Installment Payments shall be reduced so as to produce equal Installment Payments over the remaining Term of this Installment Sale Agreement.]

(c) Rate on Overdue Payments. [In the event the District should fail to make any of the payments required in this Section 3.6, the payment in default shall continue as an obligation of the District until the amount in default shall have been fully paid, and the District agrees to pay the same with interest thereon, to the extent permitted by law, from the date of default to the date of payment at the rate of [six percent (6%)] per annum].

### **SECTION 3.7. Nature of District's Obligations.**

(a) Unsecured Obligation. The obligation of the District to make Installment Payments and all other obligations of the District are unsecured obligations. The obligations of the District to make the Installment Payments and to perform and observe the other agreements on its part contained in this Installment Sale Agreement shall be absolute and unconditional obligations of the District and are not subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the District or the County of any obligation to the

District or otherwise with respect to the Project, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the District by the County. Until such time as all of the Installment Payments have been fully paid or prepaid, the District:

(i) will not suspend or discontinue payment of any Installment Payments,

(ii) will perform and observe all other agreements contained in this Installment Sale Agreement, and

(iii) will not terminate this Installment Sale Agreement for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project, sale of the Project, the taking by eminent domain of title to or temporary use of any component of the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or the State of California or any political subdivision of either thereof or any failure of the County to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Installment Sale Agreement.

(b) Protection of Rights. If the County fails to perform any such agreements on its part, the District may institute such action against the County as the District deems necessary to compel performance so long as such action does not abrogate the obligations of the District contained in the preceding subsection (a). The District may, however, at the District's own cost and expense and in the District's own name or in the name of the County prosecute or defend any action or proceeding or take any other action involving third persons which the District deems reasonably necessary in order to secure or protect the District's rights hereunder, and in such event the County will cooperate fully with the District and take such action necessary to effect the substitution of the District for the County in such action or proceeding if the District shall so request.

## ARTICLE IV

### COVENANTS OF THE DISTRICT

**SECTION 4.1. Release and Indemnification Covenants.** The District shall indemnify the County and its officers, agents, successors and assigns and hold them harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of the following:

(a) the use, maintenance, condition or management of, or from any work or thing done on or about the Project by the District,

(b) any breach or default on the part of the District in the performance of any of its obligations under this Installment Sale Agreement,

(c) any intentional misconduct or negligence of the District or of any of its agents, contractors, servants, employees or licensees with respect to the Project, and

(d) any intentional misconduct or negligence of any lessee of the District with respect to the Project.

No indemnification is made under this Section 4.1 or elsewhere in this Installment Sale Agreement for willful misconduct, gross negligence, or breach of duty under this Installment Sale Agreement by the County, its officers, agents, employees, successors or assigns.

**SECTION 4.2. Sale or Eminent Domain of Project.** Except as provided herein, the District covenants that the Project will not be encumbered, sold, leased, pledged, any charge placed thereon, or otherwise disposed of, as a whole or substantially as a whole if such encumbrance, sale, lease, pledge, charge or other disposition would materially impair the ability of the District to pay the Installment Payments or the principal of or interest on would materially adversely affect its ability to comply with the terms of this Installment Sale Agreement. The District shall not enter into any agreement which impairs the operation of the Project or which otherwise would impair the rights of the County. If any substantial part of the Project is sold, the payment therefor must either (a) be used for the acquisition or construction of improvements and extensions or replacement facilities or (b) be applied to prepay or redeem the Installment Payments, on a pro rata basis, in the manner provided herein.

Any amounts received as awards as a result of the taking of all or any part of the Project by the lawful exercise of eminent domain, if and to the extent that such right can be exercised against such property of the District, shall either (a) be used for the acquisition or construction of improvements and extension or replacement facilities of the Project, or (b) be applied to prepay or redeem the Installment Payments, on a pro rata basis, in the manner provided herein.

**SECTION 4.3. Insurance.** The District shall at all times maintain with responsible insurers all such insurance on the Project as is customarily maintained with respect to works and properties of like character against accident to, loss of or damage to the Project. All amounts collected from insurance against accident to or destruction of any portion of the Project shall be used to repair or rebuild such damaged or destroyed portion of the Project or if determined not to repair or rebuild such portion and in any event to the extent not so applied, must either (a) be used for the acquisition or construction or improvements and extensions or replacement facilities or (b) be applied to prepay or redeem the Installment Payments, on a pro rata basis, in the manner provided in this Installment Sale Agreement. The District shall also maintain, with responsible insurers, worker's compensation insurance and insurance against public liability and property damage to the extent reasonably necessary to protect the District and the County. Any insurance required to be maintained may be maintained by the District in the form of self-insurance or in the form of participation by the District in a program of pooled insurance.

**SECTION 4.4. Issuance of Additional Indebtedness.** Except for obligations incurred to prepay or post a security deposit for the Installment Sale in whole, the District may not issue or incur any Additional Indebtedness unless:

(a) The District is not then in default under the terms of this Installment Sale Agreement; and

(b) The District receives the County's prior written consent [ or the additional indebtedness does not exceed \$10,000,000].

**SECTION 4.5. Assignment by the County.** The County's rights under this Installment Sale Agreement, including the right to receive and enforce payment of the Installment Payments to be made by the District under this Installment Sale Agreement may be assigned.

**SECTION 4.6. Assignment by the District.** This Installment Sale Agreement may not be assigned by the District, other than to a public agency which shall succeed to the interests of the District in and to the Project and which (by operation of law, by contract or otherwise) becomes legally bound to all of the terms and provisions hereof.

**SECTION 4.7. Amendment of this Installment Sale Agreement.** This Installment Sale Agreement may be amended by the District and the County.

**SECTION 4.8. Tax Covenants.**

(a) [The District shall not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest components of the Installment Payments to become includable in gross income for federal income tax purposes nor shall the District take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest components of the Lease Revenue Bonds to become includable in gross income for federal income tax purposes.

(b) The District shall assure that the proceeds of the Installment Sale are not so used as to cause the Installment Sale to satisfy the private business tests of section 141(b) of the Tax Code or the private loan financing test of section 141(c) of the Tax Code.

(c) The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Installment Payments to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(d) The District shall not take, or permit or suffer to be taken, any action with respect to the proceeds of the Installment Payments which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Installment Payments to be "arbitrage bonds" within the meaning of Section 148(a) of the Tax Code.

(e) The District hereby designates this Installment Sale Agreement for purposes of paragraph (3) of Section 265(b) of the Tax Code and represents that not more than \$[\_\_\_\_\_] aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Tax Code) from gross income for federal income tax purposes (excluding private activity bonds, as defined in Section 141 of the Tax Code, except qualified 501(c)(3) bonds as defined in Section 145 of the Tax Code), including this Installment Sale Agreement, has been or will be issued by the District.

(f) The District shall take any and all actions necessary to assure compliance with section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Installment Sale.]

**SECTION 4.9. Pledge of Revenues.** All Revenues are hereby irrevocably pledged to the payment of the Installment Payments as provided herein. This pledge shall constitute a first pledge and lien on Revenues.

## ARTICLE V

### EVENTS OF DEFAULT AND REMEDIES

**SECTION 5.1. Events of Default Defined.** The following shall be Events of Default under this Installment Sale Agreement.

(a) Failure by the District to pay the County any Installment Payment or to pay other amounts required to be paid hereunder within fifteen (15) days of the time specified herein, and such failure is not cured within ten (10) days after written notice thereof by the County.

(b) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder other than as referred to in the preceding clause (a) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the District by the County *provided, however*, if in the reasonable opinion of the District the failure stated in the notice can be corrected, but not within such thirty (30) day period, the County shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the District within such thirty (30) day period and diligently pursued until the default is corrected.

(c) The filing by the District of a voluntary petition in bankruptcy, or failure by the District promptly to lift any execution, garnishment or attachment, or adjudication of the District as bankrupt, or assignment by the District for the benefit of creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

**SECTION 5.2. Remedies on Default.** Whenever any Event of Default shall have happened and be continuing, the County shall have the rights, at its option and without any further demand or notice to:

(a) declare all principal components of the unpaid Installment Payments, together with all accrued and unpaid interest components of the Installment Payments from the immediately preceding Installment Payment Date on which payment was made, to be immediately due and payable, whereupon the same shall immediately become due and payable; and,

(b) take whatever action at law or in equity may appear necessary or desirable to collect the Installment Payments then due or thereafter to become due during the Term of this Installment Sale Agreement, or enforce performance and observance of any obligation, agreement or covenant of the District under this Installment Sale Agreement.

The provisions of the preceding clause (a) are subject to the condition that if, at any time after the principal components of the unpaid Installment Payments shall have been so declared due and payable pursuant to the preceding clause (a), and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the District shall deposit with the County a sum sufficient to pay all principal components of the Installment Payments coming due prior to such declaration and all matured interest components (if any) of the Installment Payments, with interest on such overdue principal and interest components calculated at the rate set forth in Section 3.4(c) and the reasonable expenses of the County (including any fees and expenses of its attorneys), and any and all other defaults known to the County (other than in the payment of the principal and interest components of the Installment Payments due and payable solely by reason of such declaration) shall have been made good, then, and in every such case, the County may, by written notice to the District rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

**SECTION 5.3. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the County is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Installment Sale Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the County to exercise any remedy reserved to it in this Article V it shall not be necessary to give any notice, other than such notice as may be required in this Article V or by law.

**SECTION 5.4. Agreement to Pay Attorneys' Fees and Expenses.** In the event either party of this Installment Sale Agreement should default under any of the provisions hereof and the prevailing party should employ attorneys (including in-house counsel) or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the prevailing party the reasonable fees of such attorneys (including the allocable cost of in-house counsel) and such other expenses so incurred by the prevailing party.

**SECTION 5.5. No Additional Waiver Implied by One Waiver.** In the event any agreement contained in this Installment Sale Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

## ARTICLE VI

### PREPAYMENT OF INSTALLMENT PAYMENTS

**SECTION 6.1. [Security Deposit.** Notwithstanding any other provision of this Installment Sale Agreement, the District may on any date secure the payment of Installment Payments, in whole, by irrevocably depositing with a fiduciary an amount of cash which, together with other available amounts, is either (a) sufficient to pay all such Installment Payments, including the principal and interest components thereof, when due or (b) invested in whole or in part in Federal Securities in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay all such Installment Payments when due or when due on any optional prepayment date pursuant to Section 6.2, as the District shall instruct at the time of said deposit. In the event of a security deposit pursuant to this Section for the payment of all remaining Installment Payments, all obligations of the District under this Installment Sale Agreement shall cease and terminate, excepting only the obligation of the District to make, or cause to be made, all of Installment Payments from such security deposit. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of such Installment Payments in accordance with the provisions of this Installment Sale Agreement.

**SECTION 6.2. Optional Prepayment.** The District shall have the option to prepay the principal components of the Installment Payments in whole, on any Installment Payment Date, commencing on the [\_\_\_\_\_] Installment Payment Date, by paying the Installment Payment required to be paid on such date plus a prepayment price equal to the principal amount of the Installment Payments to be prepaid, without premium. The District shall give the County written notice of its intention to exercise its option not less than thirty (30) days in advance of the date of exercise.][discuss partial prepayment and refunding of the LRB]

**SECTION 6.3. Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain.** The District shall prepay the unpaid principal components of the Installment Payments in whole on any date or in part, on any Installment Payment Date, from and to the extent the District determines to apply any Net Proceeds of insurance award or condemnation award with respect to the Project for such purpose pursuant to Sections 4.2 or 4.3 at a price equal to the principal components of the Installment Payments to be prepaid. The District and the County hereby agree that such proceeds, to the extent remaining after payment of any delinquent Installment Payments, shall be credited towards the District's obligations under this Section 6.3.

## ARTICLE VII

### MISCELLANEOUS

**SECTION 7.1. Notices.** All written notices to be given under this Installment Sale Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopier or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by telecopier or other form of telecommunication, (b) 48 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The

County or the District may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the District:                   Contra Costa Fire Protection District  
4005 Port Chicago Highway, Suite 250  
Concord, California  
Attention: [\_\_\_\_\_]

If to the County:                   County of Contra Costa  
c/o Clerk of the Board of Supervisors  
County of Contra Costa  
County Administration Building  
1025 Escobar Street  
Martinez, California 94553

**SECTION 7.2. Binding Effect.** This Installment Sale Agreement shall inure to the benefit of and shall be binding upon the County and the District and their respective successors and assigns.

**SECTION 7.3. Severability.** In the event any provision of this Installment Sale Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**SECTION 7.4. Net-net-net Contract.** This Installment Sale Agreement shall be deemed and construed to be a “net-net-net” contract, and the District hereby agrees that the Installment Payments shall be an absolute net return to the County, free and clear of any expenses, charges or set-offs whatsoever.

**SECTION 7.5. Further Assurances and Corrective Instruments.** The County and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Installment Sale Agreement.

**SECTION 7.6. Execution in Counterparts.** This Installment Sale Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 7.7. Applicable Law.** This Installment Sale Agreement shall be governed by and construed in accordance with the laws of the State of California.

**SECTION 7.8. Captions.** The captions or headings in this Installment Sale Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Installment Sale Agreement.

IN WITNESS WHEREOF, the County has caused this Installment Sale Agreement to be executed in its corporate name by its duly authorized officer, and the District has caused this



Installment Sale Agreement to be executed in its name by its duly authorized officer, as of the date first above written.

CONTRA COSTA COUNTY FIRE  
PROTECTION DISTRICT

By: \_\_\_\_\_  
President of the Board

Attest:

\_\_\_\_\_  
Secretary of the Board

COUNTY OF CONTRA COSTA

By: \_\_\_\_\_  
John M. Gioia  
Chair of the Board of Supervisors

**EXHIBIT A**  
**SCHEDULE OF INSTALLMENT PAYMENTS**

PMT #	Due Date	Installment Payment	To Principal	To Interest
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
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16				
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40				

**EXHIBIT B**  
**DESCRIPTION OF THE PROJECT**

The project consists of

**EXHIBIT C**  
**COSTS OF ISSUANCE**

<b>Cost of Issuance</b>	<b>Amount</b>
<hr/>	
 <hr/>	
 <hr/> <hr/>	

**EXHIBIT D**  
**CLOSING WIRE CONFIRMATION**



Contra  
Costa  
County

To: Board of Supervisors  
From: Matt Slattengren, Ag Commissioner/Weights & Measures Director  
Date: December 15, 2020

Subject: HEARING to consider adopting Ordinance No. 2020-30, an urgency interim ordinance extending, through October 30, 2021, a moratorium on industrial hemp

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**RECOMMENDATION(S):**

1. OPEN the public hearing on Ordinance No. 2020-30, RECEIVE testimony, and CLOSE the public hearing.
2. ADOPT Ordinance No. 2020-30, an urgency interim ordinance extending, through October 30, 2021, a moratorium on industrial hemp cultivation and processing.

**FISCAL IMPACT:**

The Agriculture Department will not be able to accept hemp registrations or monies from the CDFA Hemp contract totaling about \$2,000 for the duration of the moratorium.

- 
- APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact:  
925-608-6600

By: , Deputy

cc:

## BACKGROUND:

On November 17, 2020, the Board of Supervisors adopted Ordinance No. 2020-28, an urgency interim ordinance that established a moratorium on the cultivation and processing of industrial hemp.

This urgency ordinance extends the temporary moratorium on industrial hemp cultivation while the County continues developing reasonable regulations to mitigate the impacts and regulate the location of the cultivation of industrial hemp, which is generally defined as the *Cannabis sativa L.* plant with a tetrahydrocannabinol (THC) concentration of 0.3% or less. Under state law, industrial hemp is not subject to the same regulatory provisions as cannabis. Industrial hemp is exempt from regulation under the Medicinal and Adult-Use Cannabis Regulation and Safety Act. Accordingly, the County's cannabis regulation ordinance, Chapter 88-28 of the County Ordinance Code, does not regulate the cultivation of industrial hemp within the unincorporated areas of Contra Costa County.

Under this ordinance, no person or entity, including any established agricultural research institution, may grow or process industrial hemp for any purpose within the unincorporated area of Contra Costa County. No County permit, registration, or approval of any type will be issued for industrial hemp cultivation or processing, and no County building permit or approval of any type will be issued for any structure used or intended to be used for industrial hemp cultivation or processing. The Contra Costa County Agricultural Commissioner will not issue a registration to any industrial hemp grower, and will not renew any existing registrations. If a grower has an active registration, the grower may continue to grow until the registration expires. A registration lasts for one year.

If extended the ordinance will be in effect for an additional period of 10 months and 15 days, and can be extend it for another year.

## CONSEQUENCE OF NEGATIVE ACTION:

The failure to enact this emergency moratorium during the stated period may result in problems with enforcement of a program with insufficient regulations. Allowing more Industrial Hemp registration can create incompatibility issues with land use and licensed Cannabis crops.

## ATTACHMENTS

Ordinance No. 2020-30

ORDINANCE NO. 2020-30

AN URGENCY INTERIM ORDINANCE EXTENDING A MORATORIUM ON  
INDUSTRIAL HEMP CULTIVATION AND PROCESSING

The Contra Costa County Board of Supervisors ordains as follows:

**Section 1. Purpose and Findings.**

- A. The purpose of this urgency ordinance is to extend a temporary moratorium on industrial hemp cultivation and processing while the County considers developing reasonable regulations to mitigate the impacts and regulate the location of the cultivation of industrial hemp, which is generally defined as the *Cannabis sativa L.* plant with a tetrahydrocannabinol (THC) concentration of 0.3% or less.
- B. In December 2018, H.R. 2, the Agriculture Improvement Act of 2018 (the 2018 Farm Bill), was signed into law, authorizing hemp cultivation more broadly than previously allowed by removing hemp from Schedule I of the federal Controlled Substances Act.
- C. The 2018 Farm Bill delegates to states and Indian tribes the authority to regulate and limit the production of hemp within their borders. It requires states to submit regulatory plans to the U.S. Department of Agriculture (USDA) for review and approval. The California Department of Food and Agriculture submitted a proposed state regulatory plan to the USDA for review and approval. California's proposed state regulatory plan is under review by the USDA.
- D. Under Food and Agricultural Code sections 81003 and 81004, before cultivation, a commercial grower or seed breeder of industrial hemp must register with the county agricultural commissioner. To date in 2020, the Contra Costa County Agricultural Commissioner has registered five commercial industrial hemp growers in the unincorporated areas of Contra Costa County. A registration is valid for one year from the date of issuance.
- E. Under state law, industrial hemp is not subject to the same regulatory provisions as cannabis. Health and Safety Code section 11018.5(b) exempts industrial hemp from regulation under the Medicinal and Adult-Use Cannabis Regulation and Safety Act (Business and Professions Code, § 26000 et seq.). Accordingly, the County's cannabis regulation ordinance, Chapter 88-28 of the County Ordinance Code, does not regulate the cultivation of industrial hemp within the unincorporated areas of Contra Costa County.
- F. The methods for distinguishing industrial hemp (the non-intoxicating *Cannabis sativa L.* plant) from cannabis (the psychotropic version of the plant) are evolving. Industrial hemp and cannabis are derivatives of the same plant, *Cannabis sativa L.* Under state law, industrial hemp is distinguished from cannabis by the amount of tetrahydrocannabinol



(THC), the psychoactive chemical in the plant. If the plant has a concentration of 0.3% THC or less, it is categorized as industrial hemp. Industrial hemp and cannabis thus may be difficult to distinguish without a chemical analysis for the presence of THC content. THC levels are difficult to test reliably until the plant is close to maturity and ready for harvest. Testing is time sensitive, and it is difficult to perform and obtain results in a timely manner. The similarities in the two types of plants present challenges for law enforcement and code enforcement when determining whether a cultivation site complies with applicable law, including Ordinance Code chapter 88-28, or has paid required taxes.

- G. Industrial hemp can serve as a host to corn earworms and other insects. The pesticides that have been approved for industrial hemp may not provide the range of control needed to prevent movement of these pests from industrial hemp to nearby crops.
- H. Without local regulation, the cultivation of industrial hemp and cannabis may create incompatibility issues due to cross-pollination if male industrial hemp plants are grown or allowed to be grown close to cannabis.
- I. The cultivation of industrial hemp without local regulations may interfere with licensed and permitted cannabis cultivation operations under Ordinance Code chapter 88-28, particularly with respect to pollen drift and pest contamination.
- J. On November 17, 2020, the Board of Supervisors adopted Ordinance No. 2020-28, an urgency interim ordinance that established a moratorium on the cultivation and processing of industrial hemp.
- K. An extended moratorium on the cultivation and processing of industrial hemp is urgent and necessary to give the County time to study and determine how best to regulate the cultivation of industrial hemp and consider appropriate zoning districts and regulatory standards, including location requirements, security standards, water supply requirements, and size limits.
- L. The continued allowance of industrial hemp cultivation before the adoption of local regulations creates an urgent and immediate threat to the public health, safety, or welfare of the citizens and existing agriculture in Contra Costa County.

**Section 2. Definitions.** For purposes of this ordinance, the following terms have the following meanings:

- (a) “Established agricultural research institution” has the meaning set forth in Food and Agricultural Code section 81000(a)(4).
- (b) “Industrial hemp” has the meaning set forth in Food and Agricultural Code section 81000(a)(6).

**Section 3. Cultivation and Processing of Industrial Hemp Prohibited.** The moratorium established by Ordinance No. 2020-28 is extended for 10 months and 15 days, through October 30, 2021.

- (a) During the term of this interim ordinance, including any extensions:
  - (1) No person or entity, including any established agricultural research institution, may grow or process industrial hemp for any purpose within the unincorporated area of Contra Costa County.
  - (2) No County permit, registration, or approval of any type shall be issued for industrial hemp cultivation or processing.
  - (3) No County building permit or approval of any type shall be issued for any structure used or intended to be used for industrial hemp cultivation or processing.
- (b) During the term of this interim ordinance, including any extensions:
  - (1) The Contra Costa County Agricultural Commissioner will not issue a registration to any applicant pursuant to Food and Agricultural Code sections 81003 and 81004, or otherwise.
  - (2) The Contra Costa County Agricultural Commissioner will not renew the registration of any applicant pursuant to Food and Agricultural Code sections 81003 and 81004, or otherwise.
- (c) Notwithstanding subdivisions (a) and (b) of this section, growers of industrial hemp that have an active registration issued by the Contra Costa County Agricultural Commissioner may grow industrial hemp consistent with, and subject to, the terms set forth in the existing registration, including, but not limited to, the location and size of the registered grow. Cultivation allowed under this Section 3(c) is allowed only for the term of the existing registration, which is not subject to renewal.
- (d) Cultivation or processing of industrial hemp in violation of this interim ordinance is a public nuisance. This ordinance may be enforced by any remedy allowed under the Contra Costa County Ordinance Code and any other remedy allowed by law.

**Section 4. Reports.** In accordance with subdivision (d) of Government Code section 65858, ten days before this ordinance expires and any extension of it, the Department of Conservation and Development shall file with the Clerk of the Board of Supervisors a written report describing the measures taken to alleviate the conditions that led to the adoption of this urgency interim ordinance.

**Section 5. Severability.** If any provision or clause of this ordinance or the application thereof to any person or circumstances is held to be unconstitutional or to be otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other ordinance provisions or clauses or applications thereof that can be implemented without the invalid provision or clause or application, and to this end the provisions and clauses are declared to be severable.

**Section 6. Declaration of Urgency.** This ordinance is hereby declared to be an urgency ordinance necessary for the immediate preservation of the public safety, health, and welfare of the County. The facts constituting the urgency of this interim ordinance’s adoption are set forth in Section 1.

**Section 7. Effective Period.** This ordinance becomes effective immediately upon passage by four-fifths vote of the Board of Supervisors and shall continue in effect for a period of 10 months and 15 days, through October 30, 2021, pursuant to Government Code section 65858.

**Section 8. Publication.** Within 15 days after passage, this ordinance shall be published once with the names of the supervisors voting for and against it in the East Bay Times, a newspaper published in this County.

PASSED ON December 15, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:      DAVID J. TWA,  
Clerk of the Board of Supervisors  
and County Administrator

\_\_\_\_\_  
Board Chair

By:

\_\_\_\_\_  
Deputy

[SEAL]

H:\2020\Agriculture\urgency ordinance - industrial hemp - extend1.final.docx



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Agreement for Marsh Drive Bridge (#28C442) Replacement Project, Concord area.

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute, on behalf of the County, an agreement to perform tariff schedule related work with Pacific Gas and Electric Company (PG&E), effective December 15, 2020, to require the County to pay approximately \$74,103, in connection with the utility relocation for the Marsh Drive Bridge (#28C442) Replacement Project (Project), Concord area. County Project No. 0662-6R4119 / Federal Project No. BRLS 5928(128) [District IV & V]

**FISCAL IMPACT:**

The estimated cost for the work associated with this agreement is \$74,103. All costs associated with this work will be paid for by the County. (88.53% Federal Funds, 11.47% Local Road Funds)

**BACKGROUND:**

The Project proposes to replace the bridge on Marsh Drive (Bridge No. 28C442) over the Walnut Creek Channel in both the unincorporated area of Contra Costa County and the City of Concord. PG&E owns and maintains electrical facilities within the limits of the Project. In order to construct the Project, existing PG&E facilities need to be relocated. This requires

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Kevin Emigh,  
925.313.2233

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

a relocation of existing electrical facilities within both the public road right of way and an adjacent PG&E owned easement. This agreement addresses the utility work in the PG&E owned easement. A separate utility agreement was approved by this Board on November 10, 2020 to address the electric utility relocations in the road right of way. The County will be 100% liable for the relocation costs within the PG&E easement. The purpose of this agreement is to provide for the apportionment of duties and costs between the County and PG&E.

The work includes relocation of a transformer and metered pedestal in a PG&E easement on private property at 5000 Marsh Drive. The work will be performed by PG&E forces.

Under the Agreement, the County must defend, indemnify, and hold harmless PG&E and its officers, agents, and employees from and against any and all loss, liability, expense, claims, suits, and damages, including attorney's fees, arising out of or in any way connected with the performance of this agreement except to the extent caused by the negligence or willful misconduct of PG&E, its officers, agents, and employees.

CONSEQUENCE OF NEGATIVE ACTION:

If the agreement is not approved, construction of the Project will be halted, as the bridge cannot be replaced as proposed without relocation of PG&E's facilities and the Federal Funds will be lost.

ATTACHMENTS

PG&E Agreement



# Customer Payment Coupon

November 30, 2020

COUNTY OF CONTRA COSTA  
255 GLACIER DR  
MARTINEZ, CA 94553

References	
Notification #	117002320
Contract #	50033293 V1
ERR-PM #	35135398
Customer #	2326912

## Customer Cost Summary

MARSH DR AND SOLANO WAY, CONCORD

Amounts Due	Total Due
Elec Reloc & Rearrangement Non-Refundable Payment	\$74,103.24
	<b>\$74,103.24</b>

### Important Payment Information

To complete your contract ONLINE

- Follow the instructions provided with your electronic contract
- Submit payment at [pge.com/contractpayments](http://pge.com/contractpayments)

To complete your contract BY MAIL

- Please make check payable to: **PG&E** or **Pacific Gas and Electric**
- Complete, sign and return the enclosed agreement(s), the SACAC form and the customer payment coupon with your payment
- **Remit payment and SACAC form to:**  
PG&E CFM/PPC Department  
PO BOX 997340  
Sacramento, CA 95899-7340

#### IMPORTANT MESSAGE

Please review the enclosed information and total due. This document needs to be returned with the enclosed agreements.

If you complete your contract ONLINE, a copy will be saved to your Customer Connections Online (CCO) account at [pge.com/cco](http://pge.com/cco).

To learn more about PG&E's gas and electric safety initiatives and resources please visit [pge.com/safety](http://pge.com/safety).

**Have Questions?**  
**Please Call 1-800-422-0436**



117002320



**® Pacific Gas and Electric Company  
Agreement to Perform  
Tariff Schedule Related Work**

November 30, 2020

**DISTRIBUTION:**

- Applicant (Original)
- Division (Original)
- ACCTG. SVCS.

**REFERENCES:**

Notification # 117002320  
Contract # 50033293 V1  
RR-PM # 35135398

**COUNTY OF CONTRA COSTA, A GOVERNMENT AGENCY (Applicant) has requested PACIFIC GAS AND ELECTRIC COMPANY, a California corporation (PG&E), to perform the tariff schedule related work as located and described in paragraph 3 herein. PG&E agrees to perform the requested work and furnish all necessary labor, equipment, materials and related facilities required therefore, subject to the following conditions:**

1. Whenever part or all of the requested work is to be furnished or performed upon property other than that of Applicant, Applicant shall first procure from such owners all necessary rights-of-way and/or permits in a form satisfactory to PG&E and without cost to it.
2. Applicant shall indemnify and hold harmless PG&E, its officers, agents and employees, against all loss, damage, expense and liability resulting from injury to or death of any person, including but not limited to, employees of PG&E, Applicant or any third party, or for the loss, destruction or damage to property, including, but not limited to property of PG&E, Applicant or any third party, arising out of or in any way connected with the performance of this agreement, however caused, except to the extent caused by the active negligence or willful misconduct of PG&E, its officers, agents and employees. Applicant will, on PG&E's request, defend any suit asserting a claim covered by this indemnity. Applicant will pay all costs that may be incurred by PG&E in enforcing this indemnity, including reasonable attorneys' fees.
3. The location and requested work are described as follows: (Describe in detail the materials and facilities to be furnished and/or work to be performed by PG&E. If more space is required, use other side and attach any necessary drawings as Exhibits A, B, C, etc):

**LOCATION: MARSH DR AND SOLANO WAY, CONCORD**

**DESCRIPTION OF WORK ELECTRIC: Relocate transformer and service at applicant request**

**DESCRIPTION OF WORK GAS:**

		Electric	Gas
Engineering and Administrative Costs	(+)	<u>\$4,546.16</u>	<u>\$0.00</u>
Including Applicant Design Value of		<u>\$0.00</u>	<u>\$0.00</u>
Re-engineering/Comp Prep/Add'l AD Plan Checks	(+)	<u>\$0.00</u>	<u>\$0.00</u>
Facilities (Cable, Transformers / Gas Pipe)	(+)	<u>\$10,022.35</u>	<u>\$0.00</u>
Trench, Conduits & Substructures	(+)	<u>\$28,096.33</u>	<u>\$0.00</u>
Tie-In / Meters	(+)	<u>\$36,713.71</u>	<u>\$0.00</u>
Trench Permits & Land Rights	(+)	<u>\$1,000.00</u>	<u>\$0.00</u>
Inspection Fees	(+)	<u>\$1,177.94</u>	<u>\$0.00</u>
<b>Subtotal</b>	(=)	<u>\$81,556.49</u>	<u>\$0.00</u>
Including Net Joint Pole Credit Value of		<u>\$0.00</u>	<u>\$0.00</u>
plus ITCC @ <u>24%</u> Electric <u>0%</u> Gas	(+)	<u>\$19,573.55</u>	<u>\$0.00</u>
plus Non Taxable Work	(+)	<u>\$0.00</u>	<u>\$0.00</u>
D.0405055 Line Extension Costs - Residential	(+)	<u>\$0.00</u>	<u>\$0.00</u>
D.0405055 Line Extension Costs - Non-Residential	(+)	<u>\$0.00</u>	<u>\$0.00</u>
less Value of Relocation Applicant Design Work	(-)	<u>\$0.00</u>	<u>\$0.00</u>
less Work Provided by Applicant	(-)	<u>\$27,026.81</u>	<u>\$0.00</u>
less Salvage	(-)	<u>\$0.00</u>	<u>\$0.00</u>
<b>Total Payment</b>	(=)	<u>\$74,103.23</u>	<u>\$0.00</u>



117002320

4. Applicant shall pay to PG&E, promptly upon demand by PG&E, as the complete contract price hereunder, the sum of Seventy-four thousand one hundred three dollars and twenty-four cents \$74,103.23

Upon completion of requested work, ownership shall vest in:  PG&E  Applicant

Executed this 15 day of December 2020

**COUNTY OF CONTRA COSTA,**  
**A GOVERNMENT AGENCY**  
Applicant

**PACIFIC GAS & ELECTRIC COMPANY**

By: \_\_\_\_\_  
**Brian M. Balbas**  
Print/Type/Name

By: Wilmer Clark

**Title:** Public Works Dir

**Title:** Service Planning Supervisor

**Mailing Address:** 255 GLACIER DR  
MARTINEZ, CA 94553



117002320





Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: ADOPT Resolution No. 2020/331 to summarily vacate a portion of John Glenn Drive, Pacheco area.

---

**RECOMMENDATION(S):**

ADOPT Resolution No. 2020/331 to summarily vacate a portion of John Glenn Drive, a county road (County Road No. 41778), identified as Parcel Two in Board of Supervisors Resolution No. 324, recorded September 21, 1961, in Book 3957, Page 581, in the Official Records of Contra Costa County, pursuant to the Streets and Highways Code, Section 8334(b), Pacheco area. Project No.: 4841-6X5319 CP#19-45.

DETERMINE that the proposed vacation will not have a significant effect on the environment, and is not subject to the California Environmental Quality Act (CEQA), pursuant to Article 19, Section 15302 (b) of the CEQA Guidelines and Notice of Exemption was posted December 5, 2019.

DIRECT the Real Estate Division to record a certified copy of the Board Order and Resolution in the office of the County Clerk-Recorder.

**FISCAL IMPACT:**

100% Airport Enterprise Fund.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Margaret Eychner, 925. 957-2463

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND:

John Glenn Drive is comprised of two parcels as shown in Board of Supervisors Resolution No. 324, recorded September 21, 1961, in Book 3957, Page 581, in the Official Records of Contra Costa County (“Resolution”), a copy of which is attached. This resolution of vacation concerns only Parcel Two, as described in the resolution, which is the portion of John Glenn Drive that surrounds a parking lot at the Buchanan Airport.

The Airports Division of the Public Works Department is in the process of completing the design and construction plans for a new terminal in the location identified as a “Future Terminal Site” on the resolution, located adjacent to and westerly of Parcel Two. The easterly edge of the new terminal will abut Parcel Two and a planned entry covering will extend out over what is currently county road right-of-way. Further, construction of the new terminal will require substantial pavement and striping work on the street to allow for safe access to the area.

This portion of John Glenn Drive serves only the new airport terminal building and the adjacent parking area. Parcel Two is located on property owned by Contra Costa County, and it does not continue through such ownership or end touching property of another. Therefore, this section of county road right of way can be summarily vacated pursuant to Streets and Highways Code section 8334(b), which allows for the vacation of a portion of roadway that lies within property under one ownership and that does not continue through such ownership or end touching property of another.

Staff recommends that the Board adopt the attached resolution to summarily vacate this segment of John Glenn Drive to allow for the construction of the new airport terminal.

CONSEQUENCE OF NEGATIVE ACTION:

The new airport terminal could not be constructed as designed and planned.

ATTACHMENTS

Resolution No. 2020/331

CEQA

Resolution No. 2020/331

Resolution No. 1961/324

Recorded at the request of: Contra Costa County

Return To: Public Works Real Estate Division, Margaret Eychner

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA  
and for Special Districts, Agencies and Authorities Governed by the Board**

**Adopted this Resolution on 12/15/2020 by the following vote:**

AYE:   
NO:   
ABSENT:   
ABSTAIN:   
RECUSE:

---

Resolution No. 2020/331

IN THE MATTER OF: ADOPT Resolution No. 2020/331 to summarily vacate county road right-of-way within a portion of John Glenn Drive, identified as Parcel Two of County Road No. 4177B, Pacheco area, District 4. Project No.: 4841-6X5319 CP#19-45

WHEREAS, Contra Costa County (County) no longer requires, for public road purposes, a portion of John Glenn Drive, a county road (County Road No. 41778), identified as Parcel Two in Board of Supervisors Resolution No. 324, recorded September 21, 1961, in Book 3957, Page 581, in the Official Records of Contra Costa County, Buchanan Field Airport, Pacheco Area.

WHEREAS, that portion of the county road lies within property under one ownership – property owned by Contra Costa County – and the road does not continue through such ownership or end touching property of another (S&H Code Section 8334(b)).

WHEREAS, Public Works Department staff has concluded that it can be seen with certainty that there is no possibility that vacating the described area of Parcel Two of County Road No. 4177B, John Glenn Drive, Buchanan Field Airport, Pacheco Area, may have a significant adverse effect on the environment.

WHEREAS, there are no known public facilities within that portion of roadway that are in use and would be affected by the vacation of that portion of roadway.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Contra Costa County that:

The area of Parcel Two, accepted and declared a County Road in Board of Supervisors Resolution No. 324, recorded on September 21, 1961, in Book 3957, Page 581, in the Official Records of Contra Costa County, is hereby summarily VACATED, pursuant to Division 9, Chapter 4 of the Streets and Highways Code on the basis that this portion of John Glenn Drive lies within property under one ownership – property owned by Contra Costa County – and it does not continue through such ownership or end touching property of another, in accordance with S&H Code Section 8334(b).

The Board FINDS that terminating and abandoning the road right of way will not have a significant effect on the environment and is not subject to the California Environmental Quality Act (CEQA) pursuant to Article 19, section 15302(b) of the CEQA Guidelines.

The Board DECLARES that the hereinabove described proposed vacation area is HEREBY ORDERD VACATED. From and after the date that this resolution is adopted, the area vacated no longer constitutes a public roadway.

The Board DIRECTS the Public Works Director, or designee, to cause a certified copy of this Resolution to be recorded in the office of the County Clerk-Recorder.

**Contact: Margaret Eychner, 925. 957-2463**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**ATTESTED: December 15, 2020**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

**cc:**

CALIFORNIA ENVIRONMENTAL QUALITY ACT  
Notice of Exemption

To:  Office of Planning and Research  
P.O. Box 3044, Room 113  
Sacramento, CA 95812-3044

LEAD AGENCY  
From: Contra Costa County  
Dept. of Conservation & Development  
30 Muir Road  
Martinez, CA 94553

County Clerk  
County of: Contra Costa

**Project Title:** Buchanan Field Airport General Aviation Terminal Replacement Project

**Project Applicant:** Contra Costa County Public Works Department, Airports Division - Buchanan and Byron (Applicant and Owner) – Contact Person: Beth Lee, Assistant Director of Airports – Administration; 550 Sally Ride Drive, Concord, CA 94520; (925) 681-4200

**Project Location:** Approximately 0.5-acre project area located at Buchanan Field in Contra Costa County at 181 John Glenn Drive, Concord, CA 94520

**Lead Agency Contact Person:** Dominique Vogelpohl    **Area Code/Telephone/Extension:** (925) 674-7888

**Description of Nature, Purpose and Beneficiaries of Project:** Replacement of an existing general aviation terminal facility at Buchanan Field Airport. The new aviation terminal building will be located in the same location as the existing modular aviation terminal units. The proposed functions of the terminal consist of, but are not limited to: County Airports administration, Aircraft Rescue and Fire Fighting (as required by the Federal Aviation Administration), scheduled and unscheduled charter services, public meeting space, and other general aviation uses. The proposed project is also consistent with the County's 2008 Airport Master Plan. The new aviation terminal building is anticipated to have an approximate total floor area of 25,000 square-feet, single-story with an upstairs observation area only accessible to County Airport staff for security purposes. The project will utilize all existing infrastructure present on site including, but limited to: location, access, parking, and utilities.

**Name of Public Agency Approving Project:** Contra Costa County  
**Name of Person or Agency Carrying Out Project:** Department of Conservation and Development

**Exempt Status:**

- Ministerial Project (Sec. 21080(b) (1); 15268(a));
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption, Section 15302(b)
- Other Statutory Exemption
- General Rule of Applicability

**Reasons why project is exempt:** This project is categorically exempt from the review requirements of the California Environmental Quality Act (CEQA) per section 15302(b), which exempts projects that consist of "Replacement of a commercial structure with a new structure of substantially the same size, purpose, and capacity".

If filed by applicant:

- 1. Attach certified document of exemption finding.
- 2. Has a Notice of Exemption been filed by the public agency approving the project?  Yes     No

Signature: *Beth Lee*    Date: 12/3/19    Title: Principal Planner  
Contra Costa County Department of Conservation and Development

Signed by Lead Agency     Signed by Applicant

**AFFIDAVIT OF FILING AND POSTING**

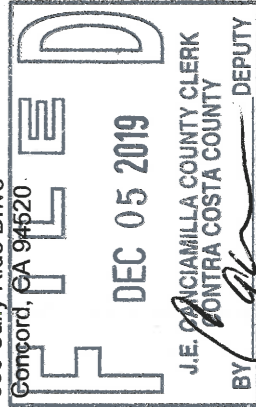
I declare that on 12/5/19 I received and posted this notice as required by California Public Resources Code Section 21152(c). Said notice will remain posted for 30 days from the filing date.

Signature: *Beth Lee*    Title: Deputy Clerk

**Applicant:**  
Beth Lee  
County Airports Division  
550 Sally Ride Drive  
Concord, CA 94520

**Department of Fish and Game Fees Due**

EIR - \$3,029.75    Total Due: \$ \_\_\_\_\_  
 Neg. Dec. - \$2,181.25    Total Paid \$ \_\_\_\_\_  
 DeMinimis Findings - \$0  
 County Clerk - \$50    Receipt #: \_\_\_\_\_  
 Conservation & Development - \$25





State of California - Department of Fish and Wildlife  
**2019 ENVIRONMENTAL FILING FEE CASH RECEIPT**  
 DFW 753.5a (REV. 12/01/18) Previously DFG 753.5a

StartOver Print

RECEIPT NUMBER:  
 07 — 12/05/2019 — 402  
 STATE CLEARINGHOUSE NUMBER (if applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY Contra Costa Dept of Conservation & Development	LEAD AGENCY EMAIL	DATE 12/05/2019	DOCUMENT NUMBER 2019-491
COUNTY/STATE AGENCY OF FILING Contra Costa			

PROJECT TITLE

Buchanan Field Airport General Aviation Terminal Replacement Project

PROJECT APPLICANT NAME CCC Public Works Dept Airport Div	PROJECT APPLICANT EMAIL	PHONE NUMBER (925) 681-4200
PROJECT APPLICANT ADDRESS 550 Sally Ride Drive	CITY Concord	STATE CA
PROJECT APPLICANT (Check appropriate box)		ZIP CODE 94520
<input checked="" type="checkbox"/> Local Public Agency	<input type="checkbox"/> School District	<input type="checkbox"/> State Agency
<input type="checkbox"/> Other Special District	<input type="checkbox"/> Private Entity	

CHECK APPLICABLE FEES:

- Environmental Impact Report (EIR) \$3,271.00 \$ 0.00
- Mitigated/Negative Declaration (MND)(ND) \$2,354.75 \$ 0.00
- Certified Regulatory Program (CRP) document - payment due directly to CDFW \$1,112.00 \$ 0.00

- Exempt from fee
- Notice of Exemption (attach)
- CDFW No Effect Determination (attach)
- Fee previously paid (attach previously issued cash receipt copy)

- Water Right Application or Petition Fee (State Water Resources Control Board only) \$850.00 \$ 0.00
- County documentary handling fee \$ 50.00
- Other \$

PAYMENT METHOD:

- Cash
  - Credit
  - Check
  - Other **JV1549**
- TOTAL RECEIVED \$ 50.00**

SIGNATURE <b>X</b>	AGENCY OF FILING PRINTED NAME AND TITLE C. Garcia Deputy Clerk
-----------------------	---

County Receipt Number 3645547

Recorded at the request of: Contra Costa County

Return To: Public Works Real Estate Division, Margaret Eychner

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA  
and for Special Districts, Agencies and Authorities Governed by the Board**

**Adopted this Resolution on 12/15/2020 by the following vote:**

AYE:   
NO:   
ABSENT:   
ABSTAIN:   
RECUSE:

---

Resolution No. 2020/331

IN THE MATTER OF: ADOPT Resolution No. 2020/331 to summarily vacate county road right-of-way within a portion of John Glenn Drive, identified as Parcel Two of County Road No. 4177B, Pacheco area, District 4. Project No.: 4841-6X5319 CP#19-45

WHEREAS, Contra Costa County (County) no longer requires, for public road purposes, a portion of John Glenn Drive, a county road (County Road No. 41778), identified as Parcel Two in Board of Supervisors Resolution No. 324, recorded September 21, 1961, in Book 3957, Page 581, in the Official Records of Contra Costa County, Buchanan Field Airport, Pacheco Area.

WHEREAS, that portion of the county road lies within property under one ownership – property owned by Contra Costa County – and the road does not continue through such ownership or end touching property of another (S&H Code Section 8334(b)).

WHEREAS, Public Works Department staff has concluded that it can be seen with certainty that there is no possibility that vacating the described area of Parcel Two of County Road No. 4177B, John Glenn Drive, Buchanan Field Airport, Pacheco Area, may have a significant adverse effect on the environment.

WHEREAS, there are no known public facilities within that portion of roadway that are in use and would be affected by the vacation of that portion of roadway.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Contra Costa County that:

The area of Parcel Two, accepted and declared a County Road in Board of Supervisors Resolution No. 324, recorded on September 21, 1961, in Book 3957, Page 581, in the Official Records of Contra Costa County, is hereby summarily VACATED, pursuant to Division 9, Chapter 4 of the Streets and Highways Code on the basis that this portion of John Glenn Drive lies within property under one ownership – property owned by Contra Costa County – and it does not continue through such ownership or end touching property of another, in accordance with S&H Code Section 8334(b).

The Board FINDS that terminating and abandoning the road right of way will not have a significant effect on the environment and is not subject to the California Environmental Quality Act (CEQA) pursuant to Article 19, section 15302(b) of the CEQA Guidelines.

The Board DECLARES that the hereinabove described proposed vacation area is HEREBY ORDERD VACATED. From and after the date that this resolution is adopted, the area vacated no longer constitutes a public roadway.

The Board DIRECTS the Public Works Director, or designee, to cause a certified copy of this Resolution to be recorded in the office of the County Clerk-Recorder.

Contact: Margaret Eychner, 925. 957-2463

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



SEP 21 1961

65056

LIBER 3957 PAGE 591

IN THE BOARD OF SUPERVISORS  
OF  
CONTRA COSTA COUNTY, STATE OF CALIFORNIA

In the Matter of Declaring the  
Airport Access Road a County  
Road (Buchanan Field).

RESOLUTION NO. 324

The Board of Supervisors of the County of Contra Costa  
does resolve as follows:

THAT the hereinafter described parcels of land are  
portions of the County Airport, known as Buchanan Field; and

THAT said parcels of land are owned by the County of  
Contra Costa in fee; and

THAT the County has established and constructed a road  
on said parcels of land for ingress to and egress from said  
County Airport at Concord Avenue, presently a County Road, which  
is necessary for public convenience and airport operations; and

THAT this Board deems it for the best interest of the  
County of Contra Costa that the land described in Exhibit "A"  
and shown on Exhibit "B", attached hereto and made a part hereof,  
be and is hereby declared a County Road pursuant to Section 941  
of the Streets and Highways Code of the State of California; and

THAT the Clerk of the Board is directed to cause a  
certified copy of this resolution to be recorded in the office  
of the County Recorder, of the County of Contra Costa, California.

PASSED AND ADOPTED this 21st day of September, 1961,  
by the following vote of the Board:

AYES: Supervisors - Joseph S. Silva, Mel F. Nielsen,  
Thomas John Coll, Edmund A. Linscheid.

NOES: Supervisors - None

ABSENT: Supervisors - James P. Kenny

RECORDED AT REQUEST OF  
COUNTY CLERK  
SEP 23 1961  
A.T. 3:15 O'CLOCK P.M.  
CONTRA COSTA COUNTY RECORDS

W. T. PAASCH  
COUNTY RECORDER

RESOLUTION NO. 324

FEE \$ OFF'L

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution entered in the minutes of said Board of Supervisors on the 21st day of September, 1961.

Witness by hand and the Seal of the Board of Supervisors affixed this 21st day of September, 1961.

W. T. PAASCH, CLERK

By *Nancy Ingraham*  
Nancy Ingraham  
Deputy Clerk

SEAL AFFIXED

RESOLUTION NO. 324

LAK:bc

Buchanan Field  
 Airport Access Road  
 Rev. 9-14-61

EXHIBIT "A"

The Real Property situated in the County of Contra Costa, State of California, described as follows:

PARCEL ONE

A portion of the Rancho Monte Del Diablo, described as follows:

Commencing at the most easterly terminus of the course designated as "North 61° 24' 35" East, 1993.73 feet" in the grant of easement from the Secretary of War to Contra Costa County, recorded March 7, 1946 in Volume 887 of Official Records at page 463, Records of Contra Costa County, California; thence from said point of commencement along the southerly line of said easement (887 OR 463) south 62° 23' 00" west (the bearing south 62° 23' 00" west being taken for the purposes of this description), 14.61 feet; thence north 27° 37' 00" west, 60.00 feet to the northerly line of said easement and the true point of beginning of the hereinafter described parcel of land; thence from said true point of beginning along said northerly line south 62° 23' 00" west, 376.32 feet; thence leaving said northerly line north 54° 53' 46" east, 139.45 feet; thence along a tangent curve to the left, having a radius of 20.00 feet, an arc distance of 28.80 feet; thence tangent to said curve north 27° 37' 00" west, 220.00 feet; thence north 62° 23' 00" east, 15.00 feet; thence north 27° 37' 00" west 16.26 feet; thence along a tangent curve to the right, having a radius of 225.00 feet, an arc distance of 204.58 feet; thence tangent to said curve north 24° 28' 42" east, 1192.75 feet to a point hereinafter referred to as "Point A"; thence north 24° 28' 42" east 40.00 feet; thence south 65° 31' 18" east, 10.00 feet; thence north 24° 28' 42" east 375.00 feet; thence south 65° 31' 18" east, 40.00 feet; thence south 24° 28' 42" west, 1607.75 feet; thence along a tangent curve to the left, having a radius of 175.00 feet, an arc distance of 159.12 feet; thence, tangent to said curve south 27° 37' 00" east, 236.26 feet; thence along a tangent curve to the left having a radius of 20.00 feet, an arc distance of 28.80 feet; thence tangent to said curve, north 69° 52' 14" east, 139.45 feet to the true point of beginning.

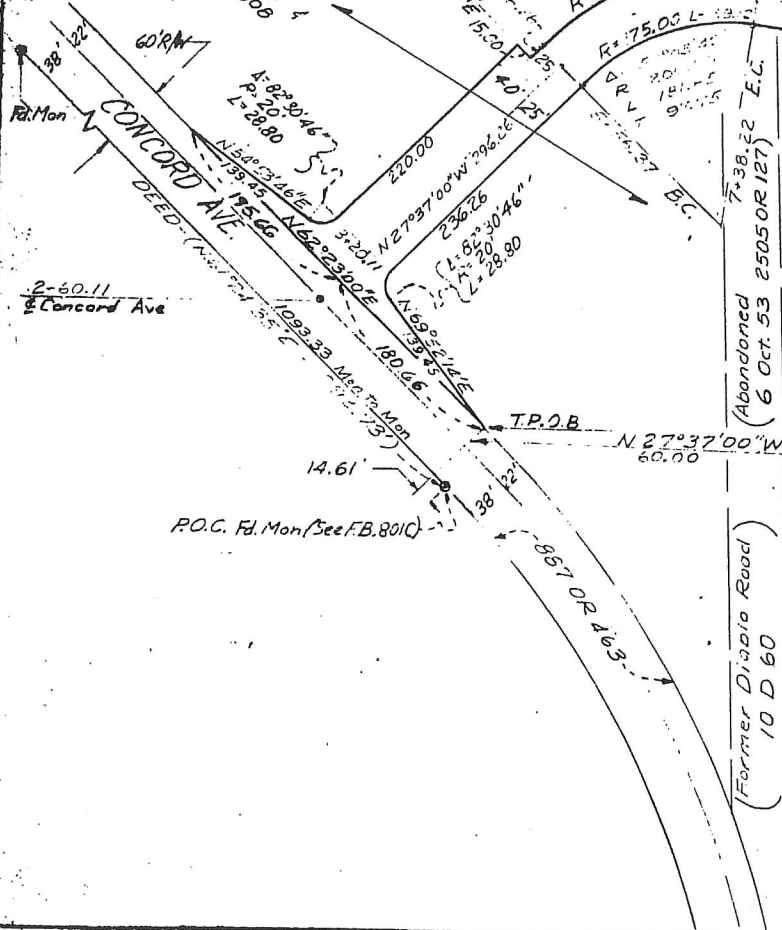
PARCEL TWO

A portion of the Rancho Monte Del Diablo, Contra Costa County, California, described as follows:

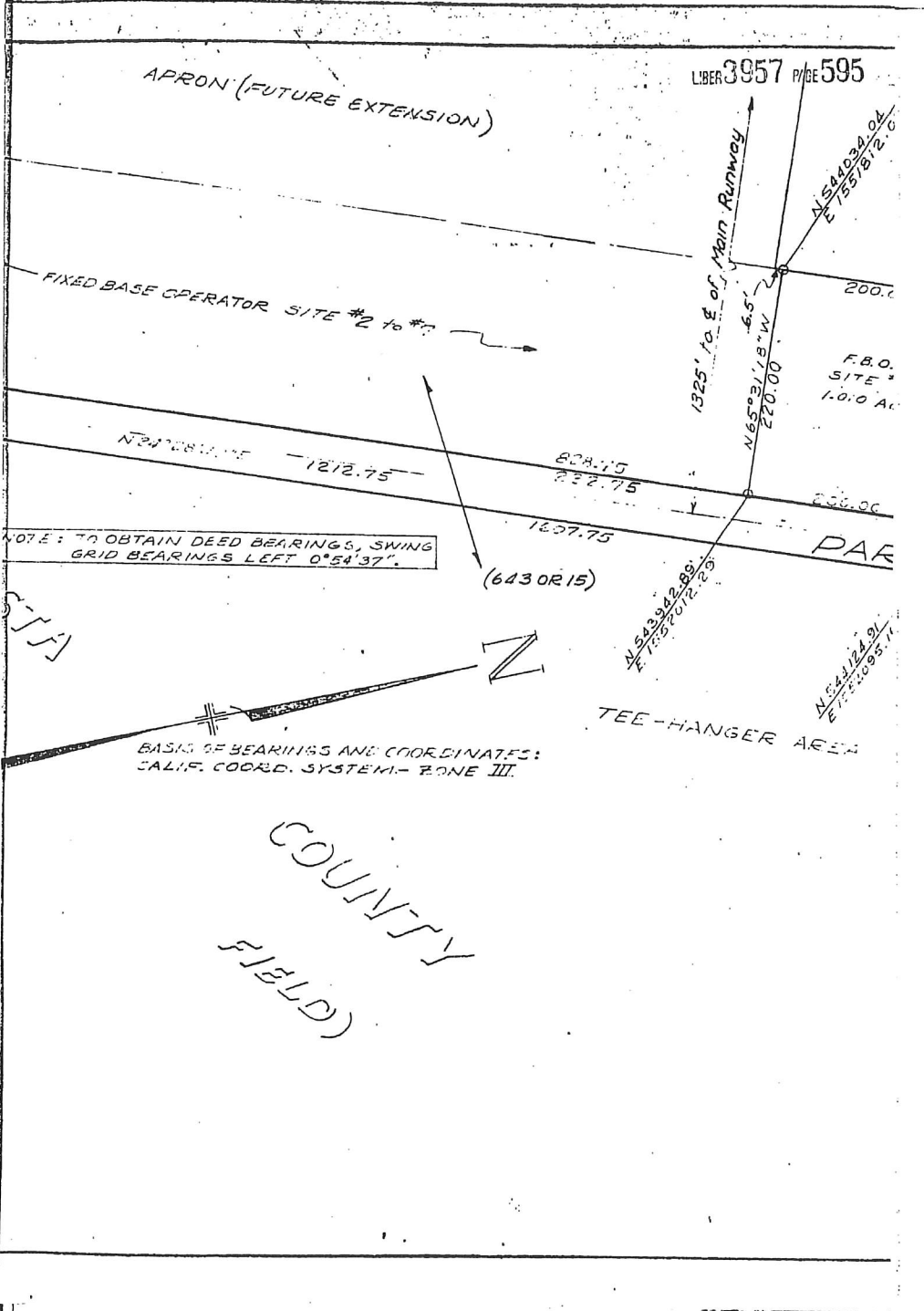
Beginning at the point designated as "Point A" in the above described Parcel One; thence from said point of beginning north 65° 31' 18" west 190.00 feet; thence north 24° 28' 42" east, 415.00 feet; thence south 65° 31' 18" east, 200.00 feet to the westerly line of the above described Parcel One; thence along said line south 24° 28' 42" west, 40.00 feet; thence north 65° 31' 18" west, 160.00 feet; thence south 24° 28' 42" west, 335.00 feet; thence south 65° 31' 18" east, 150.00 feet to the westerly line of the above described Parcel One; thence along said line south 24° 28' 42" west, 40.00 feet to the point of beginning.

CONTRA

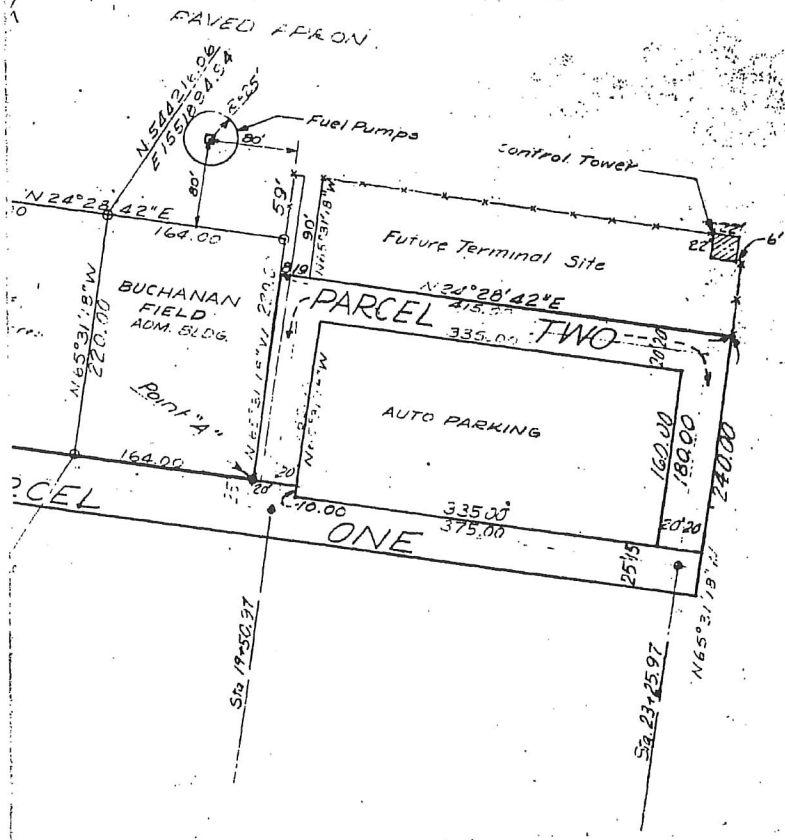
(BUCHANAN)  
PARCEL # 1120  
1137 OR 120  
1807 OR 308



NOTE:  
CONTRA



NOTE: TO OBTAIN DEED BEARINGS, SWING GRID BEARINGS LEFT 0° 54' 37".



Bearings Revised from Deed to Grid. 9-14-61 TLD

Curve Revision 5-17-60 GLT

F.B. #1161 Pgs. 20-21  
 F.B. #1286 Pg. 5

Declared a County Road  
 Instr. Board Resolution No.  
 Recorded \_\_\_\_\_ Vol. \_\_\_\_\_ Page \_\_\_\_\_

Grid Factor 0.9999386

CONTRA COSTA COUNTY PUBLIC WORKS DEPARTMENT MARTINEZ, CALIFORNIA	
BUCHANAN FIELD COUNTY FILE NO. 4177 B ACCESS ROAD R/W	
Scale: 1" = 100'	Date: 11-6-59
Drawn by: JT-TLD	Chkd by:
File No: C100-28	Dwg. No.:

EXHIBIT "B"

END OF INSTRUMENT



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: ACCEPT the County's Development Impact Fee Annual Report for fiscal year 2019/2020 for Area of Benefit Program, Countywide.

---

**RECOMMENDATION(S):**

ACCEPT the County's Development Impact Fee Annual Report for fiscal year 2019/2020 for the Area of Benefit (AOB) program in unincorporated Contra Costa County, as recommended by the Public Works Director, Countywide.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

Contra Costa County imposes AOB fees on new development within 15 separate AOBs in unincorporated Contra Costa County, pursuant to Government Code sections 66000 through 66025, 66484, and 66484.7. The AOB program is a traffic mitigation fee program imposed to recover new development's proportional share of the costs of transportation improvements required to meet transportation demands within the AOB. The specific transportation improvements required within each AOB, the costs of those improvements, and new development's proportional share of those costs are more particularly described in the most recent Nexus Study report for each AOB. Nexus Studies for all AOBs are on file with the Public Works Department.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Mary Halle,  
925.313.2327

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

The Public Works Department prepared the attached Development Impact Traffic Fee Annual Report (Report) for fiscal year 2019/2020 to satisfy annual reporting requirements of Government Code section 66006(b)(1) that apply to collection and accounting of AOB fee revenues. The Report was made available at the Clerk of the Board's office at least 15 days before the Board meeting, in accordance with Government Code section 66006(b)(2). Public Works Department staff recommends that the Board accept the Report, make the findings included in the Report based on the information in the Report, and accept the fiscal year 2019/2020 information included in the Report, all in accordance with Government Code section 66006(b).

CONSEQUENCE OF NEGATIVE ACTION:

The required findings would not be made and the required information would not be provided at this time.

ATTACHMENTS

Annual Report FY 2019/2020



**Development Impact Traffic Fee Annual Report**  
**Contra Costa County Area of Benefit (AOB) Program**  
**In Compliance with Mitigation Fee Act/Assembly Bill 1600**  
**Fiscal Year 2019/2020**

## **Table of Contents**

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Traffic Fee Schedule	
Fund Balance/Revenue/Expenditures	
Project Expenditures	
AOB Boundary Map	B

**Development Impact Traffic Fee Annual Report**  
**Contra Costa County Area of Benefit (AOB) Program**

**Legal Requirements for Development Impact Traffic Fees**

California Government Code Section 66006 provides that each local agency that imposes development impact traffic fees must prepare an annual report that includes specific information about those fees. In addition, Assembly Bill 1600 imposes certain accounting and reporting requirements with respect to the fees collected. The fees, for accounting purposes, must be segregated from the general funds of the County and from other funds or accounts containing fees collected for other improvements. Interest on each development fund must be credited to that fund or account and used only for the purposes for which the fees were collected.

For each separate development impact fund that the local agency maintains, California Government Code Section 66006(b)(1) requires the local agency to make available to the public, within 180 days after the end of each fiscal year, the following information for that fiscal year:

- A. A brief description of the type of fee in the account or fund.
- B. The amount of the fee.
- C. The beginning and ending balance of the account or fund.
- D. The amount of the fees collected and interest earned.
- E. An identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
- F. An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement.
- G. A description of each inter-fund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an inter-fund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan.
- H. The amount of refunds made due to sufficient funds being collected to complete financing on incomplete public improvements, and the amount of reallocation of funds made due to administrative costs of refunding unexpended revenues exceeding the amount to be refunded.

## **Area of Benefit**

An "Area of Benefit" (AOB) is a transportation mitigation program related to a specific geographic area of unincorporated Contra Costa County in which the County imposes transportation mitigation fees. This fee is a type of development impact fee on new development to fund new development's share of the transportation improvements required to satisfy transportation demands within that geographic area. (See Gov. Code, §§ 66484, 66484.7.) The County has 15 areas within the AOB program. A map of the AOBs is included as Attachment B to this report. The current project list for each AOB is included in the most recent development program report for the AOB, a copy of which can be obtained from the Public Works Department.

## **Report Format**

Attachment A to this report is a financial report that provides accounting information for fiscal year 2019/2020, as required by Government Code section 66006(b)(1). For the fiscal year the report includes three primary tables: the first table is a "Fee Schedule" Table that identifies the transportation mitigation fees imposed on new development within each AOB during the fiscal year; the second table is a "Fund Balance" Table that identifies the beginning and ending fund balance, amount of fees collected, total revenue, and total expenditures for each AOB; and the third table is a "Project Expenditures" Table that identifies each project on which fees were expended, the amount of the AOB funds expended on each project, total project expenditures, and percentage of the total project cost funded with AOB fees.

The total project cost listed in the third Table is an estimate and may be modified in future years as a project develops. The initial project estimates developed during the preparation of the Nexus Study are based upon assumptions related to the site conditions. As the project develops and data becomes available related to topography, geometry, soil conditions, environmental studies, drainage studies etc., the cost estimate becomes more refined. At close-out of project construction, the total project cost reflects the actual cost.

The *Other Expenses* column within the Fund Balance/Revenue/Expenditures Table identifies those expenses that are not identified in Table 3 but relate to any of the following activities: overall programming of projects, project development activities prior to issuance of a project specific work order, coordinating with project applicants, preparation of AOB fee calculations, coordination through the Building Permit and Application Center, and accounting administration.

Each of the AOB programs have been evaluated and it has been determined that the purpose still exists for each of the AOB programs. Therefore, the fund balance has not been refunded or re-allocated, but rather efforts continue to move forward towards full implementation of projects within the project lists.

ATTACHMENT A

Fiscal Year 2019/2020

Fee Schedule Table

Fund Balance/Revenue/Expenditures Table

Project Expenditures Table

Table 1 - Fee Schedule FY 19/20 (Start of Fiscal Year)							
TRAFFIC FEE AREAS	Fund	Single Family Residential (\$/DU)	Multi Family Residential (\$/DU)	Office (\$/SF)	Industrial (\$/SF)	Commercial (\$/DU)	Other (\$/Peak Hour Trip)
Alamo	1260	\$12,908.00	\$10,752.00	\$11.92	\$11.92	\$11.92	\$12,908.00
Baypoint	1395	\$8,701.00	\$5,308.00	\$4.13	\$3.28	\$5.10	\$8,701.00
Bethel Island	1290	\$1,787.00	\$1,091.00	\$2.06	\$1.62	\$2.55	\$1,787.00
Briones	1241	\$2,300.00	\$1,840.00	\$3.68	\$1.60	\$5.75	\$2,300.00
Central County	1242	\$6,218.00	\$5,526.00	\$10.09	\$4.35	\$11.88	\$6,218.00
Discovery Bay	1390	\$9,315.00	\$5,719.00	\$7.43	\$5.90	\$9.18	\$9,315.00
East County	1282	\$9,730.00	\$5,588.00	\$6.80	\$3.39	\$9.81	\$9,633.00
Hercules/Rodeo/Crockett	1231	\$1,648.00	\$1,319.00	\$2.63	\$1.15	\$4.12	\$1,648.00
Martinez	1240	\$6,845.00	\$5,497.00	\$10.96	\$4.81	\$17.18	\$6,845.00
North Richmond	1234	\$3,790.00	\$3,041.00	\$6.68	\$5.30	\$9.60	\$5,827.00
Pacheco	1399	\$990.00	\$990.00	\$3.35	\$1.35	\$2.05	\$990.00
Richmond/El Sobrante	1394	\$3,178.00	\$2,555.00	\$5.05	OTHER	\$7.93	\$3,178.00
South County	1270	\$3,401.00	\$3,401.00	OTHER	OTHER	OTHER	\$3,401.00
South Walnut Creek	1243	\$8,049.00	\$8,049.00	\$12.87	OTHER	\$15.30	\$8,049.00
West County	1232	\$5,335.00	\$4,270.00	OTHER	OTHER	\$10.19	\$5,335.00

Table 2 - Fund Balances FY 19/20										
TRAFFIC FEE AREAS	Fund	Beginning Fund Bal	Developer Fees	Interest Income	Other Revenue / Transfers	Total Revenue	Project Expenditures	Other Expenses	Total Expenses	Ending Fund Bal
Alamo	1260	\$1,004,945.76	(\$10,752.00)	\$20,132.15		\$9,380.15	(\$50,446.35)	\$1,166.57	(\$49,279.78)	\$1,063,605.69
Baypoint	1395	\$1,680,268.07	\$0.00	\$23,967.38		\$23,967.38	\$12,600.00	\$14,774.60	\$27,374.60	\$1,676,860.85
Bethel Island	1290	\$304,849.24	\$0.00	\$0.00		\$0.00	\$0.00	\$1,006.38	\$1,006.38	\$303,842.86
Briones	1241	\$529,703.19	\$0.00	\$10,470.51		\$10,470.51	\$0.00	\$197.00	\$197.00	\$539,976.70
Central County	1242	\$3,520,978.78	\$112,411.00	\$74,062.09		\$186,473.09	\$0.00	\$16,021.08	\$16,021.08	\$3,691,430.79
Discovery Bay	1390	\$33,994.72	\$37,902.00	\$2,033.02		\$39,935.02	\$1,000.44	\$1,849.98	\$2,850.42	\$71,079.32
East County	1282	\$4,571,184.29	\$425,110.00	\$86,374.40		\$511,484.40	\$308,977.97	\$13,594.19	\$322,572.16	\$4,760,096.53
Hercules/Rodeo/Crockett	1231	\$12,607.87	\$2,967.00	\$0.00		\$2,967.00	\$0.00	\$0.00	\$0.00	\$15,574.87
Martinez	1240	\$2,497,589.52	\$52,093.00	\$51,610.19		\$103,703.19	\$15,717.08	\$13,113.15	\$28,830.23	\$2,572,462.48
North Richmond	1234	\$2,157,157.87	\$20,668.80	\$41,424.82		\$62,093.62	\$300,303.48	\$38,322.73	\$338,626.21	\$1,880,625.28
Pacheco	1399	\$433,265.51	\$0.00	\$8,447.47		\$8,447.47	\$0.00	\$1,035.32	\$1,035.32	\$440,677.66
Richmond/El Sobrante	1394	\$379,134.53	\$18,808.03	\$2,012.68		\$20,820.71	\$0.00	\$2,921.29	\$2,921.29	\$397,033.95
South County	1270	\$2,788,533.38	\$57,907.00	\$56,039.91		\$113,946.91	\$245,435.09	\$14,647.26	\$260,082.35	\$2,642,397.94
South Walnut Creek	1243	\$162,951.98	(\$7,666.00)	\$40.65		(\$7,625.35)	\$29,517.31	\$4.00	\$29,521.31	\$125,805.32
West County	1232	\$103,598.99	\$5,358.00	\$101.64		\$5,459.64	\$0.00	\$661.81	\$661.81	\$108,396.82
<b>Traffic AOB Totals</b>		<b>\$20,180,763.70</b>	<b>\$714,806.83</b>	<b>\$376,716.91</b>	<b>\$0.00</b>	<b>\$1,091,523.74</b>	<b>\$863,105.02</b>	<b>\$119,315.36</b>	<b>\$982,420.38</b>	<b>\$20,289,867.06</b>

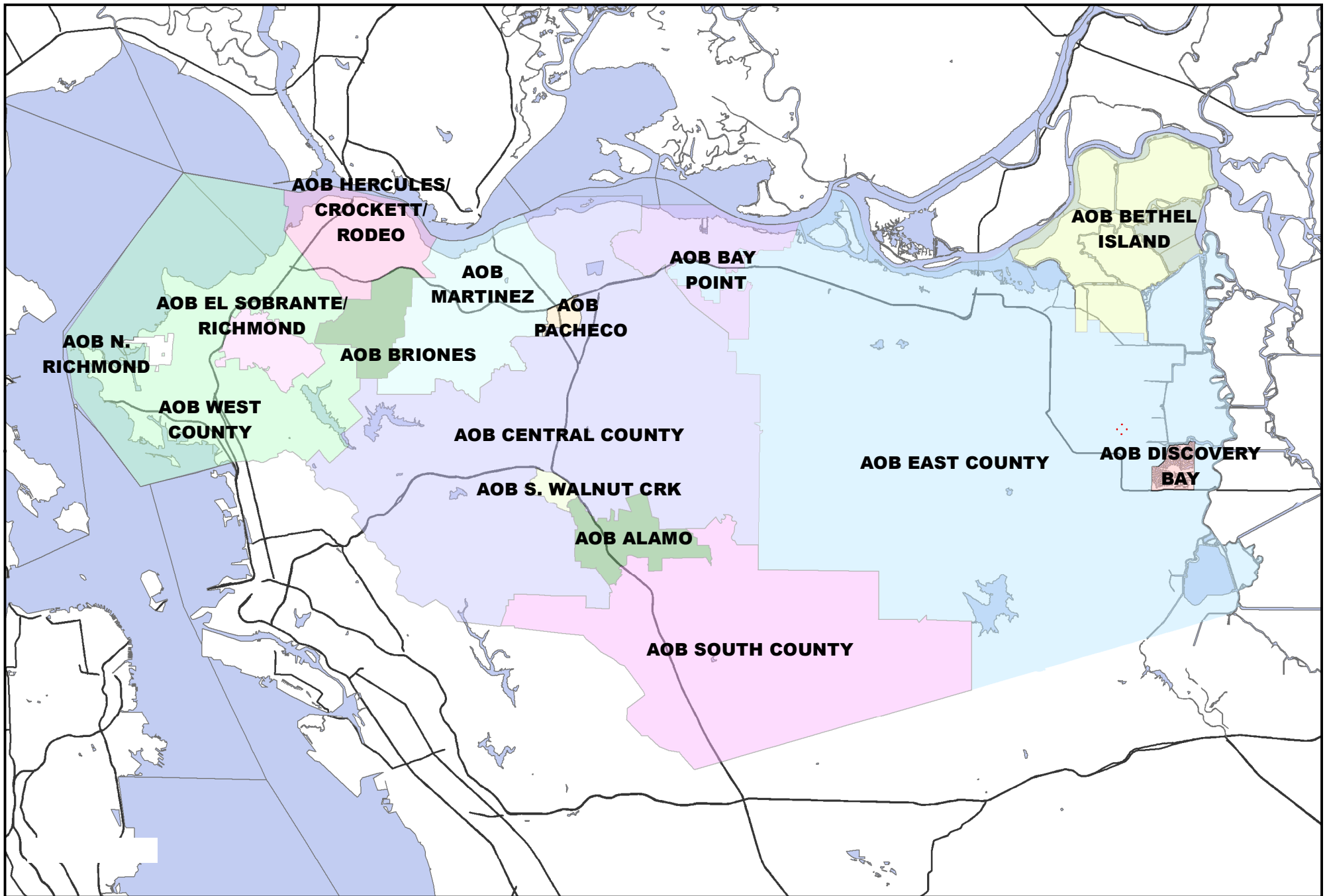
\*Note: The county approved ordinance 2019-17 in June, 2019 which authorized a fee exemption for accessory dwelling units. Developer fees collected during FY 19/20 reflects a refund of fees collected on ADUs that were in process when ordinance 2019-17 was approved.

**Table 3 - Project Expenditures FY 19/20**

TRAFFIC FEE AREAS	Project #	Project Name	Traffic Impact Fee Expenditures (FY 19/20)	Total Project Expenditures All Funding Sources (FY 19/20)	Traffic Impact Fee Expenditures (To Date)	Total Estimated Project Expenditures All Funding Sources	Development Fees as Percentage of Total Expenditures (To Date)	Project Status (To Date)
<b>Alamo</b>	WO4204	Danville Boulevard/Stone Valley Road Intersection Improvements	(\$50,446.35)	\$0.00	\$260,000.00	\$310,446.35	84%	Project Study Completed
		Total	(\$50,446.35)					
<b>Baypoint</b>	WO4121	Bailey/SR4 Interchange: Pedestrian and Bicycle Improvements	\$12,600.00	\$341,227.17	\$232,600.00	\$5,200,000.00	4%	Construct in 2020
		Total	\$12,600.00					
<b>Bethel Island</b>								
		Total	\$0.00					
<b>Briones</b>								
		Total	\$0.00					
<b>Central County</b>								
		Total	\$0.00					
<b>Discovery Bay</b>	WO4147	BYRON HIGHWAY/BYER SAFETY IMPROVEMENT	\$1,000.44	\$338,864.97	\$170,494.00	\$1,600,000.00	11%	Construct in 2021
		Total	\$1,000.44					
<b>East County</b>	WO4012	Marsh Creek Road: Traffic Safety Improvements	\$66,965.53	\$129,349.10	\$260,000.00	\$1,700,000.00	15%	Constructed in 2018
	WO4147	BYRON HIGHWAY/BYER SAFETY IMPROVEMENT	\$242,012.44	\$338,864.97	\$411,506.00	\$1,600,000.00	26%	Construct in 2021
		Total	\$308,977.97					
<b>Hercules/ Rodeo/ Crockett</b>								
		Total	\$0.00					
<b>Martinez</b>	WO4113	Pacheco Boulevard: Improvements Blum	\$15,717.08	\$47,478.47	\$69,005.30	\$150,779.46	46%	Construct in 2025
		Total	\$15,717.08					
<b>North Richmond</b>	WO4153	Fred Jackson 1st/Last Mile	\$300,303.48	\$395,016.69	\$460,161.00	\$4,700,000.00	10%	Construct in 2021
		Total	\$300,303.48					
<b>Pacheco</b>								
		Total	\$0.00					
<b>Richmond/ El Sobrante</b>								
		Total	\$0.00					
<b>South County</b>	WO4010	Camino Tassajara: Bike Lane Gap Closure	\$245,435.09	\$2,544,183.34	\$1,000,000.00	\$3,250,000.00	31%	Constructed in 2019
		Total	\$245,435.09					
<b>South Walnut Creek</b>	WO4071	Newell Ave Path Repair, Parkmead Community	\$29,517.31	\$0.00	\$30,610.83	\$105,610.83	29%	Constructed in 2018
		Total	\$29,517.31					
<b>West County</b>								
		Total	\$0.00					

ATTACHMENT B  
AREA OF BENEFIT BOUNDARY MAP





Contra Costa County  
Public Works  
Department

255 GLACIER DRIVE MARTINEZ, CALIFORNIA 94553 PH: (925) 313-2000 FAX: (925) 313-2333

PROJECT MAP

**CONTRA COSTA COUNTY  
AREAS OF BENEFIT**

FEDERAL ID NO:

DB: LL CB: ET

DATE: March 2016

SHEET 1 OF XX



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Construction Contract for the Bel Air Trail Crossing Project, Bay Point area.

---

**RECOMMENDATION(S):**

- (1) APPROVE plans, specifications, and design for the Bel Air Trail Crossing Project, Bay Point area. (County Project No. 0662-6R4056) (District V)
- (2) DETERMINE that Redgwick Construction Company (“Redgwick”), the lowest monetary bidder, submitted a non-responsive bid by failing to comply with the requirements of the County’s Outreach Program for this project, as provided in the project specifications; and REJECT the bid on that basis.
- (3) DETERMINE that GradeTech Inc. (“GradeTech”), the second lowest monetary bidder, has complied with the requirements of the County’s Outreach Program and has exceeded the Mandatory Subcontracting Minimum for this project, as provided in the project specifications; and FURTHER DETERMINE that GradeTech has submitted the lowest responsive and responsible bid for this project.
- (4) AWARD the construction contract for the above project to GradeTech in the listed amount (\$230,943.00) and the unit prices submitted in the bid, and DIRECT that GradeTech shall present two good and sufficient surety bonds, as indicated below, and that the Public Works Director, or designee, shall prepare the contract.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Kevin Emigh,  
925.313.2233

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

RECOMMENDATION(S): (CONTD)

(5) ORDER that, after the contractor has signed the contract and returned it, together with the bonds as noted below and any required certificates of insurance or other required documents, and the Public Works Director has reviewed and found them to be sufficient, the Public Works Director, or designee, is authorized to sign the contract for this Board.

(6) ORDER that, in accordance with the project specifications and/or upon signature of the contract by the Public Works Director, or designee, bid bonds posted by the bidders are to be exonerated and any checks or cash submitted for security shall be returned.

(7) ORDER that, the Public Works Director, or designee, is authorized to sign any escrow agreements prepared for this project to permit the direct payment of retentions into escrow or the substitution of securities for moneys withheld by the County to ensure performance under the contract, pursuant to Public Contract Code Section 22300.

(8) DELEGATE, pursuant to Public Contract Code Section 4114, to the Public Works Director, or designee, the Board's functions under Public Contract Code Sections 4107 and 4110.

(9) DELEGATE, pursuant to Labor Code Section 6705, to the Public Works Director, or to any registered civil or structural engineer employed by the County, the authority to accept detailed plans showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection during trench excavation covered by that section.

(10) DECLARE that, should the award of the contract to GradeTech be invalidated for any reason, the Board would not in any event have awarded the contract to any other bidder, but instead would have exercised its discretion to reject all of the bids received. Nothing in this Board Order shall prevent the Board from re-awarding the contract to another bidder in cases where the successful bidder establishes a mistake, refuses to sign the contract, or fails to furnish required bonds or insurance (see Public Contract Code Sections 5100-5107).

FISCAL IMPACT:

The Project will be funded by 18% Transportation Development Act Grant Funds and 82% Local Road Funds.

BACKGROUND:

The above project was previously approved by the Board of Supervisors, plans and specifications were filed with the Board, and bids were invited by the Public Works Director. On November 17, 2020 the Public Works Department received bids from the following contractors:

BIDDER, TOTAL AMOUNT, BOND AMOUNTS

Redgwick Construction Company.: \$229,312.00

GradeTech, Inc.: \$230,943.00; Payment: \$230,943.00; Performance: \$230,943.00

Kerex Engineering., Inc.: \$258,560.00

W.R. Forde Associates, Inc.: \$273,453.00

Sposeto Engineering, Inc.: \$282,422.70

Gruendl Inc. DBA Ray's Electric: \$292,632.00

FBD Vanguard, Inc.: \$322,918.00

The Public Works Director has determined and reports that the lowest monetary bidder, Redgwick, submitted a non-responsive bid by failing to document an adequate good faith effort to comply with the requirements of the County's Outreach Program for this project. The Public Works Director recommends rejection of the bid submitted by Redgwick Construction Company.

The Public Works Director has determined that GradeTech Inc. ("GradeTech") documented an adequate good faith effort to comply with the requirements of the County's Outreach Program and exceeded the Mandatory Subcontracting Minimum for this project, and the Public Works Director recommends that the construction contract be awarded to GradeTech.

On December 1, 2020 Redgwick was notified in writing of the Public Work Director's determination (see Attachment A). The Public Works Director has determined that GradeTech exceeded the Mandatory Subcontracting Minimum goal for this project and recommends that the construction contract be awarded to GradeTech.

The Public Works Director recommends that the bid submitted by GradeTech is the lowest responsive and responsible bid, which is \$27,617.00 less than the next lowest bid, and this Board concurs and so finds.

The Board of Supervisors previously determined that the project is exempt from the California Environmental Quality Act (CEQA) as a Class 1(c) Categorical Exemption, and a Notice of Determination was filed with the County Clerk on February 8, 2017.

The general prevailing rates of wages, which shall be the minimum rates paid on this project, have been filed with the Clerk of the Board, and copies will be made available to any party upon request.

**CONSEQUENCE OF NEGATIVE ACTION:**

Construction of the project would be delayed, and the project might not be built.

**ATTACHMENTS**

Attachment A



Contra Costa County  
**Public Works**  
Department

Brian M. Balbas, Director  
Deputy Directors  
Stephen Kowalewski, Chief  
Allison Knapp  
Warren Lai  
Carrie Ricci  
Joe Yee

December 1, 2020

**UPS Overnight – 1Z9703140196935607**

**Fax: (510) 792-1728**  
estimating@redgwick.com

Redgwick Construction Inc.  
21 Hegenberger Court  
Oakland, CA 94621

Re: Bel Air Trail Crossing Project  
Project No.: 0662-6R4056

Our office has reviewed the bid and Good Faith Effort documentation submitted by your firm on the above project. Based upon our review, we have determined that your firm's Good Faith Effort documentation does not comply with the requirements of Contra Costa County's Outreach Program, as specified in Section 2-1.12 of the project specifications. We have identified the following deficiencies:

1. Your firm did not submit documentation for your attendance at the pre-bid meeting on November 2, 2020 or at another pre-bid meeting within the last year. Technically, you are not entitled to points for this item but we are aware you attended on November 2, 2020 and are voluntarily giving you points on that basis. (Indicator #2, 10 out of 10 points).
2. Although your firm apparently identified sufficient work for subcontractors, the notification to subcontractors (advertisements and 55 of 58 written notices) were late--published or emailed less than 10 days before the bid opening date. The 3 written notices emailed on 10/29/20 listed 9 different projects (i.e., were generic, not specific for the County's project) and included no information about the potential subcontractor work or desired sub-bids. (Indicator #3, 0 out of 13 points).
3. No proof was submitted of the publication of a paid advertisement at least 10 days before bid opening. In an attempt to comply with this item, your firm submitted copies of two ads--one from the Bay Area Builders Exchange and another from the Focus Journal. For the first ad, no copy of the actual ad was provided and the copy provided just looks like a generic planholder's list from the Builders Exchange. For the second ad, the proof of publication clearly indicates it was published late--November 16, 2020, one day before the bid opening date. (Indicator #4, 0 out of 9 points).

4. Your firm did not properly document that you sent letters or faxes to subcontractors indicating your interest in receiving sub-bids 10 days prior to bid opening. Your firm did submit copies of 3 emails sent on October 29, 2020, but the notices were inadequate because they were simply generic notices listing 9 different projects and did not include any required information for the County's project other than the project name. (Special Provisions, Section 2-1.12A(4)). The remaining 55 emails were sent between November 12 and November 17, 2020, less than 10 days prior to the bid opening, and 25 of them also lacked the required information for the County's project. (Indicator #5, 0 out of 10 points).
5. No copies of the required documentation on follow-up to initial solicitation to potential subcontractors was provided. In addition, since the original notices were late and/or defective, any follow-up would have invalid. (Indicator #6, 0 out of 10 points).
6. Although your firm provided information to subcontractors about the plans and specifications, the notification to subcontractors (advertisements and 55 of 58 written notices) were published or emailed late--less than 10 days prior to the bid opening date. The 3 written notices emailed on 10/29/20 listed 9 different projects (i.e., were generic, not specific for the County's project); and 25 of the 55 emails sent between 11/12/20 and 11/17/20 also lacked the required information for the County's project. (Indicator #7, 0 out of 5 points).
7. The letter dated November 16, 2020 sent to an outreach agency to request assistance in recruiting MBEs, WBEs, OBEs, SBEs, LBES, and DVBEs was late--submitted less than 15 calendar days before the bid due date. In addition, no fax transmittal, metered envelope, or certified mail receipt was included to document faxing or mailing of the letter. (Indicator #8, 0 out of 10 points).
8. Your firm did not provide copies of subcontractor quotes nor did your firm provide a summary sheet listing the areas of work identified for subcontractors, names of businesses that submitted bids, the dollar amount of each bid, an indication of the businesses selected for the project, and justifications for bids not selected. (Indicator #9, 0 out of 26 points).
9. Although your firm provided information to subcontractors about bonds, lines of credit and insurance assistance, the notification to subcontractors (advertisements and written notices) were published and sent less than 10 days prior to the bid opening date. (Indicator #10, 0 out of 7 points).

Based upon these deficiencies, we have determined that your firm has not documented an adequate Good Faith Effort to comply with the Outreach Program requirements, having achieved 10 points out of 100 points (75 minimum required). Therefore, we plan to recommend that your firm's bid be rejected as non-responsive for failure to comply with the Outreach Program requirements and that the contract be awarded instead to the second lowest bidder, GradeTech Inc., which has fully complied with those requirements, including the 25% MSM.

Should your firm disagree with our determination, you may appeal it in writing to David J. Twa, County Administrator, c/o County Administrator's Office, 1025 Escobar Street, 4<sup>th</sup> Floor, Martinez, CA 94553. Your firm's appeal must be received at that address no later than 5:00 p.m. on December 8, 2020, and must describe in detail all facts and arguments on which your firm relies.

It is anticipated that the contract will be awarded by the Board of Supervisors at its meeting on December 15, 2020, which begins at 9:00 a.m. If you wish, you may appear at the Board meeting to comment on this matter. Any comments to the Board will be limited to the facts and arguments set forth in your firm's appeal.

Sincerely,



Kevin Emigh  
Division Manager  
Design/Construction Division

KE:AH:TR:ct

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c: David Twa, CAO  
Nancy Yee, CAO  
Laura Strobel, CAO  
Antoine Wilson, CAO/RM  
David Schmidt, CC  
Brian Balbas, PWD  
Stephen Kowalewski, PWD  
Adelina Huerta, PWD  
Teri Rie, PWD  
Ken Dahl, PWD



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Approve an amendment to the Real Property Services Agreement between Contra Costa County and Solano Transportation Authority, Fairfield area.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Chair, Board of Supervisors, to execute Amendment No. 2 to the Real Property Services Agreement with the Solano Transportation Authority (STA), to increase the amount payable to the County by \$50,000, to a new total of \$200,000, effective July 1, 2020, in connection with the I-80/I-680/SR-12 Interchange Construction Package 2A Project (Project), Fairfield area. (Project No. 4500-6X5800)

**FISCAL IMPACT:**

100% STA Funds. STA will pay the actual costs of services performed by the Real Estate Division, up to the payment limit as amended.

**BACKGROUND:**

STA requires a variety of right of way services related to the Project, but has no right of way staff and has contracted with the County for these services. On February 26, 2019, the Board approved the original agreement between the County and STA. The agreement was previously

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Angela Bell, 925. 957-2451

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



BACKGROUND: (CONT'D)

amended to increase the payment limit of the Agreement. This second amendment will increase the payment limit to cover costs for right of way services. This Amendment No. 2 is effective July 1, 2020.

CONSEQUENCE OF NEGATIVE ACTION:

Without approval by the Board of Supervisors, the County will not receive reimbursement for right of way services previously rendered.

ATTACHMENTS

Amended Service Agreement

**REAL PROPERTY SERVICES AGREEMENT**  
**AMENDMENT NO. 2**

1. **Effective Date and Parties.** Effective on July 1, 2020, the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (hereinafter referred to as "County"), and Solano Transportation Authority, a joint powers agency (hereinafter referred to as "Agency"), hereby amend the Real Property Services Agreement entered into by the parties (effective February 1, 2019) as follows:
2. **Amendment Specifications:** The Agreement identified above is hereby amended as set forth in the Real Property Services Agreement Amendment No. 2 Scope of Services attached hereto, which is incorporated herein by reference.
3. **Payment Limit Increases.** The payment limit of the above described Agreement, is increased by \$50,000.00, from \$150,000.00 to a new total payment limit of \$200,000.00.

**COUNTY OF CONTRA COSTA**

**SOLANO TRANSPORTATION AUTHORITY**

By \_\_\_\_\_  
Candace Andersen  
Chair, Board of Supervisors

By \_\_\_\_\_  
Daryl Halls  
Executive Director

Recommended for Approval:

Approved as to Form:  
by STA Legal Counsel

By \_\_\_\_\_  
Brian M. Balbas  
Public Works Director

By \_\_\_\_\_

By \_\_\_\_\_  
Jessica L. Dillingham  
Principal Real Property Agent

APPROVED AS TO FORM  
SHARON L. ANDERSON, County Counsel

By \_\_\_\_\_  
Stephen Siptroth  
Deputy County Counsel

**APPENDIX "A"**  
**Pay Rate Schedule**

Solano Transportation Authority (STA) shall reimburse the COUNTY for labor costs as detailed below:

1. COUNTY direct labor rates shall include the base salary wages paid to personnel plus fringe benefits. Total labor rate shall include direct labor rate multiplied by County's overhead rate. The total labor rate shall not exceed the range of labor rates by classification, included as Attachment 1.
2. COUNTY's overhead rate shall be a summation of division and department overhead rates. Appropriate overhead rates for COUNTY shall be developed based on procedure previously approved as described below:

*In general, the division overhead rates are determined by identifying each division's total expenditures after adjustments less any non-labor generated revenue. The division expenditures are then divided by the productive hours for the division establishing the overhead rate needed to cover the remaining net cost of division expenditures. The department overhead rates are determined similar to the division rate by dividing the total department expenditures by the total billable hours. Each year overhead rates will be evaluated and adjusted to reflect the actual costs from the previous fiscal year.*

3. COUNTY may adjust both labor rates and overhead rates periodically due to contracted salary increases and overhead rate changes. COUNTY shall submit any changes to rates to STA prior to invoicing.

## ATTACHMENT 1 (Amendment 2)

**Project:** I-80/I-680/SR-12 Interchange-Construction Package 2

### A. Budget.

County's Services will be related to the acquisition of necessary property interests, for STA's above-described Project. County's charges for services under this Agreement will be allocated according to the following budget:

ADMINISTRATION	\$ 16,000
NEGOTIATIONS/ACQUISITION	\$ 3,000
CONDEMNATION SUPPORT	\$ 15,000
RIGHT OF WAY CERTIFICATION	<u>\$ 3,000</u>
	\$ 50,000

Additional Services included in Amendment 2 budget:

Deposition/Non-expert testimony  
Attend Mediation/Trials

<b>TOTAL BUDGET FOR THE PROJECT:</b>	\$100,000 (original budget)
	<u>\$50,000</u> (Amendment 1 budget)
	<u>\$50,000</u> (Amendment 2 budget)
	<b>\$200,000</b>

### B. Charge-Out Rates.

County will charge STA for Services under this Agreement at the following hourly rates:

Principal Real Property Agent	\$185/hr to \$262/hr
Supervising Real Property Agent	\$154/hr to \$218/hr
Associate Real Property Agent	\$123/hr to \$183/hr
Assistant Real Property Agent	\$106/hr to \$150/hr
Sr. Real Property Technical Assistant	\$99/hr to \$140/hr
Real Property Technical Assistant	\$86/hr to \$125/hr
Deputy County Counsel	\$175/hr to \$198/hr



Contra  
Costa  
County

To: Contra Costa County Flood Control District Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Approve Agreement with the Central Contra Costa Sanitary District for the Grayson and Walnut Creeks Levee Improvement Project. Project No. 7520-6B8348

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Chief Engineer, Contra Costa County Flood Control and Water Conservation District (FC District), or designee, to execute an agreement (Agreement) with the Central Contra Costa Sanitary District (CCCSD) for implementation of the Grayson and Walnut Creeks Levee Improvement Project (Project), Martinez area.

**FISCAL IMPACT:**

The total estimated cost of the project is about \$3 million. Approximately \$1.8 million of this cost is for a construction contract that will require a separate approval by the Board. The remaining cost is for preparing design and construction documents, obtaining permits, preparing CEQA (California Environmental Quality Act), and related project management and administration. The terms of the agreement dictate that the FC District will share these costs equally with the CCCSD. The FC District's share will be paid with Flood Control Zone 3B Funds.

**BACKGROUND:**

The Project is a joint effort by the FC District and CCCSD to reduce flood risk to CCCSD's wastewater treatment plant in Martinez. The CCCSD and FC District worked

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Gus Amirzehni, (925) 313-2128

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Allison Knapp, Deputy Chief Engineer, Tim Jensen, Flood Control, Paul Detjens, Flood Control, Gus Amirzehni, Flood Control, Catherine Windham, Flood Control

## BACKGROUND: (CONT'D)

collaboratively in 2007 to implement the Walnut Creek Interim Protection Measures, which raised the levees along the CCCSD treatment plant to provide protection against the 100-year flood level. The current Project is intended to provide an enhanced level of flood protection.

The Project is currently at a conceptual level. Design work will proceed once the Agreement is in place. Currently, levees are planned to be raised by up to three feet in elevation, with a proportional increase in the levee footprint. The FC District and CCCSD plan to work together in an equal partnership to advance the Project. Key provisions of the proposed Agreement are as follows:

1. The FC District will lead the Project implementation and be responsible for developing 100% design and construction documents, advertising, awarding, and administering a construction contract to construct the Project. Once completed, the FC District will own and maintain the Project.
2. The estimated cost of the Project is approximately \$3 million. The FC District and CCCSD will share the Project costs and expenses equally.
3. The expanded levee footprint will require additional property transfer from the CCCSD to the FC District. The planned transfer of needed additional right of way (up to 10 feet in width) will be transferred at no or nominal cost.

The CCCSD's Board has previously approved the agreement and authorized the CCCSD's General Manager to execute the Agreement with the FC District for implementing the joint Project.

## CONSEQUENCE OF NEGATIVE ACTION:

If the Agreement is not approved, the Project will not be implemented.

## ATTACHMENTS

Levee Improvement Project Agreement

**AGREEMENT  
BETWEEN  
CENTRAL CONTRA COSTA SANITARY DISTRICT AND  
CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT  
FOR the Grayson and Walnut Creeks Levee Improvement PROJECT**

**PROJECT NO. 7520-6B8348**

This Agreement ("Agreement") is entered into on the \_\_\_\_ day of \_\_\_\_\_, 2020 ("Effective Date"), between the CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a flood control District ("FCD"), organized under the laws of the State of California, and the CENTRAL CONTRA COSTA SANITARY DISTRICT, ("CCCSD"), a special district organized under the laws of the State of California.

Pursuant to Section 5 of the Contra Costa County Flood Control and Water Conservation District Act, Section 6515 of the California Health and Safety Code, and the applicable provisions of the California Constitution and California Government Code, the parties to this Agreement mutually agree and promise as follows:

1. Purpose: In the 1960s, Walnut and Grayson Creeks surrounding CCCSD's treatment plant located in Martinez were realigned, channelized, and levees were constructed to reduce flood risk in the area. FCD is responsible for the operations of Walnut Creek and Grayson Creek and their levees in the location of the PROJECT. In 2007, the FCD, with the cooperation of CCCSD, constructed the FCD's Interim Protection Measures project, which slightly raised the Walnut and Grayson Creek levees along CCCSD's plant to ensure protection against a 1% chance (100-year) storm event. Now the parties wish to further reduce flood risk in the area of CCCSD's treatment plan by cooperatively raising these levees to provide protection against a 0.2% chance (500-year) storm event with a minimum of 3-foot of freeboard.
2. Project Scope of Work: In general, the work to raise the Walnut and Grayson Creek levees to provide the desired flood protection will entail designing and constructing a larger embankment by importing select levee material, scarifying the top of the existing levee, placing and compacting the material on the existing levee, installing appropriate storm water best management practices per the project's Stormwater Pollution Prevention Plan ("SWPPP"), and restoring security fencing to the bottom of the slope and reconstructing the gravel access road on top of the levee (the "PROJECT"). The design and construction of the PROJECT will conform to the U.S. Army Corps of Engineer's levee design standards and will be reviewed and approved under the U.S. Army Corps of Engineer's Section 408 (33 U.S.C. Section 408) permit process. The PROJECT will further entail a soil import operation to stockpile and secure approximately 25,000 cubic yards of levee material that is anticipated to help reduce PROJECT costs. The PROJECT will include the transfer of right of way, up to ten (10) feet in width, from CCCSD to FCD, which will be addressed through a separate instrument. The location of the right of way to be transferred is located approximately as depicted in Exhibit B (Right of Way), attached hereto and incorporated herein. For the contemplated right of way transfer, FCD and CCCSD agree that the strip of needed additional right of way (width not to exceed 10 feet) shall be transferred at no or nominal cost.
3. Responsibilities of FCD and CCCSD:
  - A. FCD shall perform the following activities for the PROJECT:
    - i. Provide overall project management for delivery of the PROJECT.

- ii. Act as lead agency for the PROJECT, and obtain all permits, approvals, and entitlements necessary for the PROJECT, and prepare and obtain CEQA clearance for the PROJECT.
- iii. Prepare final plans, specifications and engineer's estimate ("PS&E") for the PROJECT.
- iv. Provide 35%, 65%, and 95% PS&E review sets to CCCSD for review and comment.
- v. Prepare, send out, and implement all utility relocation notices and relocation agreements (if needed).
- vi. Prepare the hydraulic analysis to set the levee height.
- vii. Assist CCCSD in presenting the PROJECT and updates to the CCCSD Board as requested by CCCSD.
- viii. Prepare and implement the project's SWPPP, in accordance with State laws and regulations.
- ix. Advertise and solicit bids for construction of the PROJECT, consult with CCCSD once bids have been opened, and award and administer the construction contract, provided that the lowest responsible bid does not exceed the engineer's estimate by more than 15%.
- x. Perform and / or contract for surveying, materials testing, and construction management and inspection of the PROJECT.
- xi. Own and maintain all PROJECT improvements on FCD property (exclusive of CCCSD security fencing).

B. CCCSD shall perform the following activities for the PROJECT:

- i. Review 35%, 65%, and 95% PS&E review sets and provide feedback within three weeks of receipt of those documents.
- ii. Secure and stockpile up to 25,000 cubic yards of clean fill needed for the PROJECT that meets the U.S. Army Corps of Engineer's levee design standards.
- iii. Approve the 100% PS&E bid documents and provide written confirmation of approval to FCD.
- iv. Transfer title for the right of way (width up to 10 feet) needed for the PROJECT to FCD.
- v. Provide temporary contractor access to facilitate loop traffic on the levee.
- vi. Review PROJECT construction bids and approve FCD's award of the PROJECT construction contract, provided that the lowest responsible bid does not exceed the engineer's estimate by more than 15%.
- vii. Own and maintain all PROJECT improvements on CCCSD property, including CCCSD security fencing regardless of location.

4. Financial Responsibility:

- A. FCD and CCCSD shall fund the costs and expenses of the PROJECT equally, including for in-kind staff costs, specialized consultant costs and direct costs, including but not limited to all of the following:
  - i. Reimbursement of FCD staff and CCCSD staff costs incurred in the estimated amounts set forth on Exhibit A (PROJECT Costs Estimates). If staff costs incurred by FCD or CCCSD or both for the PROJECT exceed the respective estimate set forth on Exhibit A by more than 15%, such excess costs shall not be included in the total costs to be divided between the parties without the review and written approval of the both FCD and CCCSD. Reimbursement of FCD staff and CCCSD staff costs shall include direct costs for salaries and benefits and full cost recovery of non-productive time and associated administrative overhead.
  - ii. The PROJECT construction cost, up to 115% of the engineer's estimate.
  - iii. The contracts for outside construction related services, such as surveying, materials testing and construction inspection at the amounts set forth in Exhibit A, provided that any costs incurred in excess of 15% above the estimate shall not be included in the total to be divided between the parties without the review and written approval of both parties.



- B. The parties shall share PROJECT costs equally based on a full accounting, subject to the limitations stated above. More detailed procedures for approval of extra work and change orders will be mutually agreed by the parties prior to award of the PROJECT construction contract, but in no event shall such extra work or change orders occur without the prior written consent of both parties.
- C. Any upgrades to infrastructure or materials beyond what exists prior to PROJECT implementation; i.e., height of security fence, shall be 100% paid for by the benefiting party.
- D. Prior to awarding any contract to consultant for professional services (including, but not limited to, design, surveying, or construction management) the awarding party shall seek the other party's concurrence regarding consultant's proposed scope / budget and schedule. Such concurrence shall not be unreasonably withheld.
- E. Prior to opening PROJECT construction bids, FCD and CCCSD shall, on a quarterly basis, exchange an accounting of PROJECT expenditures to date, and the party owed funds pursuant to such accountings and this Agreement shall invoice the other party the amount needed to balance the reported expenditures. Amounts due to one party shall be paid by the other party within 30 days of receipt of an invoice.
- F. Upon opening construction bids, FCD and CCCSD shall meet and review the lowest responsible bid. If the lowest responsible bid exceeds the engineer's estimate by more than 15%, FCD and CCCSD shall mutually decide within 30 days of bid opening whether to reduce the scope of the PROJECT, increase PROJECT funding by either or both parties, reject all bids, or terminate the PROJECT as set forth in Section 9 below.
- G. During PROJECT construction, on a monthly basis, FCD and CCCSD shall mutually share an accounting of expenditures to date and the party owed funds under this Agreement shall invoice the other party the amount needed to balance reported expenditures. Amounts due to one party shall be paid by the other party within 30 days of receipt of an invoice.
- H. The PROJECT cost estimates set forth on Exhibit A include PROJECT costs incurred by FCD and CCCSD beginning on January 1, 2015, notwithstanding the Effective Date of this Agreement, the parties agree that such costs incurred prior to the Effective Date shall be treated as PROJECT costs pursuant to the terms of this Agreement.
- I. The parties shall provide strict accountability of any and all funds and shall report to each other all receipts and disbursements related to this Agreement upon request of the other party.

5. Mutual Project Coordination:

CCCSD and FCD shall meet periodically to coordinate efforts to manage PROJECT delivery and maintain reasonable PROJECT costs. At a minimum, the parties will meet:

- A. On or about the 35%, 65% and 95% PS&E delivery dates,
- B. On or about the PROJECT construction contract advertisement date; and
- C. On or about construction bid opening to determine and confirm the mutual interest in proceeding with PROJECT.

6. Insurance and Indemnification:

A. Types and Amounts of Insurance:

- i. Design and Construction. For each contract for PROJECT-related design or construction

work, CCCSD and FCD shall require that each contractor and consultant, and its assigns, keep and maintain the following insurance policies that meet the following requirements: (1) workers' compensation insurance pursuant to state law; (2) commercial general liability insurance, including contractual liability (or blanket contractual) coverage, owners' and contractors' protective coverage, and broad form property damage coverage, with a minimum single-limit coverage of \$2,000,000 per occurrence; (3) builders' risk insurance in an amount equal to the construction contract amount, with a waiver of subrogation for CCCSD and FCD, and naming CCCSD and FCD as loss payees (applies to contractors only); (4) vehicle liability insurance with a minimum combined single-limit coverage of \$1,000,000 per occurrence; (5) professional liability (or errors and omissions) insurance, with policy limits of at least \$2,000,000 and a maximum deductible of \$25,000 (applies to design professional consultants only) and (6) certificates of insurance, copies of policies, or endorsements evidencing the above insurance coverage.

- ii. Other Contractors and Consultants. For each contract for PROJECT-related work other than design and construction work, CCCSD and FCD shall require that each contractor and consultant, and its assigns, keep and maintain the following insurance policies that meet the following requirements: (1) workers' compensation insurance coverage pursuant to state law; (2) commercial general liability policy with a combined single limit coverage of at least \$1,000,000, for all damages, including consequential damages, due to bodily injury, sickness or disease, or death of any person or damage to or destruction of any property, including loss thereof, arising from each occurrence; (3) vehicle liability insurance with a minimum combined single-limit coverage of \$1,000,000; (4) professional liability (or errors and omissions) insurance, with a policy limit of at least \$1,000,000; and (5) certificates of insurance, copies of policies, or endorsements evidencing the above insurance coverage. The policy limit for each commercial general liability policy and each professional liability policy must be approved by each party's Risk Manager, who may require the limit to exceed the above-stated minimum limits of coverage for those policies.
- iii. Contractors' Policies Primary. The commercial general liability insurance and vehicle liability insurance shall include endorsements naming CCCSD and FCD, and their governing bodies, officers, agents, and employees, as additional insureds. Each aforementioned insurance policy shall contain a provision that the insurance afforded thereby to the additional insureds shall be primary insurance to the full limits of that policy and that, if any of the additional insureds has other insurance or self-insurance against a loss covered by such policy, such insurance or self-insurance shall be excess insurance only.
- iv. Certificates of Insurance. CCCSD and FCD shall require each contractor and consultant on PROJECT, and its assigns, to promptly furnish to CCCSD and FCD certificates of insurance evidencing the coverage required herein. Additionally, CCCSD and FCD shall include in each contractor and consultant contract a requirement that, no later than five days after contractor's, consultant's, or assign's receipt of (i) a notice of cancellation or a notice of an intention to cancel any of consultant/contractor/assigns insurance coverage required by this Agreement, or (ii) a notice of a material change to consultant/contractor/assigns insurance coverage required by this Agreement, consultant, contractor, or assign will provide CCCSD and FCD a copy of such notice of cancellation, or notice of intention to cancel, or notice of material change. CCCSD or FCD's failure to include such a requirement in each contract with a consultant or contractor will constitute a default under this Agreement. CCCSD and FCD shall further include in all consultant and contractor contracts a requirement that, if the consultant or contractor, or its assigns, renews any of the insurance policies, or acquires any new insurance policy, or amends the coverage through an endorsement to any policy, at any

time during the term of the contract, then the consultant or contractor, or its assigns, shall provide a current certificate of insurance to CCCSD and FCD.

- B. Indemnification: CCCSD and FCD shall ensure that all PROJECT-related design and construction contracts include provisions requiring the contractor, subcontractors, consultants, and subconsultants to provide indemnity, warranties, and bonds in the amounts and manner set forth below, unless otherwise approved by both CCCSD and FCD in writing:
- i. Indemnity. CCCSD and FCD shall require each Contractor and subcontractor, and their agents and assigns, to defend, indemnify, and hold harmless FCD and CCCSD, and their governing bodies, officers, agents, and employees, from and against any and all liability, claims, actions, causes of action, or demands whatsoever against any of them, including related attorneys' fees, arising out of or connected with any injury or death of any person or damage to the property or other liability of any nature arising out of or in any way connected with the PROJECT. Except as provided by Civil Code section 2782 et seq., the contractor's and subcontractors' obligations under this section shall exist regardless of the existence or degree of fault of FCD or CCCSD or any indemnitee.
  - ii. Warranties. In addition to all warranties existing at law, CCCSD and FCD shall require the PROJECT construction contractor to provide an express warranty for the benefit of FCD and CCCSD, for a one-year time period (hereinafter "Contractor's Warranty"), containing, at a minimum, the contractor's guarantee that the work has been performed in accordance with the plans and specifications, and the Contractor's agreement to repair or replace all work that fails to conform to the plan and specifications or proves to be defective in workmanship or materials during the stated time period.
  - iii. Bonds. FCD's contract with the PROJECT construction contractor shall require the contractor to present two good and sufficient surety bonds, one for payment, and one for performance, each in an amount equal to 100 percent of the contract price, issued by a surety admitted in the State of California in a form satisfactory to FCD and CCCSD, naming FCD and CCCSD as obligees on the bonds.
- C. FCD shall cause the contract documents for the PROJECT to include provisions requiring the contractor and subcontractors to pay prevailing wages for the PROJECT work, as required by state law.
- D. Neither CCCSD, nor any officer or employee thereof, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by FCD in connection with any of FCD's obligations under this Agreement, and to the extent not covered by the insurance or indemnification described in this section 6, FCD shall defend, indemnify, save and hold harmless CCCSD, its officers and employees against any damage or liability occurring by reason of anything done or omitted to be done by FCD in connection with any of FCD's obligations under this Agreement.

Neither FCD, nor any officer or employee thereof, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by CCCSD in connection with any of CCCSD's obligations under this Agreement, and to the extent not covered by the insurance or indemnification described in this section 6, CCCSD shall defend, indemnify, save and hold harmless FCD, its officers and employees against any damage or liability occurring by reason of anything done or omitted to be done by CCCSD in connection with any of CCCSD's obligations under this Agreement.

- E. Nothing in this Agreement is intended to affect the legal liability of either party to third parties by imposing any standard of care different from that normally imposed by law.

7. Project Acceptance and Maintenance:
  - A. Upon completion of the PROJECT, FCD and CCCSD shall jointly conduct the final inspection. After CCCSD and FCD have determined that the PROJECT work performed has been completed to CCCSD's and FCD's satisfaction, FCD shall accept the PROJECT improvements as complete and shall promptly record a notice of completion. FCD shall not accept the PROJECT nor record a notice of completion unless CCCSD has confirmed in writing that the PROJECT was completed to CCCSD's satisfaction. In the event FCD and CCCSD disagree regarding the completion of the PROJECT, the parties shall meet to discuss the concerns and agree upon the necessary corrective action.
  - B. Following acceptance, FCD shall own and be responsible for maintaining all improvements relating to the PROJECT located on FCD property, subject to the provision of the Contractor's Warranty, described in Section 6(B)(ii), above, and shall defend, indemnify, save, and hold harmless CCCSD, its governing bodies, officers, agents, and employees against all claims, demands, damages, costs, expenses, or liability arising after acceptance, whether relating to design, construction, use, operation, or maintenance of the PROJECT improvements, except for any claims, demands, damages, costs, expense or liability arising after acceptance relating to the design, construction, use, operation, or maintenance of the PROJECT improvements to the extent they are the result of the negligence or willful misconduct of CCCSD.
8. Agreement Modification: This Agreement is subject to modification only with the written consent of the legislative bodies of both parties. Neither party shall unreasonably withhold its consent to modification for the implementation and accomplishment of the overall purpose for which this Agreement is made.
9. Term; Termination: This Agreement is effective as of the Effective Date and shall terminate upon acceptance of the PROJECT improvements as set forth in Section 7(A), unless earlier terminated as provided herein. This Agreement may be terminated immediately by mutual, written consent of the parties. This Agreement may also be terminated unilaterally by either party upon review of the construction bids if the lowest responsible bid exceeds the engineer's estimate by more than 15% or if the Engineer's final Cost Estimate materially exceeds the Engineer's preliminary Cost Estimate shown on Exhibit A. In such a case, as a condition of termination, each party shall promptly report their PROJECT costs incurred up to the date of the decision to terminate, and balance expenditures as described in Section 4 above. However, the obligations contained in Sections 3.A.xi, 3.B.vii, and 6 shall survive any termination of this Agreement. Further, the obligations contained in Section 4, shall survive any termination of this Agreement, whether or not the PROJECT is completed. All reports, original drawings, graphics, plans, studies and other data and documents, in whatever form or format, assembled or prepared pursuant to a contract between a consultant or contractor and FCD in connection with this Agreement and the PROJECT are "works made for hire" (as defined in the Copyright Act, 17 U.S.C. Section 101 et seq., as amended) for FCD, and as and between FCD and CCCSD, the parties agree that FCD owns all right, title, and interest, including all copyrights and other intellectual property rights, in or to the works made for hire. If any of the works made for hire is subject to copyright protection, FCD reserves the right to copyright such works and CCCSD agrees not to copyright such works.
10. Assignment: The rights, duties, and responsibilities under this Agreement may not be assigned by either party.
11. Notices: All notices given under this Agreement shall be served by enclosing the notice in a sealed envelope addressed to the other party, certified mail, postage prepaid, addressed as follows:

To FCD: Chief Engineer  
Flood Control District/Central San District Agreement

Contra Costa County Flood Control and Water Conservation District  
255 Glacier Drive  
Martinez, CA 94553

To CCCSD: CCCSD General Manager  
5019 Imhoff Place  
Martinez, CA 94553

Either party may designate, by written notice to the other, a different agent for service or address for notice. Notice is effective two (2) business days from the date of mailing.

12. Entire Agreement: This Agreement contains the entire understanding of CCCSD and FCD relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto are executing this Agreement as of the Effective Date.

CONTRA COSTA COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT

CENTRAL CONTRA COSTA SANITARY DISTRICT

By: \_\_\_\_\_  
Chief Engineer

By: \_\_\_\_\_  
CCCSD General Manager

ATTEST:  
CLERK OF THE BOARD

ATTEST:  
CCCSD SECRETARY OF THE DISTRICT

By: \_\_\_\_\_  
Deputy

By: \_\_\_\_\_  
Secretary of the District Clerk

RECOMMENDED BY DEPARTMENT:

By: \_\_\_\_\_

APPROVED BY COUNTY ADMINISTRATOR

By: \_\_\_\_\_

FORM APPROVED:  
Sharon L. Anderson, County Counsel

FORM APPROVED:  
Kenton L Alm, District Counsel

By: \_\_\_\_\_  
Deputy County Counsel

By: \_\_\_\_\_

## Exhibit A

### Grayson and Walnut Creeks Levee Improvement at CCCSD Treatment Plant



Project Cost Estimate

November 2020

Task/Subtask	Description	CCFC&WCD	CCCSD	Totals
<b>1</b>	<b>Preliminary Design and Risk and Uncertainty Analysis Task</b>	<b>\$ 94,332</b>	<b>\$ -</b>	<b>\$ 94,332</b>
1.1	Preliminary Design Subtask	\$ 40,528	\$ -	\$ 40,528
1.2	Risk and Uncertainty Analysis Subtask	\$ 53,804	\$ -	\$ 53,804
<b>2</b>	<b>Environmental Permitting and Compliance Task</b>	<b>\$ 149,920</b>	<b>\$ -</b>	<b>\$ 149,920</b>
2.1	CEQA/NEPA Subtask	\$ 92,960	\$ -	\$ 92,960
2.2	Permits Subtask	\$ 56,960	\$ -	\$ 56,960
<b>3</b>	<b>Real Property Acquisition Task</b>	<b>\$ 63,920</b>	<b>\$ -</b>	<b>\$ 63,920</b>
<b>4</b>	<b>Section 408 USACE Project Permitting</b>	<b>\$ 89,312</b>	<b>\$ -</b>	<b>\$ 89,312</b>
<b>5</b>	<b>Design Task</b>	<b>\$ 390,680</b>	<b>\$ -</b>	<b>\$ 390,680</b>
5.1	Preliminary Scoping and Data Gathering Subtask	\$ 107,056	\$ -	\$ 107,056
5.2	Detailed Surveys Subtask	\$ 107,180	\$ -	\$ 107,180
5.3	35% Plans and Estimate Subtask	\$ 51,152	\$ -	\$ 51,152
5.4	65% Plans, Specifications and Estimate Subtask	\$ 46,596	\$ -	\$ 46,596
5.5	95% Plans, Specifications and Estimate Subtask	\$ 40,144	\$ -	\$ 40,144
5.6	100% Plans, Specifications and Estimate Subtask	\$ 38,552	\$ -	\$ 38,552
<b>6</b>	<b>Construction Engineering Task</b>	<b>\$ 2,057,087</b>	<b>\$ -</b>	<b>\$ 2,057,087</b>
6.1	Advertise Subtask	\$ 8,281	\$ -	\$ 8,281
6.2	Award Subtask	\$ 7,790	\$ -	\$ 7,790
6.3	Notice To Proceed Subtask	\$ 2,860	\$ -	\$ 2,860
6.4	Pre-Construction Subtask	\$ 4,480	\$ -	\$ 4,480
6.5	Construction Support	\$ 181,510	\$ -	\$ 181,510
6.6	Construction & Contingency	\$ 1,738,000	\$ -	\$ 1,738,000
6.7	Performance Testing and Demobilization Subtask	\$ 114,166	\$ -	\$ 114,166
<b>7</b>	<b>Reporting Task</b>	<b>\$ 15,974</b>	<b>\$ -</b>	<b>\$ 15,974</b>
<b>8</b>	<b>Project Management Task</b>	<b>\$ 77,392</b>	<b>\$ -</b>	<b>\$ 77,392</b>
<b>Total Project Cost (Rounded)</b>		<b>\$ 2,939,000</b>	<b>\$ -</b>	<b>\$ 2,939,000</b>



**Legend**

-  Location of ROW Transfer (Approx.)
-  Parcels

**Grayson and Walnut Creeks  
Levee Improvement  
at CCCSD Treatment Plant**



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Approve Contract with Watershed Resources Consulting for Stormwater Quality Services

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Chief Engineer, Contra Costa County Flood Control and Water Conservation District, or designee, to execute, on behalf of the Contra Costa Clean Water Program, a contract with Watershed Resources Consulting, in an amount not to exceed \$400,000 for Countywide stormwater quality services necessary to comply with federal and state stormwater permit requirements issued under the National Pollutant Discharge Elimination System Permit, for the period January 1, 2021 through June 30, 2024, Countywide.

**FISCAL IMPACT:**

All costs associated with this contract will not exceed \$400,000 and will be funded 100% by Stormwater Utility Assessment fees collected by the Cities/Towns and County, proportional to their respective populations.

**BACKGROUND:**

The Contra Costa Clean Water Program (the “CCCWP”) consists of Contra Costa County, its 19 incorporated cities/towns and the Contra Costa County Flood Control and Water Conservation District (hereinafter referred to collectively as “Permittees”). The CCCWP was established in 1991 through a Program Agreement in response to the 1987 amendments to

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Andrea Bullock,  
925-313-2194

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



BACKGROUND: (CONT'D)

the federal Clean Water Act (the “CWA”), which established a framework for regulating municipal stormwater discharges under the National Pollutant Discharge Elimination System (“NPDES”) Permit Program. The United States Environmental Protection Agency (the “USEPA”) published final rules implementing the 1987 CWA amendments in November 1990. The rules mandate that Permittees obtain and implement stormwater permits designed to reduce and eliminate the discharge of pollutants into and from Municipal Separate Storm Sewer Systems (the “MS4s”) they own and operate. Through the CCCWP, Permittees conduct many of the mandated activities collectively (referred to as “Group Activities”), such as water quality monitoring, special studies, and public education. The roles and responsibilities of the CCCWP and Permittees are outlined in the Contra Costa Clean Water Program Agreement, which was last updated and adopted by all Permittees in June 2010. The current San Francisco Bay Region Municipal Regional Stormwater NPDES Permit No. CAS612008, Order R2-2015-0049 (“Permit”), was issued in November of 2015.

The CCCWP Permittees request to retain Watershed Resources Consulting to plan, coordinate and administer mandated stormwater quality management activities as required by the NPDES permit. Watershed Resources Consulting assists the Program by negotiating permit requirements, attending various stakeholder meetings on behalf of Permittees, preparing written responses to the Regional Water Quality Control Board and completing other activities related to the re-issuance and implementation of NPDES permit.

CONSEQUENCE OF NEGATIVE ACTION:

Without the approval of the Board of Supervisors, the CCCWP, 19 Cities and Towns, Contra Costa County, and the Flood Control District will be unable to meet the outreach requirements set forth by the San Francisco Bay Region Municipal Regional Stormwater NPDES Permit No. CAS612008, Order R2-2015-0049



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: APPROVE a Temporary Access License Agreement with Discovery Builders, Inc., for Ingress and Egress Purposes, Martinez area.

**RECOMMENDATION(S):**

As the governing body of the Contra Costa County Flood Control and Water Conservation District (District), APPROVE and AUTHORIZE the Chief Engineer, or designee, to execute a license agreement from Discovery Builders, Inc., (Discovery Builders) for ingress and egress purposes by the District, Martinez area.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

Discovery Builders is the owner of Assessor's Parcel Number 380-030-046 in the Martinez area. The District owns property to the south and east of the Discovery Builder's property. In effort to maintain Pacheco and Walnut Creeks, the District has utilized an existing nice gravel access road on Discovery Builder's property. Discovery Builders has agreed to grant a Temporary Access License Agreement to the District for ingress and egress purposes over

APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Angela Bell, 925.  
957-2451

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Paul Detjens, Flood Control District

BACKGROUND: (CONT'D)

and across the existing nice gravel road across Discovery Builder's property. Discovery Builder's is currently seeking approval on a tentative subdivision map which will include a new access road. Upon approval of the tentative map, Discovery Builders will grant the District a permanent access easement.

The License Agreement includes indemnification language, which has been approved by County Counsel.

The District will also use the existing access road for hauling purposes during the construction of the Lower Walnut Creek Restoration Project.

CONSEQUENCE OF NEGATIVE ACTION:

The County would not have the necessary access rights for creek maintenance or construction purposes.

ATTACHMENTS

License Agreement

**LICENSE AGREEMENT BETWEEN  
DISCOVERY BUILDERS, INC. AND  
CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION  
DISTRICT REGARDING TEMPORARY ACCESS**

THIS LICENSE AGREEMENT (this “**Agreement**”) is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2020 (the “**Effective Date**”), by and between **DISCOVERY BUILDERS, INC.**, a California corporation (“**DBI**”), and **CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT**, a flood control district organized under the laws of the State of California (“**District**”). DBI and the District are sometimes collectively referred to herein as the “**Parties**,” and individually as a “**Party**.”

**RECITALS**

A. DBI owns that certain real property located in an unincorporated area of Contra Costa County, California, as generally depicted on *Exhibit A* attached hereto (“**DBI’s- Property**”).

B. The District owns and maintains that certain real property generally located to the south and east of DBI’s Property, generally identified as Pacheco and Walnut Creeks as shown on *Exhibit A* attached hereto (“**District’s Property**”). An existing dirt access road is located on DBI’s Property, as depicted in *Exhibit A* and described in *Exhibit B* attached hereto (“**Access Road**”). The District desires to use the Access Road for access and construction purposes in connection with the District’s Lower Walnut Creek Restoration Project (“**Project**”), and for other District purposes.

C. To provide the District continued access to District’s Property until such time as a permanent access easement is recorded, as further described herein, DBI is willing to grant a license to the District (including its employees, representatives, consultants, and contractors) for the right of ingress to and egress from the District’s Property over, upon, and across the Access Road. The District and DBI intend for this license to be replaced with a permanent easement upon, in, over, and across the Access Road (“**Future Access Easement**”) when DBI subdivides the DBI Property. DBI intends that the Future Access Easement will be offered for dedication on the final map DBI will file for subdivision of the DBI Property (“**Offer of Dedication**”); or, alternatively if DBI does not pursue the filing of a final map, DBI may offer the Future Access Easement for dedication to the District by separate instrument, or DBI may agree to convey the easement to the District, each under terms acceptable to both Parties (each, also an “**Offer of Dedication**” for purposes of this Agreement).

**AGREEMENT**

NOW, THEREFORE, for good and valuable consideration, Parties hereby agree as follows:

1. **Grant of License.** Subject to the terms of this Agreement, DBI hereby grants to the District, for use by the District, its directors, officers, employees, contractors, subcontractors, consultants, representatives, agents (“**District’s Representatives**”) a non-possessory, non-exclusive right of access over, upon, and across the Access Road, to access District’s Property with equipment, personnel, and vehicles, as and at times determined by the District, and for no other purposes.

2. **Term.** The term of this Agreement shall commence on the Effective Date. This Agreement shall automatically terminate on the date on which the District records its acceptance of a Future Access Easement following an Offer of Dedication. This Agreement also may be terminated upon the mutual agreement of both Parties. Termination may also occur if The District is in material breach of its obligations under this Agreement and has not cured such material breach within forty-five (45) days after being provided written notice of such material breach. However, for any material breach of this Agreement that cannot reasonably be cured within 45 days following written notice from DBI, this Agreement may not be terminated if the District commences to cure such material breach within said 45-day period and continues thereafter to take reasonable steps necessary to cure the material breach until said breach is cured.

3. **Condition of DBI's Property.** The District acknowledges that DBI makes no warranties of any kind concerning the physical condition of DBI's Property and/or the Access Road. The District shall be responsible for restoring any damage or correcting any unsightly condition caused by the District's activities on or around the Access Road, or to any landscaping or structures thereon, or to any other portion of DBI's Property which is damaged as a result of the District's access thereto. Notwithstanding anything to the contrary herein, the District shall not be responsible for repairing any damage to, or restoring any conditions on or around, the Access Road to the extent that damage or condition is caused by DBI or any third parties unrelated to the District.

4. **Indemnity Regarding District's Activities.** The District assumes all risk of loss arising from its use of the Access Road under this Agreement, except to the extent any loss is attributable to the active negligence or willful misconduct of DBI or persons under DBI's direction or control. The District shall indemnify, defend (with counsel reasonably acceptable to DBI), protect, and save DBI harmless from and against any and all demands, liabilities, losses, damages, expenses, causes of action, suits, claims, and judgments, including, but not limited to, reasonable attorneys' fees arising or relating to personal injuries or property damages, (collectively, "**Liabilities**") to the extent such Liabilities arise from the negligence or willful misconduct of any District Representatives while exercising the District's rights or satisfying the District's obligations under this Agreement. The provisions of this Section 4 shall survive the termination of this Agreement.

5. **Compliance.** The District shall at all times comply with all applicable ordinances, rules, regulations, codes, statutes, and requirements of all federal, state, county, and municipal governmental bodies or their subdivisions respecting the use of DBI's Property and/or the Access Road. The District further covenants and agrees that it will do no act, nor permit any act to be done, which shall cause a lien or encumbrance of any kind to be filed or recorded against DBI's Property and/or the Access Road, or any part thereof, and that the District will, within ten (10) days, at its sole expense, do all things necessary to remove any such lien or encumbrance placed against said premises in connection with the District's use thereof, and shall hold DBI free and harmless from costs or damages resulting therefrom.

6. **Insurance.** At all times during the term of this Agreement the District and District's contractors performing Project-related work, or performing any other work requiring use of the Access Road, shall maintain general liability insurance insuring against liability for injury to persons and/or property and death of any person or persons occurring in, on, or about DBI's Property and/or the Access Road or in any way related to the exercise of the District's rights and obligations under this Agreement. The liability limit under such insurance shall not be less than (i) One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the general aggregate, and

(ii) all employee's compensation insurance required under applicable Worker's Compensation Acts. Such insurance shall name DBI as an additional insured, shall be primary to any insurance carried by DBI and shall contain a waiver of subrogation clause. The District shall provide a certificate of insurance (with appropriate endorsements) evidencing compliance with this insurance provision within three (3) business days after the full execution of this Agreement and prior to entry onto DBI's Property by or on behalf of the District under this Agreement.

The District shall have the right to self-insure for any or all insurance required under this section. In the event that the District does self-insure, the District shall provide written evidence of such self-insurance to DBI, and shall include DBI as an additional insured under such self-insurance coverage.

7. **Notices.** Except in cases of emergency, all notices required or permitted under the terms of this Agreement shall be directed to:

If to the District:       Contra Costa County Flood Control and Water Conservation District  
                                  Attn: Real Property Division  
                                  255 Glacier Drive  
                                  Martinez, CA 94553  
                                  Email: angela.bell@pw.cccounty.us

If to DBI:                   Discovery Builders, Inc.  
                                  Attn: David Young, Esq.  
                                  4021 Port Chicago Highway  
                                  Concord, California 94520  
                                  Email: dyoung@discoverybuilders.com

8. **Governing Law.** This Agreement shall in all respects be interpreted, enforced, and governed by and under the laws of the State of California, without regard to its choice of law provisions.

9. **Successors and Assigns.** The provisions of this Agreement are intended to and will run with the land, and, until their termination in accordance with the terms of this Agreement, will bind, be a charge upon, and inure to the benefit of DBI and the District, their respective successors and assigns.

10. **Attorneys' Fees.** If any legal action, arbitration or other proceeding is brought involving a dispute between the parties or arising out of this Agreement, each Party will bear its own attorney's fees.

11. **Drafting.** This Agreement shall be construed as jointly drafted by the parties hereto and no construction of any term hereof shall be weighted as against any party as drafter.

12. **Severability.** If any provision of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each provision of this Agreement shall be valid and enforced to the full extent permitted by law, provided the material provisions of this Agreement can be determined and effectuated.

13. **Counterparts.** This Agreement may be executed in identical counterpart copies, each of which shall be an original, but all of which taken together shall constitute one and the same agreement.

14. **Other Documents.** Each party agrees to sign any additional documents that may be reasonably required to effectuate the purpose of this Agreement.

15. **Authority; Execution.** The District represents that the person executing this Agreement on behalf of the District is duly authorized to do so. DBI represents that the person executing this Agreement on behalf of DBI is duly authorized to do so.

16. **Prior Agreements.** This Agreement supersedes all previous oral and written agreements between and representations by or on behalf of the parties and constitutes the entire agreement of the parties with respect to the subject matter hereof. This Agreement may not be amended except by a written agreement executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**DBI:**

**DISCOVERY BUILDERS, INC.,**  
a California corporation

By: \_\_\_\_\_  
Name: Louis Parsons  
Its: President

**Approved as to form:**

\_\_\_\_\_

Exhibits:  
Exhibit A – Depiction of Access Road  
Exhibit B – Legal Description

**DISTRICT:**

**CONTRA COSTA COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT,**  
a flood control district existing under the  
laws of the State of California

By: \_\_\_\_\_  
Brian M. Balbas  
Chief Engineer

Recommended for Approval:

By: \_\_\_\_\_  
Jessica L. Dillingham  
Principal Real Property Agent

**Approved as to form:**  
Sharon L. Anderson, County Counsel

By: \_\_\_\_\_  
Stephen Siptroth  
Deputy County Counsel

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**  
**(Civil Code §1189)**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA** )

**COUNTY OF \_\_\_\_\_** )

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_,  
a Notary Public, personally appeared \_\_\_\_\_

\_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
SIGNATURE OF NOTARY



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**  
**(Civil Code §1189)**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**STATE OF CALIFORNIA** )

**COUNTY OF \_\_\_\_\_** )

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_,  
a Notary Public, personally appeared \_\_\_\_\_

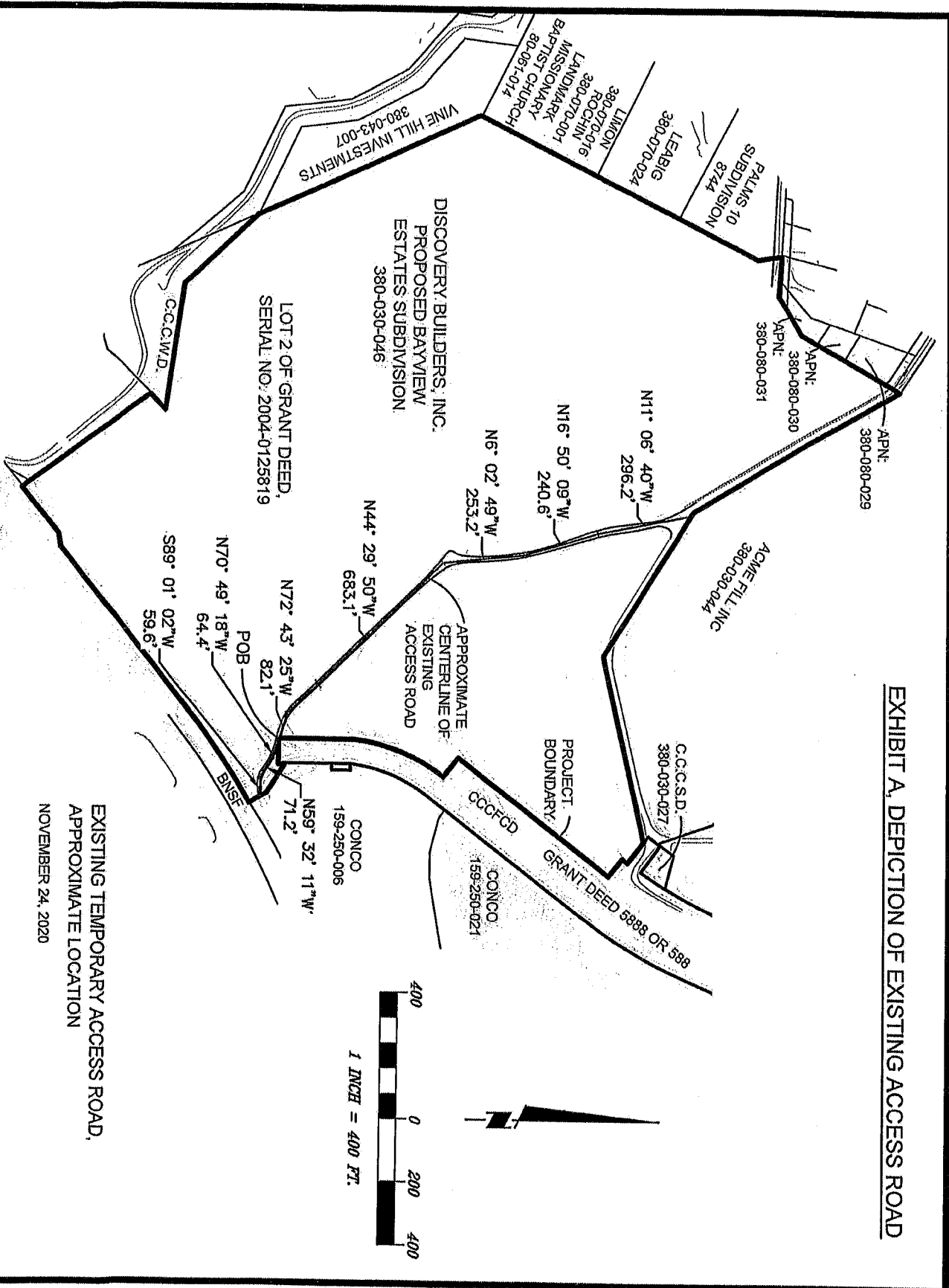
\_\_\_\_\_ ,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
SIGNATURE OF NOTARY

**EXHIBIT A. DEPICTION OF EXISTING ACCESS ROAD**



EXISTING TEMPORARY ACCESS ROAD,  
 APPROXIMATE LOCATION  
 NOVEMBER 24, 2020

## EXHIBIT B

### LEGAL DESCRIPTION FOR THE TEMPORARY ACCESS LICENSE AGREEMENT BETWEEN DISCOVERY BUILDERS INC. AND CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT


A strip of land 20' in width, in an unincorporated area of Contra Costa County, State of California, with its centerline described as follows:

The Point of Beginning being 55' northerly of the most southwesterly corner of that land deeded by Acme Fill Corporation to Contra Costa County Flood Control and Water Conservation District ("District"), which deed was recorded on June 3, 1969 in Book 5888 Page 588 of Official Records of said County, thence along the following courses sequentially for the northerly segment of said Strip:

- 1) N72°43'25"W, 82.1'
- 2) N44°29'50"W, 683.1'
- 3) N06°02'49"W, 253.2'
- 4) N16°50'09"W, 240.6'
- 5) N11°06'40"W, 296.2'

To a point on a northeasterly line of Lot 2 of that Lot Line Adjustment #LL03-83 approved by said County and recorded under Serial Number 2004-125819.

**END OF LEGAL DESCRIPTION**

  
*[Handwritten Signature]*  
12/2/20



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Amendment to License Agreement granting Contra Costa Water District access rights along Walnut Creek and Pacheco Creek levee roads, Martinez area.

---

**RECOMMENDATION(S):**

As the governing body of the Contra Costa County Flood Control and Water Conservation District (District), APPROVE and AUTHORIZE the Chief Engineer, or designee, to execute on behalf of the District, the First Amendment to the License Agreement between the District and the Contra Costa Water District (CCWD) to extend the term through December 31, 2025, granting CCWD access rights to use a portion of the District’s levee roads along Walnut Creek and Pacheco Creek, Martinez area. (Project No. 7520-6B8371)

**FISCAL IMPACT:**

CCWD will pay the District an annual fee of \$3,660, which will be applied to the District’s Zone 3B for the maintenance of the levee roads during the term of the agreement.

**BACKGROUND:**

On December 7, 2010, the District entered into a License Agreement with CCWD to allow CCWD access to the Short Cut Pipeline, which CCWD operates and maintains for the United States Bureau of Reclamation. The District is granting a license, rather than permanent rights, because if either Walnut Creek or Pacheco Creek is reconfigured, the location of the access rights required by CCWD will change. The first amendment extends the term of the existing license through December 31, 2025, and updates the insurance requirement to \$2,000,000.

- 
- APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Margaret Eychner,  
925.957-2463

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Paul Detjens, Flood Control District, Michelle Cordis, Flood Control

CONSEQUENCE OF NEGATIVE ACTION:

If the first amendment is not approved, the license will terminate on December 6, 2020, and CCWD will not have the necessary access rights.

ATTACHMENTS

First Amendment License Agreement

## **FIRST AMENDMENT TO LICENSE AGREEMENT**

This first amendment to license agreement ("First Amendment") is dated December 7, 2020, and is between the CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a flood control district, organized under the laws of the State of California, (the "District"), and the CONTRA COSTA WATER DISTRICT, a public agency of the State of California (the "Licensee"). Licensee and the District are hereinafter referred to individually as a "party" or collectively as the "parties."

### **RECITALS**

- A. The District and Licensee are parties to a License Agreement dated December 7, 2010, under which the District granted a license to Licensee for the purpose of ingress and egress across the District's levees and access roads on the Property, located in northeastern Martinez near Solano Way, in order for Licensee to operate, maintain, repair, or replace its Shortcut Pipeline and related facilities within Licensee's easement that overlies or is adjacent to the Property (the "Agreement").
- B. The parties desire to extend the term of the Agreement through December 31, 2025, and to increase the amount of insurance required by Section 14 of the Agreement to \$2,000,000.

The parties therefore agree as follows:

### **AGREEMENT**

1. All capitalized terms not defined in this First Amendment have the meaning ascribed to them in the Agreement.
2. Section 2. Term of the Agreement is deleted in its entirety and replaced with the following:
  2. **TERM**: The term of this Agreement commences on the Effective Date and expires on December 31, 2025, unless the license granted hereunder is suspended, terminated, or revoked as hereinafter set forth.
3. Section 14. Insurance of the Agreement is deleted in its entirety and replaced with the following:
  14. **INSURANCE**: Licensee shall have the right to self-insure, in whole or in part. In the event that Licensee does self-insure, Licensee shall provide the District with written evidence of self-insurance coverage of the types and in

the amounts as set forth in this section of the Agreement and shall include the District as additional insured.

If Licensee does not self-insure, then, during the entire term of this Agreement, Licensee shall provide and maintain, in full force and effect at all times, insurance policies meeting the requirements described below.

A. The Licensee shall provide comprehensive general liability insurance with a minimum combined single-limit coverage of Two Million and No/100 Dollars (\$2,000,000) for all damages, including consequential damages, due to bodily injury, sickness, or disease, or death to any person(s), or damage to or destruction of property, including the loss of use thereof, arising from each occurrence.

B. The Licensee shall take out and maintain Worker's Compensation and Employer's Liability Insurance, as required by law, for all of its employees entering upon the Joint Use Area (JUA). The licensee shall require its contractors and any subcontractors entering upon the JUA to provide it with evidence of Worker's Compensation and Employer's Liability Insurance, all in strict compliance with California State laws.

C. All insurance policies required under this Agreement shall name the District, its boards, officers, agents, and employees as additional insureds as to all operations and activities associated with the license granted under this Agreement.

D. The Licensee shall require all contractors and subcontractors, performing work in the JUA or using the JUA, to provide evidence of insurance coverage of the types and in the amounts as set forth in this section to the Licensee and the District, except comprehensive general liability insurance shall have a minimum combined single-limit coverage of Two Million and No/100 Dollars (\$2,000,000).

E. The insurance policies provided by the Licensee or its contractors and subcontractors shall constitute primary insurance as to the District, its boards, officers, agents and employees, so that other insurance policies or self-insurance programs held by the District shall not be required to contribute to any loss covered under insurance policy or policies of the Licensee or Licensee's contractors and subcontractors.

F. The insurance policies provided by the Licensee and the Licensee's contractors and subcontractors shall include a provision

requiring thirty (30) days written notice to District before cancellation or lapse thereof for the above-specified coverage, Licensee shall provide thirty (30) days written notice to District, if feasible, before material change of the above-specified coverage. This Agreement shall not become effective until insurance coverage verification satisfactory to the District is received and approved in writing by the District's Chief Engineer.

G. District may from time to time, at its sole discretion, and upon reasonable advance notice, modify the requirements of this section, including requiring the Licensee and the Licensee's contractors and subcontractors to modify the limits of coverage, to provide and maintain insurance coverage for additional categories of risk, or to otherwise change the policy provided for each type of insurance to reflect changes in general costs or in risk exposure due to the Licensee's use of the JUA.

[Remainder of Page Intentionally Left Blank]



4. All other terms of the Agreement remain unchanged and in full force and effect.

The District and Licensee are causing this First Amendment to be executed as of the date set forth in the introductory paragraph.

**DISTRICT:**

CONTRA COSTA COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT

By: \_\_\_\_\_  
Brian M. Balbas  
Chief Engineer

**LICENSEE:**

CONTRA COSTA WATER DISTRICT

By: \_\_\_\_\_  
Stephen J. Welch  
General Manager

\_\_\_\_\_  
CCWD Legal Approval

Recommended for Approval:

By: \_\_\_\_\_  
Jessica L. Dillingham  
Principal Real Property Agent

By: \_\_\_\_\_  
Margaret Eychner  
Senior Real Property Agent

APPROVED AS TO FORM:  
Sharon L. Anderson, County Counsel

By: \_\_\_\_\_  
Deputy County Counsel



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: Claims

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**RECOMMENDATION(S):**

DENY claims filed by Archil Apkhazava, Lee Ellen Bowlegs, Michelle Carrington, Cypress Ins. Co., Isaiah Glaze, Lenora McCall, Sean Michael Morrison, Charlean Nelson, Loan Nguyen, and Kyla Webster-Wadley.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

Archil Apkhazava; Property claim for damage to vehicle in the amount of \$5,500.  
Lee Ellen Bowlegs: Personal injury claim for vehicle accident in the amount of \$40,000.  
Michelle Carrington: Personal injury claim for vehicle accident in the amount of \$30,000  
Cypress Ins. Co.: Personal injury claim for vehicle accident in the amount of \$15,341.48  
Isaiah Glaze: Personal injury claim for wrongful search in the amount of \$50,000.  
Lenora McCall: Personal injury claim for trip and fall on public property in the amount of \$250,000.  
Sean Michael Morrison: Property claim for damage to vehicle in the amount of \$3,007.42

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Scott Selby  
925.335.1400

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

Charlean Nelson: Property claim for damage to door in the amount of \$1,500.

Loan Nguyen: Property claim for damage to vehicle in undisclosed amount.

Kylah Webster-Wadley: Property claim for damage to vehicle in the amount of \$3,000.

James Flournoy Jr.: Application to File a Late Claim concerning treatment at the County jail.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Sharon L. Anderson, County Counsel  
Date: December 15, 2020

Subject: Contract for legal services with Burke, Williams & Sorensen for specialized condemnation legal services

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**RECOMMENDATION(S):**

As the governing body of Contra Costa County and the Contra Costa County Flood Control and Water Conservation District, APPROVE and AUTHORIZE the County Counsel, or designee, to execute, on behalf of the County and the District, a contract for legal services with Burke, Williams & Sorensen, LLP, effective December 1, 2020, for specialized condemnation legal services, as recommended by the County Counsel.

**FISCAL IMPACT:**

The firm will bill the County for services performed under the contract at the hourly rates specified below.

**BACKGROUND:**

From time to time, the County and the Flood Control District require specialized condemnation (eminent domain) legal services from outside law firms. Under this contract for legal services, when determined to be necessary by the County Counsel, or designee, Burke, Williams & Sorensen, LLP, will provide the County and the District specialized condemnation legal services on a case by case basis. The firm will charge the County and the District \$315 per hour for partners, \$285 per hour for associates, and \$135 per hour for paralegals. The firm will be entitled to reimbursement for out of pocket costs specified in the contract.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Stephen M. Siptroth, Deputy County Counsel, (925) 655-2200

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

The County and the Flood Control District would not retain Burke, Williams & Sorensen, LLP to perform specialized condemnation legal services.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: APPROVE the Board meeting minutes for July and August 2020

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**RECOMMENDATION(S):**

APPROVE Board meeting minutes for July and August 2020, as on file with the Office of the Clerk of the Board.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

Government Code Section 25101(b) requires the Clerk of the Board to keep and enter in the minute book of the Board a full and complete record of the proceedings of the Board at all regular and special meetings, including the entry in full of all resolutions and of all decisions on questions concerning the allowance of accounts. The vote of each member on every question shall be recorded.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Joellen Bergamini  
925.655.2000

By: , Deputy

cc:



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: APPROVE the Board meeting minutes for September, October and November 2020

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**RECOMMENDATION(S):**

APPROVE Board meeting minutes for September, October and November 2020, as on file with the Office of the Clerk of the Board.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

Government Code Section 25101(b) requires the Clerk of the Board to keep and enter in the minute book of the Board a full and complete record of the proceedings of the Board at all regular and special meetings, including the entry in full of all resolutions and of all decisions on questions concerning the allowance of accounts. The vote of each member on every question shall be recorded.

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

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ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Joellen Bergamini  
925.655.2000

By: , Deputy

cc:



Contra  
Costa  
County

To: Board of Supervisors  
From: Federal D. Glover, District V Supervisor  
Date: December 15, 2020

Subject: Honoring Peter J. Murray for His Years of Public Service on the Occasion of His Retirement

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF  
SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact:  
925-608-4200

By: , Deputy

cc:



ATTACHMENTS

Resolution

2020/334

*The Board of Supervisors of  
Contra Costa County, California*

In the matter of:

**Resolution No. 2020/334**

Honoring the public service of Peter J. Murray, former Mayor and Councilmember of Pinole

Whereas, Peter J. Murray served 28 years on the Pinole City Council, from December 1992 to December 2020, including his 7 terms as Mayor; and

Whereas, Peter J. Murray also served on the Pinole Planning Commission from 1989 to 1992; and

Whereas, prior to serving on the Pinole Planning Commission, Peter J. Murray served on the Pinole Design Review Board as Chair from 1990 to 1991; and

Whereas, during his tenure on the Pinole City Council, Peter J. Murray served as Pinole's delegate to the West Contra Costa Integrated Waste Management Authority; and

Whereas, Peter J. Murray also served on the Pinole-Hercules Wastewater Treatment Plant Subcommittee, the Fowler House Re-Use Committee, and the 2020 Municipal Code Ad-Hoc Committee; and

Whereas, Peter J. Murray's many contributions included the renewed and expanded businesses at the Pinole Valley Shopping Center which included the Kaiser Permanente Pinole Medical Offices, increased community involvement in policing activities such as Pinole's Neighborhood Watch, and the Pinole-Hercules Water Pollution Control Plant Upgrade; and

Whereas, Peter J. Murray also coordinated the Annual Pinole Coastal Cleanup as part of Coastal Clean Up Day and served on the Contra Costa County Workforce Development Board; and

Now therefore be it resolved, that the Contra Costa County Board of Supervisors recognizes Peter J. Murray for his many years of service and applauds his dedication to volunteerism in improving our community.

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**CANDACE ANDERSEN**  
Chair, District II Supervisor

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**JOHN GIOIA**  
District I Supervisor

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**DIANE BURGIS**  
District III Supervisor

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**KAREN MITCHOFF**  
District IV Supervisor

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**FEDERAL D. GLOVER**  
District V Supervisor

I hereby certify that this is a true and correct copy of an  
action taken  
and entered on the minutes of the Board of Supervisors on  
the date  
shown.

ATTESTED: December 15, 2020

David J. Twa,

By: \_\_\_\_\_, Deputy



Contra  
Costa  
County

To: Board of Supervisors  
From: Federal D. Glover, District V Supervisor  
Date: December 15, 2020

Subject: Honoring Roy Swearingen for His Years of Public Service on the Occasion of His Retirement

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF  
SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact:  
925-608-4200

By: , Deputy

cc:

ATTACHMENTS

Resolution  
2020/335

*The Board of Supervisors of  
Contra Costa County, California*

In the matter of:

**Resolution No. 2020/335**

Honoring the public service of Roy Swearingen, former Mayor and Councilmember of Pinole

Whereas, Roy Swearingen served 16 years on the Pinole City Council, from December 1986 to December 1990 and from December 2008 to December 2020, including as Mayor in 1989, 2011, 2016, and 2020; and

Whereas, during his tenure on the Pinole City Council, Roy Swearingen served as Pinole's delegate to the Contra Costa County Mayors' Conference and the West Contra Costa Mayors and Supervisor Conference; and

Whereas, Roy Swearingen also served on the West Contra Costa Transportation Advisory Committee, was the delegate to the East Bay Division of the League of California Cities, the Pinole-Hercules Wastewater Treatment Plant Subcommittee; and

Whereas, Roy Swearingen's many contributions include guiding the City of Pinole through the 2008 recession and recovery and helped complete the Pinole-Hercules Water Pollution Control Upgrade; and

Whereas, Roy Swearingen also served on the Pinole Chamber of Commerce Board of Directors and the West Contra Costa Polices Activities League Board of Directors; and

Now therefore be it resolved, that the Contra Costa County Board of Supervisors recognizes Roy Swearingen for his many years of service and applauds his dedication to volunteerism in improving our community.

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**CANDACE ANDERSEN**  
Chair, District II Supervisor

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**JOHN GIOIA**  
District I Supervisor

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**DIANE BURGIS**  
District III Supervisor

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**KAREN MITCHOFF**  
District IV Supervisor

---

**FEDERAL D. GLOVER**  
District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa,

By: \_\_\_\_\_, Deputy



Contra  
Costa  
County

To: Board of Supervisors  
From: Federal D. Glover, District V Supervisor  
Date: December 15, 2020

Subject: Honoring Roland Esquivias for His Years of Public Service on the Occasion of His Retirement

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF  
SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact:  
925-608-4200

By: , Deputy

cc:



ATTACHMENTS

Resolution

2020/338

*The Board of Supervisors of  
Contra Costa County, California*

In the matter of:

**Resolution No. 2020/338**

Honoring the public service of Roland Esquivias, Mayor and Councilmember of Hercules

Whereas, Roland Esquivias was first elected to the Hercules City Council in 2016 and served as Mayor in 2020; and

Whereas, during his tenure on the Hercules City Council, Roland Esquivias served as Hercules's delegate to West County Mayors and Supervisors Association, the Contra Costa Mayors Conference, and the Water Emergency Transportation Authority; and

Whereas, Roland Esquivias also served on the Hercules Finance Commission and the Economic Development Subcommittee; and

Whereas, Roland Esquivias's many contributions included the completion of the Wastewater Treatment Plant, successfully navigating the COVID-19 Pandemic while keeping Hercules City Hall open to the public, the development of the City's first Hazard Mitigation Plan and General Plan Safety Element, and completing the first phase of the Bayfront project; and

Whereas, Roland Esquivias was also supportive of local organizations and community events such as the Friends of the Hercules Library and the Hercules Library Foundation, Hercules July 4<sup>th</sup>, Hercules Trunk or Treat, Hercules Holiday Tree Lighting, Social Bite, and the Senior Center Pancake Breakfast; and

Now therefore be it resolved, that the Contra Costa County Board of Supervisors recognizes Roland Esquivias for his years of service and applauds his dedication to volunteerism in improving our community.

\_\_\_\_\_  
**CANDACE ANDERSEN**  
Chair, District II Supervisor

\_\_\_\_\_  
**JOHN GIOIA**  
District I Supervisor

\_\_\_\_\_  
**DIANE BURGIS**  
District III Supervisor

\_\_\_\_\_  
**KAREN MITCHOFF**  
District IV Supervisor

\_\_\_\_\_  
**FEDERAL D. GLOVER**  
District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa,

By: \_\_\_\_\_, Deputy



Contra  
Costa  
County

To: Board of Supervisors  
From: Candace Andersen, District II Supervisor  
Date: December 15, 2020

Subject: Resolution recognizing the Contra Costa Medical Reserve Corps for their volunteer contributions.

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF  
SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: 9259578860

By: , Deputy

cc:

ATTACHMENTS

Resolution  
2020/346

*The Board of Supervisors of  
Contra Costa County, California*

In the matter of:

**Resolution No. 2020/346**

recognizing the Contra Costa Medical Reserve Corps for their volunteer contributions.

The Contra Costa Medical Reserve Corps is one of the most active and responsive units in the state, since 2015 this unit has deployed volunteers to seven wildland fires to provide medical support in shelters, the most recent being the Glass Fire, impacting Napa and Sonoma County; and

Whereas, This unit uses community events to train and prepare for these missions, the community events are held in each District of the County, often supporting other non-profits and community members most at need; and

Whereas, In 2020, this amazing group of volunteers has been committed to helping with the COVID-19 response in whatever way they can, to date the Medical Reserve Corps (MRC) has utilized 74 volunteers, providing more than 1,820 hours of service. and

Whereas, The volunteers conducted outreach to healthcare facilities determining their need for PPE, assisted with the set- up of the Alternate Care site located in Richmond and have formed a small team that has been providing infection control education to our congregate care facilities; and

Whereas, The MRC were instrumental in providing staffing for more than 15 influenza clinics throughout the county, providing fee flu vaccines to the public; by using MRC to provide more than 500 volunteer hours at the 12 mass flue vaccinations clinics, the county health department did not need to use paid personnel, or request state resources to assist with these efforts, thus preserving them for other COVI-19 operations.

Whereas, This small group of volunteers has been very committed to the community during challenging times, stepping up in amazing ways to offer support during this pandemic.

that the Contra Costa County Board of Supervisors does hereby honor and thank the Contra Costa Medical Reserve Corps for their dedication and support to the citizens of Contra Costa County.

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**CANDACE ANDERSEN**  
Chair, District II Supervisor

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**JOHN GIOIA**  
District I Supervisor

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**DIANE BURGIS**  
District III Supervisor

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**KAREN MITCHOFF**  
District IV Supervisor

**FEDERAL D. GLOVER**  
District V Supervisor

I hereby certify that this is a true and correct copy of an  
action taken  
and entered on the minutes of the Board of Supervisors on  
the date  
shown.

ATTESTED: December 15, 2020

David J. Twa,

By: \_\_\_\_\_, Deputy



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: Resignations from the Contra Costa Local Planning and Advisory Council for Early Care and Education

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**RECOMMENDATION(S):**

ACCEPT the resignations of Deborah Penry, Cynthia Molander, Edirle Menezes and Doug Rowe, DECLARE vacancies in the Community 2 - Central/South County, Community 3 - Central/North County, Public Agency 2 - Central/South County, and Public Agency 4 - East County seats on the Local Planning and Advisory Council for Early Care and Education (LPC), and DIRECT the Clerk of the Board to post the vacancies, as recommended by the Contra Costa County Office of Education.

**FISCAL IMPACT:**

There is no fiscal impact.

**BACKGROUND:**

The Local Planning and Advisory Council for Early Care and Education (LPC) coordinates programs and services affecting early child care and education, including recommendations for the allocation of federal funds to local early child care and education programs. The LPC consists of 20 members: 4 consumer representatives - a parent or person who receives or has received child care services in the past 36 months; 4 child care providers - a person who provides child care services or represents persons who provide child care services; 4 public agency representatives -

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Dennis Bozanich  
925-655-2050

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



BACKGROUND: (CONT'D)

a person who represents a city, county, city and county, or local education agency; 4 community representatives - a person who represents an agency or business that provides private funding for child care services or who advocates for child care services through participation in civic or community based organizations; and, 4 discretionary appointees - a person appointed from any of the above four categories or outside of those categories at the discretion of the appointing agencies. The current term of the Community 2 - Central/South County seat ends on April 30, 2022, whereas the Community 3 - Central/North County seat, the Public Agency 2 - Central/ South County, and the Public Agency 4 - East County seats all expire on April 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

The resignation will not be accepted and the vacancy will not be properly posted. This impairs the LPC's ability to conduct work.



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: 2021 Committee Assignments

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**RECOMMENDATION(S):**

ACKNOWLEDGE receipt of the preference forms for Board of Supervisors appointments to 2021 committees, boards and commissions, to the incoming Chair of the Board.

**FISCAL IMPACT:**

None

**BACKGROUND:**

Rules of Procedures for Board of Supervisor meetings, Resolution 2019/500, Section 6.1 states that on or before December 1 of each year, on a form provided by the Clerk of the Board, each Board member will submit their individual preferences for appointment to committees, boards and commissions to the Clerk of the Board. During the month of December, the Clerk of the Board will ask the Board to acknowledge receipt of the preference forms as a Board action item on a public agenda. This ensures transparency for the public and the Board Chair. Attached to this board order are the preference forms that were submitted.

**CONSEQUENCE OF NEGATIVE ACTION:**

Receipt of preference forms will not be acknowledged on a public meeting agenda.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jami Napier,  
335-1908

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS

Received Preference  
Sheets

## District I Supervisor Gioia

Type*	Committee Name	Appointee	Term Expiration	New Term Expiration	Preference 1	Preference 2	Stipend Information
I	Airport Committee, Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
I	Airport Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Family & Human Services Committee, Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Family & Human Services Committee, Vice Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Finance Committee, Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Finance Committee, Vice Chair	Karen Mitchoff	12/31/2020	12/31/2021	XXX		NO STIPEND
I	Hiring Outreach & Oversight Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Hiring Outreach & Oversight Committee, Vice-Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Internal Operations Committee, Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Internal Operations Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Legislation Committee, Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
I	Legislation Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Public Protection, Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Public Protection, Vice Chair	Federal Glover	12/31/2020	12/31/2021	XXX		NO STIPEND
I	Sustainability Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Sustainability Committee, Vice Chair	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
I	Transportation, Water & Infrastructure Committee, Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Transportation, Water & Infrastructure Committee, Vice Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Counties Caucus	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Counties Caucus, Alternate	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Regional Interoperable Communications System (BayRICS) Authority	Mike Casten	12/31/2020	12/31/2021			NO STIPEND
II	BayRICS Authority, Alternate	Elise Warren	12/31/2020	12/31/2021			NO STIPEND
II	California Identification System Remote Access Network Board (Cal-ID RAN Board)	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Central Contra Costa Solid Waste Authority	Candace Andersen	Unspecified	Unspecified			STIPEND of \$50/meeting; max of 2 paid/month
II	Central Contra Costa Solid Waste Authority	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$50/meeting; max of 2 paid/month
II	Contra Costa Family Justice Alliance	Diane Burgis	12/31/2020	12/31/2022			NO STIPEND
II	Contra Costa Health Plan Joint Conference Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Contra Costa Health Plan Joint Conference Committee	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Dougherty Valley Oversight Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Dougherty Valley Oversight Committee	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	East Bay Regional Communication System (EBRCS) Authority Governing Board	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	East Bay Regional Communication System (EBRCS) Authority Governing Board, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa County Habitat Conservancy, Governing Board	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa County Habitat Conservancy, Governing Board, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa Regional Fee & Finance Authority	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa Regional Fee & Finance Authority, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	East County Water Management Association	Diane Burgis	12/31/2020	12/31/2022			STIPEND of \$170/meeting; max 6 per month
II	East County Water Management Association, Alternate	Federal Glover	12/31/2020	12/31/2022			STIPEND of \$170/meeting; max 6 per month
II	eBART (Bay Area Rapid Transit) Partnership Policy Advisory Committee	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	eBART (Bay Area Rapid Transit) Partnership Policy Advisory Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	First 5 Children and Families Commission Alternate Member	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	First 5 Children and Families Commission Member	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Hazardous Waste Management Facility Allocation Committee	Candace Andersen	Unspecified	Unspecified			STIPEND of \$150 per meeting.
II	Hazardous Waste Management Facility Allocation Committee, Alternate	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$150 per meeting.
II	Kensington Solid Waste Committee Alternate	Kate Rauch	12/31/2020	12/31/2021			NO STIPEND
II	Kensington Solid Waste Committee Member	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
II	Medical Services Joint Conference Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Medical Services Joint Conference Committee, Vice Chair	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
II	North Richmond Waste and Recovery Mitigation Fee Committee	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
II	North Richmond Waste and Recovery Mitigation Fee Committee, Alternate	Robert Rogers	12/31/2020	12/31/2021			NO STIPEND
II	Open Space/Parks & East Bay Regional Parks District Liaison Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND

## District I Supervisor Gioia

II	Open Space/Parks & East Bay Regional Parks District Liaison Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Pleasant Hill BART/Contra Costa Centre Joint Powers Authority Board of Trustees	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
II	Pleasant Hill BART/Contra Costa Centre Joint Powers Authority Board of Trustees	Candace Andersen	Unspecified	Unspecified			NO STIPEND
II	State Route 4 Bypass Authority	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	State Route 4 Bypass Authority, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	SWAT (Southwest Area Transportation Committee)	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	SWAT, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	TRAFFIX (Measure J Traffic Congestion Relief Agency)	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	TRAFFIX (Measure J Traffic Congestion Relief Agency), Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC (Central County Transportation Partnership and Cooperation)	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC, Alternate	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC (East County Transportation Planning)	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Tri-Valley Transportation Council	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	Urban Counties of California	Federal D. Glover	12/31/2020	12/31/2021			NO STIPEND
II	Urban Counties of California, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	WCCTAC (West County Transportation Advisory Committee)	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
II	WCCTAC, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	West Contra Costa Integrated Waste Management Authority	John Gioia	Unspecified	Unspecified	XXX		STIPEND of \$50 per meeting.
II	West Contra Costa Integrated Waste Management Authority, Alternate	Federal Glover	Unspecified	Unspecified			STIPEND of \$50 per meeting.
III	Bay Area Air Quality Management District Board of Directors	John Gioia	6/17/2021	6/17/2025	XXX		Per diem of \$100/meeting + travel exp; max \$6,000
III	Central Contra Costa Transit Authority (CCCTA) Board of Directors	Candace Andersen	5/1/2021	5/1/2023			STIPEND of \$100 per meeting; up to \$200 month
III	Central Contra Costa Transit Authority (CCCTA) Board of Directors, Alternate	Karen Mitchoff	5/1/2021	5/1/2023			STIPEND of \$100 per meeting; up to \$200 month
III	Contra Costa Transportation Authority Board of Commissioners (Seat 1)	Federal D. Glover	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Alternate (Seat 1)	Candace Andersen	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Second Alternate (Seat 1)	John Gioia	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Third Alternate (Seat 1)	Diane Burgis	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Marin Energy Authority (MCE) Board of Directors	John Gioia	12/31/2020	12/31/2022	XXX		NO STIPEND
III	Marin Energy Authority (MCE) Board of Directors, Alternate	Federal Glover	12/31/2020	12/31/2022			NO STIPEND
III	Tri Delta Transit Authority, Board of Directors (Seat 1)	Federal Glover	12/31/2020	12/31/2022			STIPEND of \$100/month
III	WCC Healthcare District Finance Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
III	WCC Healthcare District Finance Committee	John Gioia	Unspecified	Unspecified	XXX		NO STIPEND
III	CCTA, Community Based Transportation Steering Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee, First Alternate	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee, Second Alternate	Russell Watts	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG General Assembly	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG General Assembly, Alternate	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Regional Planning Committee	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$150 per meeting.
IV	Bay Conservation & Development Commission	John Gioia	Unspecified	Unspecified	XXX		STIPEND of \$100 per meeting; max of 4 meetings.
IV	Bay Conservation & Development Commission, Alternate	Federal Glover	Unspecified	Unspecified			STIPEND of \$100 per meeting; max of 4 meetings.
IV	Contra Costa Countywide Redevelopment Successor Agency Oversight Board	Federal Glover	Unspecified	Unspecified			NO STIPEND
IV	Contra Costa Countywide Redevelopment Successor Agency Oversight Board	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
IV	Delta Diablo Sanitation District Governing Board	Federal Glover	12/31/2020	12/31/2021			STIPEND of \$170 per meeting; max of 6 meetings.
IV	Delta Diablo Sanitation District Governing Board, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			STIPEND of \$170 per meeting; max of 6 meetings.
IV	Delta Protection Commission	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	Delta Protection Commission, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	Law Library Board of Trustees	Nolan Armstrong	12/31/2020	12/31/2021			NO STIPEND
IV	Mental Health Commission	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	Mental Health Commission, Alternate	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
IV	Sacramento-San Joaquin Delta Conservancy Board	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
IV	Sacramento-San Joaquin Delta Conservancy Board, Alternate	Diane Burgis	Unspecified	Unspecified			NO STIPEND

## District I Supervisor Gioia

V	Childhood Asthma Ad Hoc Committee, Chair	John Gioia	Unspecified	Unspecified			NO STIPEND
V	Childhood Asthma Ad Hoc Committee, Vice Chair	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Industrial Safety Ordinance/Community Warning System Ad Hoc Committee	John Gioia	Unspecified	Unspecified	XXX		NO STIPEND
V	Industrial Safety Ordinance/Community Warning System Ad Hoc Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Northern Waterfront Economic Development Ad Hoc Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Northern Waterfront Economic Development Ad Hoc Committee	Diane Burgis	Unspecified	Unspecified			NO STIPEND
	<b>The Following Committees Should NOT be Reassigned</b>		<b>Term Expiration</b>				
III	Bay Area Air Quality Management District Board of Directors	Karen Mitchoff	1/20/2024				Per diem of \$100/meeting + travel exp; max \$6,000
III	Contra Costa Transportation Authority Board of Commissioners (Seat 2)	Karen Mitchoff	1/31/2022				STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Alternate (Seat 2)	John Gioia	1/31/2022				STIPEND of \$100 per meeting; up to \$400 month
III	Local Agency Formation Commission	Candace Andersen	5/2/2022				STIPEND of \$150 per meeting.
III	Local Agency Formation Commission	Federal D. Glover	5/2/2022				STIPEND of \$150 per meeting.
III	Local Agency Formation Commission, Alternate	Diane Burgis	5/6/2024				STIPEND of \$150 per meeting.
III	Metropolitan Transportation Commission	Federal Glover	2/1/2023				STIPEND of \$100/meeting; up to \$500/month per
III	Tri Delta Transit Authority, Board of Directors (Seat 2)	Diane Burgis	12/31/2021				STIPEND of \$100/month
IV	ABAG Executive Board (Seat 1)	Karen Mitchoff	6/30/2022				STIPEND of \$150 per meeting.
IV	ABAG Executive Board (Seat 2)	Candace Andersen	6/30/2022				STIPEND of \$150 per meeting.
IV	ABAG Executive Board, Alternate 1	John Gioia	6/30/2022				STIPEND of \$150 per meeting.
IV	ABAG Executive Board, Alternate 2	Diane Burgis	6/30/2022				STIPEND of \$150 per meeting.
IV	CCCERA (Contra Costa County Employees Retirement Association) Board of Trustees	Candace Andersen	6/30/2023				STIPEND of \$100 per meeting.
IV	CSAC (California State Association of Counties) Board of Directors	John Gioia	11/30/2021				NO STIPEND
IV	CSAC Board of Directors, Alternate	Karen Mitchoff	11/30/2021				NO STIPEND
V	Census 2020, Chair	Diane Burgis	12/31/2020				NO STIPEND
V	Census 2020, Vice Chair	Candace Andersen	12/31/2020				NO STIPEND

## District II Supervisor Andersen

Type*	Committee Name	Appointee	Term Expiration	New Term Expiration	Preference 1	Preference 2	Stipend Information
I	Airport Committee, Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
I	Airport Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Family & Human Services Committee, Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Family & Human Services Committee, Vice Chair	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
I	Finance Committee, Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Finance Committee, Vice Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
I	Hiring Outreach & Oversight Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Hiring Outreach & Oversight Committee, Vice-Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Internal Operations Committee, Chair	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
I	Internal Operations Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Legislation Committee, Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
I	Legislation Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Public Protection, Chair	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
I	Public Protection, Vice Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Sustainability Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Sustainability Committee, Vice Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Transportation, Water & Infrastructure Committee, Chair	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
I	Transportation, Water & Infrastructure Committee, Vice Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Counties Caucus	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Counties Caucus, Alternate	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Regional Interoperable Communications System (BayRICS) Authority	Mike Casten	12/31/2020	12/31/2021			NO STIPEND
II	BayRICS Authority, Alternate	Elise Warren	12/31/2020	12/31/2021			NO STIPEND
II	California Identification System Remote Access Network Board (Cal-ID RAN Board)	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Central Contra Costa Solid Waste Authority	Candace Andersen	Unspecified	Unspecified	X		STIPEND of \$50/meeting; max of 2 paid/month
II	Central Contra Costa Solid Waste Authority	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$50/meeting; max of 2 paid/month
II	Contra Costa Family Justice Alliance	Diane Burgis	12/31/2020	12/31/2022			NO STIPEND
II	Contra Costa Health Plan Joint Conference Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Contra Costa Health Plan Joint Conference Committee	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Dougherty Valley Oversight Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Dougherty Valley Oversight Committee	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
II	East Bay Regional Communication System (EBRCS) Authority Governing Board	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
II	East Bay Regional Communication System (EBRCS) Authority Governing Board, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa County Habitat Conservancy, Governing Board	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa County Habitat Conservancy, Governing Board, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa Regional Fee & Finance Authority	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa Regional Fee & Finance Authority, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	East County Water Management Association	Diane Burgis	12/31/2020	12/31/2022			STIPEND of \$170/meeting; max 6 per month
II	East County Water Management Association, Alternate	Federal Glover	12/31/2020	12/31/2022			STIPEND of \$170/meeting; max 6 per month
II	eBART (Bay Area Rapid Transit) Partnership Policy Advisory Committee	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	eBART (Bay Area Rapid Transit) Partnership Policy Advisory Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	First 5 Children and Families Commission Alternate Member	Candace Andersen	12/31/2020	12/31/2021		X	NO STIPEND
II	First 5 Children and Families Commission Member	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Hazardous Waste Management Facility Allocation Committee	Candace Andersen	Unspecified	Unspecified		X	STIPEND of \$150 per meeting.
II	Hazardous Waste Management Facility Allocation Committee, Alternate	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$150 per meeting.
II	Kensington Solid Waste Committee Alternate	Kate Rauch	12/31/2020	12/31/2021			NO STIPEND
II	Kensington Solid Waste Committee Member	John Gioia	12/31/2020	12/31/2021			NO STIPEND
II	Medical Services Joint Conference Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Medical Services Joint Conference Committee, Vice Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
II	North Richmond Waste and Recovery Mitigation Fee Committee	John Gioia	12/31/2020	12/31/2021			NO STIPEND
II	North Richmond Waste and Recovery Mitigation Fee Committee, Alternate	Robert Rogers	12/31/2020	12/31/2021			NO STIPEND
II	Open Space/Parks & East Bay Regional Parks District Liaison Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Open Space/Parks & East Bay Regional Parks District Liaison Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Pleasant Hill BART/Contra Costa Centre Joint Powers Authority Board of Trustees	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
II	Pleasant Hill BART/Contra Costa Centre Joint Powers Authority Board of Trustees	Candace Andersen	Unspecified	Unspecified	X		NO STIPEND
II	State Route 4 Bypass Authority	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND

## District II Supervisor Andersen

II	State Route 4 Bypass Authority, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	SWAT (Southwest Area Transportation Committee)	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
II	SWAT, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	TRAFFIX (Measure J Traffic Congestion Relief Agency)	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
II	TRAFFIX (Measure J Traffic Congestion Relief Agency), Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC (Central County Transportation Partnership and Cooperation)	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC, Alternate	Candace Andersen	12/31/2020	12/31/2021		X	NO STIPEND
II	TRANSPLAN (East County Transportation Planning)	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPLAN, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Tri-Valley Transportation Council	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
II	Urban Counties of California	Federal D. Glover	12/31/2020	12/31/2021			NO STIPEND
II	Urban Counties of California, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	WCCTAC (West County Transportation Advisory Committee)	John Gioia	12/31/2020	12/31/2021			NO STIPEND
II	WCCTAC, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	West Contra Costa Integrated Waste Management Authority	John Gioia	Unspecified	Unspecified			STIPEND of \$50 per meeting.
II	West Contra Costa Integrated Waste Management Authority, Alternate	Federal Glover	Unspecified	Unspecified			STIPEND of \$50 per meeting.
III	Bay Area Air Quality Management District Board of Directors	John Gioia	6/17/2021	6/17/2025			Per diem of \$100/meeting + travel exp; max \$6,000
III	Central Contra Costa Transit Authority (CCCTA) Board of Directors	Candace Andersen	5/1/2021	5/1/2023	X		STIPEND of \$100 per meeting; up to \$200 month
III	Central Contra Costa Transit Authority (CCCTA) Board of Directors, Alternate	Karen Mitchoff	5/1/2021	5/1/2023			STIPEND of \$100 per meeting; up to \$200 month
III	Contra Costa Transportation Authority Board of Commissioners (Seat 1)	Federal D. Glover	1/31/2021	1/31/2023	X		STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Alternate (Seat 1)	Candace Andersen	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Second Alternate (Seat 1)	John Gioia	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Third Alternate (Seat 1)	Diane Burgis	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Marin Energy Authority (MCE) Board of Directors	John Gioia	12/31/2020	12/31/2022			NO STIPEND
III	Marin Energy Authority (MCE) Board of Directors, Alternate	Federal Glover	12/31/2020	12/31/2022			NO STIPEND
III	Tri Delta Transit Authority, Board of Directors (Seat 1)	Federal Glover	12/31/2020	12/31/2022			STIPEND of \$100/month
III	WCC Healthcare District Finance Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
III	WCC Healthcare District Finance Committee	John Gioia	Unspecified	Unspecified			NO STIPEND
III	CCTA, Community Based Transportation Steering Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee, First Alternate	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee, Second Alternate	Russell Watts	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG General Assembly	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG General Assembly, Alternate	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Regional Planning Committee	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$150 per meeting.
IV	Bay Conservation & Development Commission	John Gioia	Unspecified	Unspecified			STIPEND of \$100 per meeting; max of 4 meetings.
IV	Bay Conservation & Development Commission, Alternate	Federal Glover	Unspecified	Unspecified			STIPEND of \$100 per meeting; max of 4 meetings.
IV	Contra Costa Countywide Redevelopment Successor Agency Oversight Board	Federal Glover	Unspecified	Unspecified			NO STIPEND
IV	Contra Costa Countywide Redevelopment Successor Agency Oversight Board	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
IV	Delta Diablo Sanitation District Governing Board	Federal Glover	12/31/2020	12/31/2021			STIPEND of \$170 per meeting; max of 6 meetings.
IV	Delta Diablo Sanitation District Governing Board, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			STIPEND of \$170 per meeting; max of 6 meetings.
IV	Delta Protection Commission	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	Delta Protection Commission, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	Law Library Board of Trustees	Nolan Armstrong	12/31/2020	12/31/2021			NO STIPEND
IV	Mental Health Commission	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	Mental Health Commission, Alternate	Candace Andersen	12/31/2020	12/31/2021		X	NO STIPEND
IV	Sacramento-San Joaquin Delta Conservancy Board	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
IV	Sacramento-San Joaquin Delta Conservancy Board, Alternate	Diane Burgis	Unspecified	Unspecified			NO STIPEND
V	Childhood Asthma Ad Hoc Committee, Chair	John Gioia	Unspecified	Unspecified			NO STIPEND
V	Childhood Asthma Ad Hoc Committee, Vice Chair	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Industrial Safety Ordinance/Community Warning System Ad Hoc Committee	John Gioia	Unspecified	Unspecified			NO STIPEND
V	Industrial Safety Ordinance/Community Warning System Ad Hoc Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Northern Waterfront Economic Development Ad Hoc Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Northern Waterfront Economic Development Ad Hoc Committee	Diane Burgis	Unspecified	Unspecified			NO STIPEND
<b>The Following Committees Should NOT be Reassigned</b>		<b>Term Expiration</b>					



## District II Supervisor Andersen

III	Bay Area Air Quality Management District Board of Directors	Karen Mitchoff	1/20/2024				Per diem of \$100/meeting + travel exp; max \$6,000
III	Contra Costa Transportation Authority Board of Commissioners (Seat 2)	Karen Mitchoff	1/31/2022				STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Alternate (Seat 2)	John Gioia	1/31/2022				STIPEND of \$100 per meeting; up to \$400 month
III	Local Agency Formation Commission	Candace Andersen	5/2/2022				STIPEND of \$150 per meeting.
III	Local Agency Formation Commission	Federal D. Glover	5/2/2022				STIPEND of \$150 per meeting.
III	Local Agency Formation Commission, Alternate	Diane Burgis	5/6/2024				STIPEND of \$150 per meeting.
III	Metropolitan Transportation Commission	Federal Glover	2/1/2023				STIPEND of \$100/meeting; up to \$500/month per
III	Tri Delta Transit Authority, Board of Directors (Seat 2)	Diane Burgis	12/31/2021				STIPEND of \$100/month
IV	ABAG Executive Board (Seat 1)	Karen Mitchoff	6/30/2022				STIPEND of \$150 per meeting.
IV	ABAG Executive Board (Seat 2)	Candace Andersen	6/30/2022				STIPEND of \$150 per meeting.
IV	ABAG Executive Board, Alternate 1	John Gioia	6/30/2022				STIPEND of \$150 per meeting.
IV	ABAG Executive Board, Alternate 2	Diane Burgis	6/30/2022				STIPEND of \$150 per meeting.
IV	CCCERA (Contra Costa County Employees Retirement Association) Board of Trustees	Candace Andersen	6/30/2023				STIPEND of \$100 per meeting.
IV	CSAC (California State Association of Counties) Board of Directors	John Gioia	11/30/2021				NO STIPEND
IV	CSAC Board of Directors, Alternate	Karen Mitchoff	11/30/2021				NO STIPEND
V	Census 2020 , Chair	Diane Burgis	12/31/2020				NO STIPEND
V	Census 2020, Vice Chair	Candace Andersen	12/31/2020				NO STIPEND

## District IV Supervisor Mitchoff

Type*	Committee Name	Appointee	Term Expiration	New Term Expiration	Preference 1	Preference 2	Stipend Information
I	Airport Committee, Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
I	Airport Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021	X		NO STIPEND
I	Family & Human Services Committee, Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Family & Human Services Committee, Vice Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Finance Committee, Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Finance Committee, Vice Chair	Karen Mitchoff	12/31/2020	12/31/2021	X		NO STIPEND
I	Hiring Outreach & Oversight Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Hiring Outreach & Oversight Committee, Vice-Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Internal Operations Committee, Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Internal Operations Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Legislation Committee, Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
I	Legislation Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021	X		NO STIPEND
I	Public Protection, Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Public Protection, Vice Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Sustainability Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Sustainability Committee, Vice Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Transportation, Water & Infrastructure Committee, Chair	Candace Andersen	12/31/2020	12/31/2021	X		NO STIPEND
I	Transportation, Water & Infrastructure Committee, Vice Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Counties Caucus	Karen Mitchoff	12/31/2020	12/31/2021	X		NO STIPEND
II	Bay Area Counties Caucus, Alternate	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Regional Interoperable Communications System (BayRICS) Authority	Mike Casten	12/31/2020	12/31/2021			NO STIPEND
II	BayRICS Authority, Alternate	Elise Warren	12/31/2020	12/31/2021			NO STIPEND
II	California Identification System Remote Access Network Board (Cal-ID RAN Board)	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Central Contra Costa Solid Waste Authority	Candace Andersen	Unspecified	Unspecified			STIPEND of \$50/meeting; max of 2 paid/month
II	Central Contra Costa Solid Waste Authority	Karen Mitchoff	Unspecified	Unspecified	X		STIPEND of \$50/meeting; max of 2 paid/month
II	Contra Costa Family Justice Alliance	Diane Burgis	12/31/2020	12/31/2022			NO STIPEND
II	Contra Costa Health Plan Joint Conference Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Contra Costa Health Plan Joint Conference Committee	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Dougherty Valley Oversight Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Dougherty Valley Oversight Committee	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	East Bay Regional Communication System (EBRCS) Authority Governing Board	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	East Bay Regional Communication System (EBRCS) Authority Governing Board, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa County Habitat Conservancy, Governing Board	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa County Habitat Conservancy, Governing Board, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa Regional Fee & Finance Authority	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa Regional Fee & Finance Authority, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	East County Water Management Association	Diane Burgis	12/31/2020	12/31/2022			STIPEND of \$170/meeting; max 6 per month
II	East County Water Management Association, Alternate	Federal Glover	12/31/2020	12/31/2022			STIPEND of \$170/meeting; max 6 per month
II	eBART (Bay Area Rapid Transit) Partnership Policy Advisory Committee	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	eBART (Bay Area Rapid Transit) Partnership Policy Advisory Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	First 5 Children and Families Commission Alternate Member	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	First 5 Children and Families Commission Member	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Hazardous Waste Management Facility Allocation Committee	Candace Andersen	Unspecified	Unspecified			STIPEND of \$150 per meeting.
II	Hazardous Waste Management Facility Allocation Committee, Alternate	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$150 per meeting.
II	Kensington Solid Waste Committee Alternate	Kate Rauch	12/31/2020	12/31/2021			NO STIPEND
II	Kensington Solid Waste Committee Member	John Gioia	12/31/2020	12/31/2021			NO STIPEND
II	Medical Services Joint Conference Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Medical Services Joint Conference Committee, Vice Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
II	North Richmond Waste and Recovery Mitigation Fee Committee	John Gioia	12/31/2020	12/31/2021			NO STIPEND
II	North Richmond Waste and Recovery Mitigation Fee Committee, Alternate	Robert Rogers	12/31/2020	12/31/2021			NO STIPEND
II	Open Space/Parks & East Bay Regional Parks District Liaison Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Open Space/Parks & East Bay Regional Parks District Liaison Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Pleasant Hill BART/Contra Costa Centre Joint Powers Authority Board of Trustees	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
II	Pleasant Hill BART/Contra Costa Centre Joint Powers Authority Board of Trustees	Candace Andersen	Unspecified	Unspecified			NO STIPEND
II	State Route 4 Bypass Authority	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	State Route 4 Bypass Authority, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	SWAT (Southwest Area Transportation Committee)	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND

## District IV Supervisor Mitchoff

II	SWAT, Alternate	Karen Mitchoff	12/31/2020	12/31/2021	X		NO STIPEND
II	TRAFFIX (Measure J Traffic Congestion Relief Agency)	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	TRAFFIX (Measure J Traffic Congestion Relief Agency), Alternate	Karen Mitchoff	12/31/2020	12/31/2021	X		NO STIPEND
II	TRANSPAC (Central County Transportation Partnership and Cooperation)	Karen Mitchoff	12/31/2020	12/31/2021	X		NO STIPEND
II	TRANSPAC, Alternate	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPLAN (East County Transportation Planning)	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPLAN, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Tri-Valley Transportation Council	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	Urban Counties of California	Federal D. Glover	12/31/2020	12/31/2021			NO STIPEND
II	Urban Counties of California, Alternate	Karen Mitchoff	12/31/2020	12/31/2021	X		NO STIPEND
II	WCCTAC (West County Transportation Advisory Committee)	John Gioia	12/31/2020	12/31/2021			NO STIPEND
II	WCCTAC, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	West Contra Costa Integrated Waste Management Authority	John Gioia	Unspecified	Unspecified			STIPEND of \$50 per meeting.
II	West Contra Costa Integrated Waste Management Authority, Alternate	Federal Glover	Unspecified	Unspecified			STIPEND of \$50 per meeting.
III	Bay Area Air Quality Management District Board of Directors	John Gioia	6/17/2021	6/17/2025			Per diem of \$100/meeting + travel exp; max \$6,000
III	Central Contra Costa Transit Authority (CCCTA) Board of Directors	Candace Andersen	5/1/2021	5/1/2023			STIPEND of \$100 per meeting; up to \$200 month
III	Central Contra Costa Transit Authority (CCCTA) Board of Directors, Alternate	Karen Mitchoff	5/1/2021	5/1/2023	X		STIPEND of \$100 per meeting; up to \$200 month
III	Contra Costa Transportation Authority Board of Commissioners (Seat 1)	Federal D. Glover	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Alternate (Seat 1)	Candace Andersen	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Second Alternate (Seat 1)	John Gioia	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Third Alternate (Seat 1)	Diane Burgis	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Marin Energy Authority (MCE) Board of Directors	John Gioia	12/31/2020	12/31/2022			NO STIPEND
III	Marin Energy Authority (MCE) Board of Directors, Alternate	Federal Glover	12/31/2020	12/31/2022			NO STIPEND
III	Tri Delta Transit Authority, Board of Directors (Seat 1)	Federal Glover	12/31/2020	12/31/2022			STIPEND of \$100/month
III	WCC Healthcare District Finance Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
III	WCC Healthcare District Finance Committee	John Gioia	Unspecified	Unspecified			NO STIPEND
III	CCTA, Community Based Transportation Steering Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee, First Alternate	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee, Second Alternate	Russell Watts	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG General Assembly	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG General Assembly, Alternate	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Regional Planning Committee	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$150 per meeting.
IV	Bay Conservation & Development Commission	John Gioia	Unspecified	Unspecified			STIPEND of \$100 per meeting; max of 4 meetings.
IV	Bay Conservation & Development Commission, Alternate	Federal Glover	Unspecified	Unspecified			STIPEND of \$100 per meeting; max of 4 meetings.
IV	Contra Costa Countywide Redevelopment Successor Agency Oversight Board	Federal Glover	Unspecified	Unspecified			NO STIPEND
IV	Contra Costa Countywide Redevelopment Successor Agency Oversight Board	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
IV	Delta Diablo Sanitation District Governing Board	Federal Glover	12/31/2020	12/31/2021			STIPEND of \$170 per meeting; max of 6 meetings.
IV	Delta Diablo Sanitation District Governing Board, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			STIPEND of \$170 per meeting; max of 6 meetings.
IV	Delta Protection Commission	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	Delta Protection Commission, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	Law Library Board of Trustees	Nolan Armstrong	12/31/2020	12/31/2021			NO STIPEND
IV	Mental Health Commission	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	Mental Health Commission, Alternate	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
IV	Sacramento-San Joaquin Delta Conservancy Board	Karen Mitchoff	Unspecified	Unspecified	X		NO STIPEND
IV	Sacramento-San Joaquin Delta Conservancy Board, Alternate	Diane Burgis	Unspecified	Unspecified			NO STIPEND
V	Childhood Asthma Ad Hoc Committee, Chair	John Gioia	Unspecified	Unspecified			NO STIPEND
V	Childhood Asthma Ad Hoc Committee, Vice Chair	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Industrial Safety Ordinance/Community Warning System Ad Hoc Committee	John Gioia	Unspecified	Unspecified			NO STIPEND
V	Industrial Safety Ordinance/Community Warning System Ad Hoc Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Northern Waterfront Economic Development Ad Hoc Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Northern Waterfront Economic Development Ad Hoc Committee	Diane Burgis	Unspecified	Unspecified			NO STIPEND
<b>The Following Committees Should NOT be Reassigned</b>			<b>Term Expiration</b>				
III	Bay Area Air Quality Management District Board of Directors	Karen Mitchoff	1/20/2024		X		Per diem of \$100/meeting + travel exp; max \$6,000
III	Contra Costa Transportation Authority Board of Commissioners (Seat 2)	Karen Mitchoff	1/31/2022		X		STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Alternate (Seat 2)	John Gioia	1/31/2022				STIPEND of \$100 per meeting; up to \$400 month

## District IV Supervisor Mitchoff

III	Local Agency Formation Commission	Candace Andersen	5/2/2022			STIPEND of \$150 per meeting.
III	Local Agency Formation Commission	Federal D. Glover	5/2/2022			STIPEND of \$150 per meeting.
III	Local Agency Formation Commission, Alternate	Diane Burgis	5/6/2024			STIPEND of \$150 per meeting.
III	Metropolitan Transportation Commission	Federal Glover	2/1/2023			STIPEND of \$100/meeting; up to \$500/month per
III	Tri Delta Transit Authority, Board of Directors (Seat 2)	Diane Burgis	12/31/2021			STIPEND of \$100/month
IV	ABAG Executive Board (Seat 1)	Karen Mitchoff	6/30/2022		X	STIPEND of \$150 per meeting.
IV	ABAG Executive Board (Seat 2)	Candace Andersen	6/30/2022			STIPEND of \$150 per meeting.
IV	ABAG Executive Board, Alternate 1	John Gioia	6/30/2022			STIPEND of \$150 per meeting.
IV	ABAG Executive Board, Alternate 2	Diane Burgis	6/30/2022			STIPEND of \$150 per meeting.
IV	CCCERA (Contra Costa County Employees Retirement Association) Board of Trustees	Candace Andersen	6/30/2023			STIPEND of \$100 per meeting.
IV	CSAC (California State Association of Counties) Board of Directors	John Gioia	11/30/2021			NO STIPEND
IV	CSAC Board of Directors, Alternate	Karen Mitchoff	11/30/2021		X	NO STIPEND
V	Census 2020, Chair	Diane Burgis	12/31/2020			NO STIPEND
V	Census 2020, Vice Chair	Candace Andersen	12/31/2020			NO STIPEND

## District V Supervisor Glover

Type*	Committee Name	Appointee	Term Expiration	New Term Expiration	Preference 1	Preference 2	Stipend Information
I	Airport Committee, Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
I	Airport Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Family & Human Services Committee, Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Family & Human Services Committee, Vice Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Finance Committee, Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Finance Committee, Vice Chair	Karen Mitchoff	12/31/2020	12/31/2021	XXX		NO STIPEND
I	Hiring Outreach & Oversight Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Hiring Outreach & Oversight Committee, Vice-Chair	John Gioia	12/31/2020	12/31/2021			NO STIPEND
I	Internal Operations Committee, Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Internal Operations Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Legislation Committee, Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
I	Legislation Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
I	Public Protection, Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Public Protection, Vice Chair	Federal Glover	12/31/2020	12/31/2021	XXX		NO STIPEND
I	Sustainability Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
I	Sustainability Committee, Vice Chair	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
I	Transportation, Water & Infrastructure Committee, Chair	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
I	Transportation, Water & Infrastructure Committee, Vice Chair	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Counties Caucus	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Counties Caucus, Alternate	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Bay Area Regional Interoperable Communications System (BayRICS) Authority	Mike Casten	12/31/2020	12/31/2021			NO STIPEND
II	BayRICS Authority, Alternate	Elise Warren	12/31/2020	12/31/2021			NO STIPEND
II	California Identification System Remote Access Network Board (Cal-ID RAN Board)	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Central Contra Costa Solid Waste Authority	Candace Andersen	Unspecified	Unspecified			STIPEND of \$50/meeting; max of 2 paid/month
II	Central Contra Costa Solid Waste Authority	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$50/meeting; max of 2 paid/month
II	Contra Costa Family Justice Alliance	Diane Burgis	12/31/2020	12/31/2022			NO STIPEND
II	Contra Costa Health Plan Joint Conference Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Contra Costa Health Plan Joint Conference Committee	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Dougherty Valley Oversight Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Dougherty Valley Oversight Committee	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	East Bay Regional Communication System (EBRCS) Authority Governing Board	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	East Bay Regional Communication System (EBRCS) Authority Governing Board, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa County Habitat Conservancy, Governing Board	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa County Habitat Conservancy, Governing Board, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa Regional Fee & Finance Authority	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	East Contra Costa Regional Fee & Finance Authority, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	East County Water Management Association	Diane Burgis	12/31/2020	12/31/2022			STIPEND of \$170/meeting; max 6 per month
II	East County Water Management Association, Alternate	Federal Glover	12/31/2020	12/31/2022			STIPEND of \$170/meeting; max 6 per month
II	eBART (Bay Area Rapid Transit) Partnership Policy Advisory Committee	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	eBART (Bay Area Rapid Transit) Partnership Policy Advisory Committee	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	First 5 Children and Families Commission Alternate Member	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	First 5 Children and Families Commission Member	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Hazardous Waste Management Facility Allocation Committee	Candace Andersen	Unspecified	Unspecified			STIPEND of \$150 per meeting.
II	Hazardous Waste Management Facility Allocation Committee, Alternate	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$150 per meeting.
II	Kensington Solid Waste Committee Alternate	Kate Rauch	12/31/2020	12/31/2021			NO STIPEND
II	Kensington Solid Waste Committee Member	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
II	Medical Services Joint Conference Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Medical Services Joint Conference Committee, Vice Chair	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
II	North Richmond Waste and Recovery Mitigation Fee Committee	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
II	North Richmond Waste and Recovery Mitigation Fee Committee, Alternate	Robert Rogers	12/31/2020	12/31/2021			NO STIPEND
II	Open Space/Parks & East Bay Regional Parks District Liaison Committee, Chair	Federal Glover	12/31/2020	12/31/2021			NO STIPEND

## District V Supervisor Glover

II	Open Space/Parks & East Bay Regional Parks District Liaison Committee, Vice Chair	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	Pleasant Hill BART/Contra Costa Centre Joint Powers Authority Board of Trustees	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
II	Pleasant Hill BART/Contra Costa Centre Joint Powers Authority Board of Trustees	Candace Andersen	Unspecified	Unspecified			NO STIPEND
II	State Route 4 Bypass Authority	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	State Route 4 Bypass Authority, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	SWAT (Southwest Area Transportation Committee)	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	SWAT, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	TRAFFIX (Measure J Traffic Congestion Relief Agency)	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	TRAFFIX (Measure J Traffic Congestion Relief Agency), Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC (Central County Transportation Partnership and Cooperation)	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC, Alternate	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC (East County Transportation Planning)	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
II	TRANSPAC, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	Tri-Valley Transportation Council	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
II	Urban Counties of California	Federal D. Glover	12/31/2020	12/31/2021			NO STIPEND
II	Urban Counties of California, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
II	WCCTAC (West County Transportation Advisory Committee)	John Gioia	12/31/2020	12/31/2021	XXX		NO STIPEND
II	WCCTAC, Alternate	Federal Glover	12/31/2020	12/31/2021			NO STIPEND
II	West Contra Costa Integrated Waste Management Authority	John Gioia	Unspecified	Unspecified	XXX		STIPEND of \$50 per meeting.
II	West Contra Costa Integrated Waste Management Authority, Alternate	Federal Glover	Unspecified	Unspecified			STIPEND of \$50 per meeting.
III	Bay Area Air Quality Management District Board of Directors	John Gioia	6/17/2021	6/17/2025	XXX		Per diem of \$100/meeting + travel exp; max \$6,000
III	Central Contra Costa Transit Authority (CCCTA) Board of Directors	Candace Andersen	5/1/2021	5/1/2023			STIPEND of \$100 per meeting; up to \$200 month
III	Central Contra Costa Transit Authority (CCCTA) Board of Directors, Alternate	Karen Mitchoff	5/1/2021	5/1/2023			STIPEND of \$100 per meeting; up to \$200 month
III	Contra Costa Transportation Authority Board of Commissioners (Seat 1)	Federal D. Glover	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Alternate (Seat 1)	Candace Andersen	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Second Alternate (Seat 1)	John Gioia	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Third Alternate (Seat 1)	Diane Burgis	1/31/2021	1/31/2023			STIPEND of \$100 per meeting; up to \$400 month
III	Marin Energy Authority (MCE) Board of Directors	John Gioia	12/31/2020	12/31/2022	XXX		NO STIPEND
III	Marin Energy Authority (MCE) Board of Directors, Alternate	Federal Glover	12/31/2020	12/31/2022			NO STIPEND
III	Tri Delta Transit Authority, Board of Directors (Seat 1)	Federal Glover	12/31/2020	12/31/2022			STIPEND of \$100/month
III	WCC Healthcare District Finance Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
III	WCC Healthcare District Finance Committee	John Gioia	Unspecified	Unspecified	XXX		NO STIPEND
III	CCTA, Community Based Transportation Steering Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee, First Alternate	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Finance Authority for Nonprofit Corporations Board of Directors and its Executive Committee, Second Alternate	Russell Watts	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG General Assembly	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG General Assembly, Alternate	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	ABAG Regional Planning Committee	Karen Mitchoff	Unspecified	Unspecified			STIPEND of \$150 per meeting.
IV	Bay Conservation & Development Commission	John Gioia	Unspecified	Unspecified	XXX		STIPEND of \$100 per meeting; max of 4 meetings.
IV	Bay Conservation & Development Commission, Alternate	Federal Glover	Unspecified	Unspecified			STIPEND of \$100 per meeting; max of 4 meetings.
IV	Contra Costa Countywide Redevelopment Successor Agency Oversight Board	Federal Glover	Unspecified	Unspecified			NO STIPEND
IV	Contra Costa Countywide Redevelopment Successor Agency Oversight Board	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
IV	Delta Diablo Sanitation District Governing Board	Federal Glover	12/31/2020	12/31/2021			STIPEND of \$170 per meeting; max of 6 meetings.
IV	Delta Diablo Sanitation District Governing Board, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			STIPEND of \$170 per meeting; max of 6 meetings.
IV	Delta Protection Commission	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	Delta Protection Commission, Alternate	Karen Mitchoff	12/31/2020	12/31/2021			NO STIPEND
IV	Law Library Board of Trustees	Nolan Armstrong	12/31/2020	12/31/2021			NO STIPEND
IV	Mental Health Commission	Diane Burgis	12/31/2020	12/31/2021			NO STIPEND
IV	Mental Health Commission, Alternate	Candace Andersen	12/31/2020	12/31/2021			NO STIPEND
IV	Sacramento-San Joaquin Delta Conservancy Board	Karen Mitchoff	Unspecified	Unspecified			NO STIPEND
IV	Sacramento-San Joaquin Delta Conservancy Board, Alternate	Diane Burgis	Unspecified	Unspecified			NO STIPEND

## District V Supervisor Glover

V	Childhood Asthma Ad Hoc Committee, Chair	John Gioia	Unspecified	Unspecified			NO STIPEND
V	Childhood Asthma Ad Hoc Committee, Vice Chair	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Industrial Safety Ordinance/Community Warning System Ad Hoc Committee	John Gioia	Unspecified	Unspecified	XXX		NO STIPEND
V	Industrial Safety Ordinance/Community Warning System Ad Hoc Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Northern Waterfront Economic Development Ad Hoc Committee	Federal Glover	Unspecified	Unspecified			NO STIPEND
V	Northern Waterfront Economic Development Ad Hoc Committee	Diane Burgis	Unspecified	Unspecified			NO STIPEND
	<b>The Following Committees Should NOT be Reassigned</b>		<b>Term Expiration</b>				
III	Bay Area Air Quality Management District Board of Directors	Karen Mitchoff	1/20/2024				Per diem of \$100/meeting + travel exp; max \$6,000
III	Contra Costa Transportation Authority Board of Commissioners (Seat 2)	Karen Mitchoff	1/31/2022				STIPEND of \$100 per meeting; up to \$400 month
III	Contra Costa Transportation Authority Board of Commissioners, Alternate (Seat 2)	John Gioia	1/31/2022				STIPEND of \$100 per meeting; up to \$400 month
III	Local Agency Formation Commission	Candace Andersen	5/2/2022				STIPEND of \$150 per meeting.
III	Local Agency Formation Commission	Federal D. Glover	5/2/2022				STIPEND of \$150 per meeting.
III	Local Agency Formation Commission, Alternate	Diane Burgis	5/6/2024				STIPEND of \$150 per meeting.
III	Metropolitan Transportation Commission	Federal Glover	2/1/2023				STIPEND of \$100/meeting; up to \$500/month per
III	Tri Delta Transit Authority, Board of Directors (Seat 2)	Diane Burgis	12/31/2021				STIPEND of \$100/month
IV	ABAG Executive Board (Seat 1)	Karen Mitchoff	6/30/2022				STIPEND of \$150 per meeting.
IV	ABAG Executive Board (Seat 2)	Candace Andersen	6/30/2022				STIPEND of \$150 per meeting.
IV	ABAG Executive Board, Alternate 1	John Gioia	6/30/2022				STIPEND of \$150 per meeting.
IV	ABAG Executive Board, Alternate 2	Diane Burgis	6/30/2022				STIPEND of \$150 per meeting.
IV	CCCERA (Contra Costa County Employees Retirement Association) Board of Trustees	Candace Andersen	6/30/2023				STIPEND of \$100 per meeting.
IV	CSAC (California State Association of Counties) Board of Directors	John Gioia	11/30/2021				NO STIPEND
IV	CSAC Board of Directors, Alternate	Karen Mitchoff	11/30/2021				NO STIPEND
V	Census 2020, Chair	Diane Burgis	12/31/2020				NO STIPEND
V	Census 2020, Vice Chair	Candace Andersen	12/31/2020				NO STIPEND



Contra  
Costa  
County

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: December 15, 2020

Subject: FY2020/21 Rebalance Appropriation Adjustment for the Employment and Human Services Department (EHSD)

---

**RECOMMENDATION(S):**

Approve Appropriation and Revenue Adjustment No. 005014 authorizing an adjustment to Employment and Human Services Department, Administration Bureau (0501), Children and Family Services Bureau (0502), Aging and Adult Services Bureau (0503) and Workforce Services Bureau (0504) expenditure and revenue budgets as part of the Department’s FY 2020/21 Budget Rebalance.

**FISCAL IMPACT:**

This action is to adjust the expenditures and revenue budgets to more accurately reflect budgetary requirements for Administration Bureau (0501), Children and Family Services Bureau (0502), Aging and Adult Services Bureau (0503), Workforce Services Bureau (0504) costs for FY 2020/21. The net effect is an increase in expenditure of \$708,451 and an increase in revenue of \$1,469,667. Funding is 100% Federal.

**BACKGROUND:**

The Employment and Human Services Department, as part of the FY 2020/21 budget rebalancing, has identified the need for corrections to the FY 2020/21 budget to better align the expenditures and revenue expectations for FY 2020/21.

**CONSEQUENCE OF NEGATIVE ACTION:**

Appropriations and estimated revenues will not be properly reflected in the FY 20/21 budget.

- 
- APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Lisa Epps,  
925-608-4860

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



ATTACHMENTS

AP005014

CONTRA COSTA COUNTY  
 APPROPRIATION ADJUSTMENT  
 T/C 27

AUDITOR-CONTROLLER USE ONLY  
 FINAL APPROVAL NEEDED BY:

- BOARD OF SUPERVISORS
- COUNTY ADMINISTRATOR
- AUDITOR CONTROLLER

DEC -4 A. D. 49

ACCOUNT CODING		DEPARTMENT : EHSD - DEPT 0502, 0503, 0504					
ORGANIZATION	EXPENDITURE SUB-ACCOUNT	EXPENDITURE ACCOUNT DESCRIPTION	<DECREASE>		INCREASE		
5204	5022	INTRAFUND-TRANS-SERVICES		315 00			
5207	5022	INTRAFUND-TRANS-SERVICES		133,766 00			
5208	5022	INTRAFUND-TRANS-SERVICES			36,745 00		
5210	5022	INTRAFUND-TRANS-SERVICES			805 00		
5214	5022	INTRAFUND-TRANS-SERVICES		9,171 00			
5215	2310	NON CNTY PROF SPCLZD SVCS		101,800 00			
5216	5022	INTRAFUND-TRANS-SERVICES		9,630,197 00			
5217	2310	NON CNTY PROF SPCLZD SVCS		125,166 00			
5218	5022	INTRAFUND-TRANS-SERVICES			2,561 00		
5224	2310	NON CNTY PROF SPCLZD SVCS		150,000 00			
5225	5022	INTRAFUND-TRANS-SERVICES		29,398 00			
5257	2310	NON CNTY PROF SPCLZD SVCS		97,008 00			
5257	2340	OTHER INTRDPTMNTL CHARGES			22,614 00		
5308	5022	INTRAFUND-TRANS-SERVICES			16,726 00		
5309	5022	INTRAFUND-TRANS-SERVICES			752,891 00		
5311	5022	INTRAFUND-TRANS-SERVICES			817,567 00		
5314	5022	INTRAFUND-TRANS-SERVICES			25,029 00		
5451	5022	INTRAFUND-TRANS-SERVICES		579,613 00			
5452	5022	INTRAFUND-TRANS-SERVICES			5,271,337 00		
5455	5022	INTRAFUND-TRANS-SERVICES		110,071 00			
5456	5022	INTRAFUND-TRANS-SERVICES			2,851,589 00		
5454	5022	INTRAFUND-TRANS-SERVICES		390 00			
TOTALS				10,966,895 00		9,797,864 00	

APPROVED

AUDITOR-CONTROLLER:  
 BY: [Signature] DATE 12/7/20

COUNTY ADMINISTRATOR:  
 BY: [Signature] DATE 12/9/2020

BOARD OF SUPERVISORS:

YES:

NO:

BY: \_\_\_\_\_ DATE \_\_\_\_\_

EXPLANATION OF REQUEST

Mid-year Appropriation Adjustment to correct Administrative Programs expenditure budgets for the Children and Family Services, Aging and Adult Services and Workforce Services Bureaus

[Signature] 12/3/2020

Ron Millard CFO

SIGNATURE TITLE DATE

APPROPRIATION APOO 5014

ADJ. JOURNAL NO.

CONTRA COSTA COUNTY  
APPROPRIATION ADJUSTMENT  
**T/C 27**

AUDITOR-CONTROLLER USE ONLY  
FINAL APPROVAL NEEDED BY:

DEC -4 10:49

BOARD OF SUPERVISORS  
 COUNTY ADMINISTRATOR  
 AUDITOR CONTROLLER

ACCOUNT CODING      DEPARTMENT : EHS - DEPT 0502, 0503, 0504

ORGANIZATION	EXPENDITURE SUB-ACCOUNT	EXPENDITURE ACCOUNT DESCRIPTION	<DECREASE>		INCREASE	
5251	3311	FEDERAL AID			456,085	00
5251	3312	STATE AID, 2011 REALIGN	132,824	00		
5251	3313	COUNTY AID BASIC	323,260	00		
5252	3311	FEDERAL AID	1,855,704	00		
5252	3312	STATE AID, 2011 REALIGN			282,932	00
5252	3313	COUNTY AID BASIC			20,388	00
5252	3314	STATE AID			1,552,385	00
5253	3311	FEDERAL AID	500	00		
5253	3314	STATE AID	500	00		
5254	3311	FEDERAL AID	2,268,410	00		
5254	3313	COUNTY AID BASIC	956,186	00		
5254	3314	STATE AID			50,020	00
5256	3311	FEDERAL AID	7,331	00		
5256	3312	STATE AID, 2011 REALIGN			14,679	00
5256	3313	COUNTY AID BASIC	14,516	00		
5256	3314	STATE AID			7,168	00
5421	3311	FEDERAL AID	3,085,811	00		
5421	3312	STATE AID, 2011 REALIGN			3,182,134	00
5421	3313	COUNTY AID BASIC			26,758	00
5421	3314	STATE AID	5,103,320	00		
5421	3321	AB85 STATE MAP AID			10,794,511	00
TOTALS			13,748,362	00	16,387,060	00

APPROVED

AUDITOR-CONTROLLER:  
BY: [Signature] DATE 12/1/20

COUNTY ADMINISTRATOR:  
BY: [Signature] DATE 12/9/2020

BOARD OF SUPERVISORS:

YES:

NO:

BY: \_\_\_\_\_ DATE \_\_\_\_\_

EXPLANATION OF REQUEST

Mid-year Appropriation Adjustment to correct Assistance expenditure budgets for the Children & Family Services and Workforce Services Bureaus

[Signature]      12/3/2020

Ron Millard      CFO

SIGNATURE      TITLE      DATE

APPROPRIATION      APOO 5014

ADJ. JOURNAL NO.

**CONTRA COSTA COUNTY  
ESTIMATED REVENUE ADJUSTMENT/  
ALLOCATION ADJUSTMENT  
T/C 24**

AUDITOR-CONTROLLER USE ONLY  
FINAL APPROVAL NEEDED BY:

- BOARD OF SUPERVISORS  
 COUNTY ADMINISTRATOR  
 AUDITOR-CONTROLLER

DEC -4 A 10:48

ACCOUNT CODING		DEPARTMENT : EHSD - DEPT 0502, 0503, 0504			
ORGANIZATION	REVENUE ACCOUNT	REVENUE ACCOUNT DESCRIPTION	INCREASE		<DECREASE>
5204	9258	ADMIN STATE-OTHER			162 00
5204	9465	ADMIN FEDERAL-OTHER			99 00
5207	9465	ADMIN FEDERAL-OTHER	407	00	
5207	9951	REIMBURSEMENTS - GOV/GOV			93,921 00
5208	9465	ADMIN FEDERAL-OTHER	19,459	00	
5208	9951	REIMBURSEMENTS - GOV/GOV	17,287	00	
5210	9951	REIMBURSEMENTS - GOV/GOV	805	00	
5214	9465	ADMIN FEDERAL-OTHER	193	00	
5214	9951	REIMBURSEMENTS - GOV/GOV			2,338 00
5215	9951	REIMBURSEMENTS - GOV/GOV			91,620 00
5216	9259	ST AID REALIGNMENT-VLF			243,017 00
5216	9263	ST AID RELGNMT-SALES TAX	317,525	00	
5216	9281	ADMIN-STATE HEALTH MISC			2,637 00
5216	9465	ADMIN FEDERAL-OTHER			2,182,781 00
5216	9951	REIMBURSEMENTS - GOV/GOV			7,228,393 00
5217	9951	REIMBURSEMENTS - GOV/GOV			87,616 00
5218	9465	ADMIN FEDERAL-OTHER	668	00	
5224	9951	REIMBURSEMENTS - GOV/GOV			150,000 00
5225	9465	ADMIN FEDERAL-OTHER			6,607 00
5225	9951	REIMBURSEMENTS - GOV/GOV			22,791 00
5308	9259	ST AID REALIGNMENT-VLF	155	00	
5308	9263	ST AID RELGNMT-SALES TAX	2,353	00	
5308	9281	ADMIN-STATE HEALTH MISC	8,363	00	
5308	9951	REIMBURSEMENTS - GOV/GOV	5,855	00	
5309	9281	ADMIN-STATE HEALTH MISC	14,807	00	
5309	9951	REIMBURSEMENTS - GOV/GOV	142,102	00	
5311	9258	ADMIN STATE-OTHER			120,442 00
5311	9281	ADMIN-STATE HEALTH MISC	93,971	00	
5451	9258	ADMIN STATE-OTHER			621,429 00
5451	9465	ADMIN FEDERAL-OTHER			319 00
5452	9258	ADMIN STATE-OTHER			4,907,441 00
5452	9465	ADMIN FEDERAL-OTHER	10,276,479	00	
5455	9244	ADMIN ST MCAL HEALTH CARE			794,246 00
5456	9258	ADMIN STATE-OTHER	2,008,370	00	
5456	9259	ST AID REALIGNMENT-VLF			33,209 00
5456	9263	ST AID RELGNMT-SALES TAX	22,084	00	
5456	9465	ADMIN FEDERAL-OTHER	854,344	00	
5460	9258	ADMIN STATE-OTHER			132,885 00
<b>TOTALS</b>			<b>13,785,227</b>	<b>00</b>	<b>16,721,953 00</b>

**APPROVED**

AUDITOR-CONTROLLER:  
 BY: *[Signature]* DATE 12/17/20  
 COUNTY ADMINISTRATOR:  
 BY: *[Signature]* DATE 12/9/2020  
 BOARD OF SUPERVISORS:  
 YES:  
 NO:  
 BY: \_\_\_\_\_ DATE \_\_\_\_\_

**EXPLANATION OF REQUEST:**

Mid-year Appropriation Adjustment to correct Administrative Programs revenue budgets for the Children and Family Services, Aging and Adult Services and Workforce Services Bureaus

*[Signature]* 12/13/2020  
 Ron Millard CFO

SIGNATURE TITLE DATE  
 REVENUE ADJ. RAOO 5014  
 JOURNAL NO.

**CONTRA COSTA COUNTY  
ESTIMATED REVENUE ADJUSTMENT/  
ALLOCATION ADJUSTMENT  
T/C 24**

AUDITOR-CONTROLLER USE ONLY

FINAL APPROVAL NEEDED BY:

- BOARD OF SUPERVISORS
- COUNTY ADMINISTRATOR
- AUDITOR-CONTROLLER

2020 DEC -4 A 10:49

ACCOUNT CODING		DEPARTMENT : EHSD - DEPT 0502, 0503, 0504			
ORGANIZATION	REVENUE ACCOUNT	REVENUE ACCOUNT DESCRIPTION	INCREASE		<DECREASE>
5251	9259	ST AID REALIGNMENT-VLF			370,580 00
5251	9263	ST AID RELGNMNT-SALES TAX	874,047	00	
5251	9472	FED AID CHILD BRDNG HOME	456,085	00	
5251	9951	REIMBURSEMENT - GOV/GOV			132,824 00
5252	9259	ST AID REALIGNMENT-VLF			99,018 00
5252	9263	ST AID RELGNMNT-SALES TAX	52,809	00	
5252	9265	ST ADOPTION ASSISTANCE	1,552,385	00	
5252	9475	<b>FED AID ADOPTIONS</b>			1,855,704 00
5252	9951	REIMBURSEMENT - GOV/GOV	282,932	00	
5253	9262	ST AID CHILDREN BRDNG HOME			500 00
5253	9472	FED AID CHILD BRDNG HOME			500 00
5254	9259	ST AID REALIGNMENT-VLF			89,168 00
5254	9263	ST AID RELGNMNT-SALES TAX			765,365 00
5254	9262	ST AID CHILDREN BRDNG HOME	50,020	00	
5254	9472	FED AID CHILD BRDNG HOME			2,268,410 00
5256	9259	ST AID REALIGNMENT-VLF			15,610 00
5256	9262	ST AID CHILDREN BRDNG HOME	809,469	00	
5256	9263	ST AID RELGNMNT-SALES TAX	35,820	00	
5256	9265	ST ADOPTION ASSISTANCE			802,301 00
5256	9472	FED AID CHILD BRDNG HOME			7,331 00
5256	9951	REIMBURSEMENT - GOV/GOV	14,678	00	
5257	9951	REIMBURSEMENT - GOV/GOV			74,394 00
5421	9261	STATE AID FAMILY INC MTCE	5,691,191	00	
5421	9471	FED AID FAMILY INC MTCE			2,113,472 00
5421	9951	REIMBURSEMENTS - GOV/GOV	3,182,134	00	
TOTALS			13,001,570	00	8,595,177 00

**APPROVED**

AUDITOR-CONTROLLER:

BY: *[Signature]* DATE 12/17/20

COUNTY ADMINISTRATOR:

BY: *[Signature]* DATE 12/9/2020

BOARD OF SUPERVISORS:

YES:

NO:

EXPLANATION OF REQUEST:

Mid-year Appropriation Adjustment to correct Assistance revenue budgets for the Children & Family Services and Workforce Services Bureau

*[Signature]*

12/13/2020

Ron Millard

CFO

SIGNATURE TITLE DATE

REVENUE ADJ. RAOO 5014

JOURNAL NO.

BY: \_\_\_\_\_ DATE \_\_\_\_\_



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: December 15, 2020

Subject: Add a Departmental Human Resources Analyst II in Employment and Human Services Department

---

**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 25656 to add one (1) Departmental Human Resources Analyst II (ARTA)(unrepresented) position at salary plan and grade B85 1631 (\$6,873 - \$9,211) in the Employment and Human Services Department, Administrative Services Bureau.

**FISCAL IMPACT:**

Upon approval of this position, the total cost for salary and benefits will increase by \$85,622 this fiscal year, including \$25,815 increase in pension cost. The position will be funded 58% by Federal revenue, 36% by State revenue, and 6% of county cost.

**BACKGROUND:**

The Employment and Human Services Department (EHSD) is requesting to add a Departmental

---

APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

Contact: Reni Radeva, (925) 608-5036;  
rradeva@ehsd.cccounty.us

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Reni Radeva

BACKGROUND: (CONT'D)

Human Resources Analyst II (DHRA II) position to the Personnel unit in the Administrative Services Bureau. Adding an additional DHRA II is consistent with the recommendations provided by CPS HR commissioned by the County's HR Department to study and provide guidance for the staffing needs and levels of the Personnel units of the Employment and Human Services Department and the Health Services Department. In its final report CPS HR recommended adding a full-time Departmental HR Analyst to EHSD to ensure effectiveness.

The new DHRA II will be a generalist. However, this position will work closely with the Leaves Administration Team as well as handle generalist assignments and provide back up for the rest of the analyst. This will significantly improve the productivity of the Personnel unit, will aid in the timely and efficient completion of work assignments, as well it will provide for more stability within the unit.

CONSEQUENCE OF NEGATIVE ACTION:

Failure to add the recommended Departmental Human Resources Analyst II position will continue to negatively impact the staffing stability of EHSD.

CHILDREN'S IMPACT STATEMENT:

No Impact.

ATTACHMENTS

AIR 42850 budget

AIR 42850\_P300 25656 - Add DHRA II\_BOS 12.15.20

**ASSIST Request - 57224**

Date:	2-Nov-20	Annualization Factor	12	Annualization Factor	12	County Cost
Annualization Factor	12	Benefit Percentage	61.42%	Benefit Percentage	61.42%	Increase
Benefit Percentage	61.42%	Pension Percentage	30.15%	Pension Percentage	30.15%	(Decrease)

**Budget Unit/Bureau No: 501**

**TRANSFERRED POSITIONS (New Organization No. 0501)**

Classification		Departmental HR Analyst II		Old Position Number:		Classification		Currently filled by:	
<b>Budgeted Monthly Salary</b>	\$	7,578		<b>Budgeted Monthly Salary</b>	\$	-			
Benefit Amount	\$	4,654		Benefit Amount	\$	-			
Salary + Benefit	\$	12,232		Salary + Benefit	\$	-			
Annualized Sal+ Ben Cost	\$	146,780		Annualized Sal+ Ben Cost	\$	-			
Effective Mo's		7		Current Yr. Effective Mo's		0			
Upcoming Yr. Cost	\$	85,622		Current Yr. Cost	\$	-			
Federal Percentage		58.00%		Federal Percentage		0.00%			
Federal Cost	\$	49,660		Federal Cost	\$	-		\$	49,660
State Percentage		36.00%		State Percentage		0.00%			
State Cost	\$	30,824		State Cost	\$	-		\$	30,824
Other Funding 100%	\$	-		Other Funding 100%	\$	-			
County Percentage		6.00%		County Percentage		0.00%			
County Cost	\$	5,137		County Cost	\$	-		\$	5,137
Annual Pension Cost	\$	44,254		Annual Pension Cost	\$	-		\$	44,254

Fiscal Analyst: Chris Dunn

Explanation: P300 was created for NEW Departmental HR Analyst II position, with a Net County Costs of \$8,807 annually and \$5,137 for FY 20/21. This position will be funded with 58% Federal, 36% State, and 6% County Funds.

Step 1	\$	6,873.04	Step 1	\$	-
Step 2	\$	7,216.69	Step 2	\$	-
Step 3	\$	7,577.53	Step 3	\$	-
Step 4	\$	7,956.40	Step 4	\$	-
Step 5	\$	8,354.22	Step 5	\$	-
Step 6	\$	8,771.93	Step 6		
Step 7	\$	9,210.53	Step 7		
Step 8			Step 8		
Step 9			Step 9		
Step 10			Step 10		
Step 11			Step 11		
Federal		58%	Federal		0%
State		36%	State		0%
State 2011 Realign			State 2011 Realign		0%
State 91/92 Realign			State 91/92 Realign		0%
Fed/Health			Fed/Health		0%
County		6%	County		0%
		<u>100%</u>			<u>0%</u>



**POSITION ADJUSTMENT REQUEST**

NO. 25656  
DATE 11/17/2020

Department Employment and Human Services Department No./  
Budget Unit No. 0501 Org No. 5101 Agency No. 19

Action Requested: ADOPT Position Adjustment Resolution No. 25656 to Add one (1) Departmental Human Resources Analyst II (ARTA) (not represented) position at salary plan and grade B85 1631 (\$6,873 - \$9,211) in the Employment and Human Services Department, Administrative Services Bur

Proposed Effective Date: 11/16/2020

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \_\_\_\_\_

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$146,780.00 Net County Cost \$0.00;(\$0.88)  
Total this FY \$85,622.00 N.C.C. this FY \$5,137.00

SOURCE OF FUNDING TO OFFSET ADJUSTMENT \_\_\_\_\_

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Reni Radeva

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Dennis Bozanich

12/3/2020

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE 12/3/2020

Add one (1) Departmental Human Resources Analyst II (ARTA) (unrepresented) position at salary plan and grade B85 1631 (\$6,873 - \$9,211) in the Employment and Human Services Department, Administrative Services Bureau.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.  
 \_\_\_\_\_(Date)

Amanda Monson

12/3/2020

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE \_\_\_\_\_

- Approve Recommendation of Director of Human Resources
- Disapprove Recommendation of Director of Human Resources
- Other: \_\_\_\_\_

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date 12/3/2020

No. xxxxxx

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project: Start Date \_\_\_\_\_ End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Esa Ehmen-Krause, County Probation Officer  
Date: December 15, 2020

Subject: Add one Office Manager position and cancel one Clerk-Specialist Level in the Probation Department

---

**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 25654 to add one (1) Office Manager (JJHC) (represented) position at salary plan and grade ZAX-1369 (\$5,089.33 - \$6,499.29) and cancel one (1) Clerk-Specialist Level (JWXD) (represented) position at salary plan and grade 3RX-1156 (\$4,121.62 - \$5,263.48) position #558 in the Probation Department.

**FISCAL IMPACT:**

Upon approval, this personnel action will have an annual cost of approximately \$25,265 of which \$4,124 is attributable to pension costs. The additional cost will be covered by vacancies in the Probation Department.

**BACKGROUND:**

The Probation Department currently has three (3) Clerical Supervisors; due to limited management staff, one reports to a Probation Manager and the other two (2) report to the Executive Secretary. Adding one (1) Office Manager position to supervise all three (3) Clerical Supervisors will create consistency. Supervising two (2) Clerical Supervisors impedes the Executive Secretary's ability to adequately support the

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Danielle Fokkema,  
925-313-4195

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Sylvia Wong Tam, Danielle Fokkema

BACKGROUND: (CONT'D)

executive staff in the department. Within the Probation Department, none of the existing classifications can solve this problem. The addition of an Office Manager position would allow all three (3) Clerical Supervisors to report to the same manager and allow the Probation Manager and Executive Secretary to focus on their assigned duties. There is currently a vacant Clerk Specialist Level position that would be eliminated in order to add the Office Manager position.

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the Probation Department will not have staff to adequately supervise the department's clerical division.

ATTACHMENTS

P300 No. 25654

**POSITION ADJUSTMENT REQUEST**

NO. 25654  
DATE 11/16/2020

Department Probation Department No./ Budget Unit No. 0308 Org No. 3000 Agency No. 30  
Action Requested: ADOPT Position Adjustment Resolution No. 25654 to add one (1) Office Manager (JJHC) (represented) position at salary plan and grade ZAX-1369 (\$5,089.33 - \$6,499.29) and cancel one (1) Clerk-Specialist Level (JWXD) (represented) at salary plan and grade 3RX-1156 (\$4,121.62 - \$5,263.48) position #558 in the Probation Department.

Proposed Effective Date: 12/9/2020

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \_\_\_\_\_

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$25,265.00 Net County Cost \$25,265.00  
Total this FY \$14,738.00 N.C.C. this FY \$14,738.00

SOURCE OF FUNDING TO OFFSET ADJUSTMENT Position Vacancies

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Danielle Fokkema

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Paul Reyes

12/2/2020

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

ADOPT Position Adjustment Resolution No. 25654 to add one (1) Office Manager (JJHC) (represented) position at salary plan and grade ZAX-1369 (\$5,089.33 - \$6,499.29) and cancel one (1) Clerk-Specialist Level (JWXD) (represented) position at salary plan and grade 3RX-1156 (\$4,121.62 - \$5,263.48) position #558 in the Probation Department.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.  
 \_\_\_\_\_(Date)

Genesis Duenas

12/3/2020

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE

12/9/2020

Approve Recommendation of Director of Human Resources  
 Disapprove Recommendation of Director of Human Resources  
 Other: \_\_\_\_\_

Paul Reyes

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date 12/9/2020

No. xxxxxx

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project: Start Date \_\_\_\_\_ End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Deborah R. Cooper, Clerk-Recorder  
Date: December 15, 2020

Subject: Add One (1) Clerk-Recorder Services Specialist and Cancel One (1) Clerk-Recorder Services Technician Vacant Position

---

**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 25659 to add one (1) Clerk-Recorder Services Specialist (EATA) (represented) at salary plan and grade 3R5 1269 (\$4,622 - \$5,617) and cancel one (1) Clerk-Recorder Services Technician (EAVA) (represented) vacant position #14489 at salary plan and grade 3R5 1135 (\$4,047 - \$4,920) in the Clerk-Recorder Department.

**FISCAL IMPACT:**

There will be an annual cost increase of approximately \$21,170, which will be covered by the department's operating budget.

**BACKGROUND:**

The County Clerk-Recorder Division is requesting to add and cancel one (1) position to fulfill more complex duties associated with the day to day operations of the Division. The Clerk-Recorder's recording volume has increased substantially this year. Additionally, the global health pandemic has made it more complex to complete several duties. That said, workload has increased and staff have become overburdened. With the increased volume expected to continue into 2021, the Clerk-Recorder would like to make this change to more effectively serve the public.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Val Handfield,  
925-335-7898

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Sylvia Wong Tam, Val Hanfield

BACKGROUND: (CONT'D)

Technicians perform activities that support Recording functions including general document recordings, sorting and preparation of documents for examination, labeling recording documents, mailing of fraud notices to owner of record, return of recorded documents and phone and customer service support. Specialists receive, examine, and record legal documents that affect title to real and personal property. They are skilled at interpreting and applying the complex elements of the California Code, State Regulations, Federal Law and County Ordinances regarding County Clerk and Recorder issues. The increase in both recording volume and complexity warrant the addition of a Specialist level position.

CONSEQUENCE OF NEGATIVE ACTION:

If unapproved, the department will be at risk of meeting its statutory duty to record certain documents within two (2) business days of receipt.

ATTACHMENTS

P300 25659 - Add Recorder Spec and Cancel Recorder Tech in CCR



POSITION ADJUSTMENT REQUEST

NO. 25659

DATE

Department Clerk-Recorder

Department No./ Budget Unit No. 355

Org. No. 355

COPERS Agency No. 24

Action Requested Add one Clerk-Recorder Services Specialist EATA position (represented), cancel one vacant Clerk-Recorder Services Technician EAVA positions #14489 (represented).

Proposed Effective Date: January 1, 2021

Classification Questionnaire attached: Yes No X

Cost is within Department's budget: Yes X No

Total One-Time Costs (non-salary) associated with request: \$ 0

Estimated total cost adjustment (Salary/benefits/one time): \$ 0

Total annual cost \$21,170 Net County Cost \$21,170

Total this FY \$10,585 N.C.C. this FY \$10,585

SOURCE OF FUNDING TO OFFSET ADJUSTMENT General Fund, Additional revenues from increased recordings

Department must initiate necessary adjustment and submit to CAO.

Use additional sheet for further explanations or comments.

Debi Cooper 11/31/2020
Department Head Date

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

SS for Julie Enea 12/8/20
Deputy County Administrator Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATION

DATE: 12/8/2020

Add one (1) Clerk-Recorder Services Specialist (EATA) (represented) at salary plan and grade 3R5 1269 (\$4,622 - \$5,617) and cancel one (1) Clerk-Recorder Services Technician (EAVA) (represented) vacant position #14489 at salary plan and grade 3R5 1135 (\$4,047 - \$4,920).

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic/Exempt salary schedule as described above.

Effective: X Day following Board Action.
(Date)

Amber Lytle
(for) Director of Human Resources

COUNTY ADMINISTRATOR RECOMMENDATION

DATE: 12/9/2020

X Approve Recommendation of Director of Human Resources
Disapprove Recommendation of Director of Human Resources
Other:

/s/ Julie DiMaggio Enea
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment APPROVED DISAPPROVED

David Twa, Clerk of the Board of Supervisors and County Administrator

Date:

By:

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL/SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es)/position(s) as follows:



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Decrease hours of one Family Nurse Practitioner position in the Health Services Department

---

**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 25660 to decrease the hours of one Family Nurse Practitioner (VWSB) position #15678 from 40/40 to 36/40 at salary plan and grade level L35-1873 (\$11,378-\$14,210) in Health Services Department. (Represented)

**FISCAL IMPACT:**

Upon approval, this action has an annual cost savings of approximately \$26,798 with \$6,687 in pension costs already included. Annual cost saving will be reflected in the Hospital Enterprise Fund I.

**BACKGROUND:**

The Department is requesting the decrease of position hours as requested by the incumbent and approved by the manager based on operational and program service needs. The incumbent originally submitted the request in March but the decision was delayed as she was assigned to work in the COVID tents. Currently, providers are no longer working in the COVID tents and the Department is now able to approve the reduction in position hours from 40/40 to 36/40. This action will result in cost savings to the department and not impact service delivery levels.

---

APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Sabrina Pearson, (925)  
957-5240

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the position hours will not be decreased and the department will have more services hours than its operational service need.

ATTACHMENTS

P300 No. 25660 HSD

**POSITION ADJUSTMENT REQUEST**

NO. 25660  
DATE 12/03/2020

Department Health Services

Department No./  
Budget Unit No. 0540 Org No 6414 Agency No. A18

Action Requested: Decrease the hours of one Family Nurse Practitioner position# 15678 from 40/40 to 36/40 in the Health Services Department.

Proposed Effective Date: 01/01/2021

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \$0.00

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost (\$26,798.00) Net County Cost \$0  
Total this FY (\$6,699.00) N.C.C. this FY \$0

SOURCE OF FUNDING TO OFFSET ADJUSTMENT Cost Savings going to Hospital Enterprise Fund I

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Sabrina Pearson

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Enid Mendoza

12/9/2020

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

Exempt from Human Resources review under delegated authority.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.  
 \_\_\_\_\_(Date)

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE 12/9/2020

- Approve Recommendation of Director of Human Resources
- Disapprove Recommendation of Director of Human Resources
- Other: Approve as recommended by the department.

Enid Mendoza

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date \_\_\_\_\_

No. xxxxxx

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project:      Start Date \_\_\_\_\_      End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs:      \_\_\_\_\_
  - b. Support Costs:      \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure:      \_\_\_\_\_
  - d. Net cost to General or other fund:      \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Decrease Hours of One Dentist-Exempt Position in the Health Services Department

---

**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 25661 to decrease hours of one Dentist-Exempt (VPT2) position #8480 from 35/40 to 26/40 at salary plan and grade level 1PX-1002 (\$12,790-\$14,535) in the Health Services Department. (Represented)

**FISCAL IMPACT:**

Upon approval, this action will have an annual cost savings of \$59,685 with \$15,219 in pension costs already included. (Cost savings to Enterprise Fund I)

**BACKGROUND:**

Occasionally, incumbents of certain positions submit a request to their manager to reduce or increase their position hours. The manager then evaluates the request based on division operation requirements and program service needs. The Medical Staffing Office has determined that reduction of position hours from 35/40 to 26/40 as requested by the employee will meet the dental clinic operations at Martinez Detention Health Dental Clinic.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Sabrina Pearson, (925)  
957-5240

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the department will not be able to fulfill the request of the incumbent.

ATTACHMENTS

P300 No. 25661 HSD

**POSITION ADJUSTMENT REQUEST**

NO. 25661  
DATE 12/3/2020

Department Health Services Department Department No./  
Budget Unit No. 0301 Org No. 5700 Agency No. A18  
Action Requested: Decrease hours of one Dentist-Exempt (VPT2) position #8480 from 35/40 to 26/40 in Health Services Department.

Proposed Effective Date: 1/1/2021

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \_\_\_\_\_

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost (\$59,685.00) Net County Cost \$0.00  
Total this FY (\$15,219.00) N.C.C. this FY \$0.00

SOURCE OF FUNDING TO OFFSET ADJUSTMENT Salary Savings to Hospital Enterprise Fund I

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

Sabrina Pearson

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Enid Mendoza

12/9/2020

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

Exempt from Human Resources review under delegated authority.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.  
 \_\_\_\_\_(Date)

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE

12/9/2020

- Approve Recommendation of Director of Human Resources
- Disapprove Recommendation of Director of Human Resources
- Other: Approve as recommended by the Department.

Enid Mendoza

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:



## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date 12/9/2020

No. xXx

1. Project Positions Requested:
2. Explain Specific Duties of Position(s)
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
4. Duration of the Project: Start Date \_\_\_\_\_ End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services  
Date: December 15, 2020

Subject: Health Services Personnel Staffing Reorganization

---

**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 25657 to add one Disability Benefits Coordinator (VATC) (represented) position at salary plan and grade ZB5 1631 (\$6,614-\$8,039), one Personnel Technician (AP7B) (unrepresented) position at salary plan and grade B85 1308 (\$5,298-\$6,440), and one Departmental Human Resources Supervisor (unrepresented) (APFB) position at salary plan and grade B85 1012 (\$7,285-\$9,763); and cancel one vacant Departmental Personnel Officer-Exempt (APG1) position at salary plan and grade B85-1876 (\$8,846-\$10,752) in the Health Services Department.

**FISCAL IMPACT:**

Upon approval, this action will result in an approximate annual cost of \$290,083 with \$62,777 in pension costs included. The cost will be funded 100% by Hospital Enterprise Fund I.

**BACKGROUND:**

In an effort to staff the Department's Personnel Unit with the positions needed to support the increasing operational needs and workload volume for the largest County department, the addition of three positions is requested. This unit is responsible for the departmental

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jo-Anne Linares, (925)  
957-5240

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Tina Pruett, Jo-Anne Linares

BACKGROUND: (CONT'D)

leave administration, labor relations, delegated health specific recruitments, payroll, safety, staff development and human resources transactions.

The unit requires additional support with the increased leave administration caseload, which has reached approximately 1,400 employees and continues to increase weekly. Adding a second Disability Benefits Coordinator position will create a manageable distribution of labor and ensure the department's compliance with federal and state leave administration laws and requirements. The addition of a Personnel Technician position will provide the support needed to properly manage the limited duty program and timely identify assignments for employees that have temporary non-industrial work restrictions.

Health Services Department specific position recruitments continue at a high volume with a significant backlog, and additional COVID-19 related recruitment needs have emphasized the unit's need to increase its staffing. The addition of a Departmental Human Resources Supervisor will allow the Departmental Personnel Officer to focus on pressing labor relations and other unit priorities, and provide dedicated supervision to the departmental analysts and support staff assigned to recruitments, classification and compensation.

On June 23, 2020, the Board approved the department's recommendation to add one Departmental Personnel Officer-Exempt position in response to emergent COVID-19 needs. The department has not filled the position. The department has engaged the County Administrator's Office and the Human Resources Department to identify the appropriate staffing levels to support the increasing management responsibilities and unmet recruitment needs. Since all parties have agreed that a Departmental Human Resources Supervisor position will more accurately support the recruitment, selection and compensation duties of the unit, the Departmental Personnel Officer-Exempt position is no longer needed.

The recommended position additions and deletion will provide the staffing structure needed to respond to the ongoing needs of the department and better position the department's Personnel Unit to respond to emergent needs.

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the Personnel Unit of the department will continue to operate with inadequate staffing levels and positions.

ATTACHMENTS

P300 No. 25657 HSD

**POSITION ADJUSTMENT REQUEST**

NO. 25657  
DATE 12/3/2020

Department Health Services Department No./  
Budget Unit No. 0540 Org No.6547 Agency No. A18

Action Requested: Add one Disability Benefits Coordinator (VATC) (represented) position at salary plan and grade ZB5 1631 (\$6,614-\$8,039), one Personnel Technician (AP7B) (unrepresented) position at salary plan and grade B85 1308 (\$5,298-\$6,440), and one Departmental Human Resources Supervisor (unrepresented) (APFB) position at salary plan and grade B85 1012 (\$7,285-\$9,763); and cancel one vacant Departmental Personnel Officer-Exempt (APG1) position at salary plan and grade B85-1876 (\$8,846-\$10,752) in the Health Services Department.

Proposed Effective Date: 12/16/2020

Classification Questionnaire attached: Yes  No  / Cost is within Department's budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \$0.00

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$290,083.10 Net County Cost \$0  
Total this FY \$0 N.C.C. this FY \$0

SOURCE OF FUNDING TO OFFSET ADJUSTMENT 100% Hospital Enterprise Fund I

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Enid Mendoza

12/7/2020

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.  
 \_\_\_\_\_(Date)

Tina Pruett

12/7/2020

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE

12/8/2020

- Approve Recommendation of Director of Human Resources
- Disapprove Recommendation of Director of Human Resources
- Other:

Enid Mendoza

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:

## REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date \_\_\_\_\_

No. xxxxxx

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project:      Start Date \_\_\_\_\_      End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted
  
9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services  
Date: December 15, 2020

Subject: Increase Hours of Two Occupational Therapist Positions in the Health Services Department

---

**RECOMMENDATION(S):**

ADOPT Position Adjustment Resolution No. 25658 to increase the hours of Occupational Therapist I (V5VG) position #8269 at salary level TC5-1651 (\$6,746-\$8,200) from 24/40 to 40/40 and the hours of Occupational Therapist II (V5VF) position #7589 at salary level TC5-1746 (\$7,411-\$9,009) from 32/40 to 40/40 in the Health Services Department. (Represented)

**FISCAL IMPACT:**

Upon approval, this action will have an annual cost increase of approximately \$92,741 with \$23,649 in pension costs already included. The cost will be funded by Hospital Enterprise Fund I and budgeted General Fund allocations.

**BACKGROUND:**

The Health Services Department is requesting to increase the hours of two part-time occupational therapists to full-time due to the current incumbents having worked the higher hours consistently and an ongoing operational need for additional occupational therapist hours. Both the Department and the impacted employees are in agreement with the additional position hours, and the respective union is aware of these position changes.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jo-Anne Linares, (925)  
957-5240

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

These positions are responsible for explaining medical recommendations concerning occupational therapy to patients and their families while monitoring and facilitating patients' progress, instructing patients in pain management, injury prevention, posture correction, and body mechanics and collaborating with other care providers to ensure proper patient treatment and follow-up.

CONSEQUENCE OF NEGATIVE ACTION:

If this action is not approved, the Rehabilitation Therapy Program will not have sufficient occupational therapy staff coverage at the Contra Costa Regional Medical Center and Detention facilities, which negatively impacts patient services.

ATTACHMENTS

P300 No. 25658 HSD

**POSITION ADJUSTMENT REQUEST**

NO. 25658  
DATE 12/3/2020

Department No./0301 5701

Department Health Services – CCRMC and Detention Budget Unit No. 0540 Org No.6379 Agency No. A18

Action Requested: Increase the hours of Occupational Therapist I (V5VG), position #8269, from 24/40 to 40/40 and Occupational Therapist II (V5VF), position #7589 from 32/40 to 40/40 in the Health Services Department.

Proposed Effective Date: 01/01/2021

Classification Questionnaire attached: Yes  No  / Cost is within Department’s budget: Yes  No

Total One-Time Costs (non-salary) associated with request: \$0.00

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost \$92,741.43 Net County Cost \$0

Total this FY \$0 N.C.C. this FY \$0

SOURCE OF FUNDING TO OFFSET ADJUSTMENT 100% Hospital Enterprise Fund I

Department must initiate necessary adjustment and submit to CAO.  
Use additional sheet for further explanations or comments.

\_\_\_\_\_  
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Enid Mendoza

12/7/2020

\_\_\_\_\_  
Deputy County Administrator

\_\_\_\_\_  
Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS

DATE \_\_\_\_\_

Exempt from Human Resources review under delegated authority.

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.

Effective:  Day following Board Action.

\_\_\_\_\_(Date)

\_\_\_\_\_  
(for) Director of Human Resources

\_\_\_\_\_  
Date

COUNTY ADMINISTRATOR RECOMMENDATION:

DATE 12/7/2020

Approve Recommendation of Director of Human Resources

Disapprove Recommendation of Director of Human Resources

Other: Approve as recommended by the department.

Enid Mendoza

\_\_\_\_\_  
(for) County Administrator

BOARD OF SUPERVISORS ACTION:

Adjustment is APPROVED  DISAPPROVED

David J. Twa, Clerk of the Board of Supervisors  
and County Administrator

DATE \_\_\_\_\_

BY \_\_\_\_\_

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION

Adjust class(es) / position(s) as follows:



# REQUEST FOR PROJECT POSITIONS

Department \_\_\_\_\_

Date \_\_\_\_\_

No. xxxxxx

1. Project Positions Requested:
  
2. Explain Specific Duties of Position(s)
  
3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)
  
4. Duration of the Project: Start Date \_\_\_\_\_ End Date \_\_\_\_\_  
Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.
  
5. Project Annual Cost
  - a. Salary & Benefits Costs: \_\_\_\_\_
  - b. Support Costs: \_\_\_\_\_  
(services, supplies, equipment, etc.)
  - c. Less revenue or expenditure: \_\_\_\_\_
  - d. Net cost to General or other fund: \_\_\_\_\_
  
6. Briefly explain the consequences of not filling the project position(s) in terms of:
  - a. potential future costs
  - b. legal implications
  - c. financial implications
  - d. political implications
  - e. organizational implications
  
7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.
  
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9. How will the project position(s) be filled?
  - a. Competitive examination(s)
  - b. Existing employment list(s) Which one(s)? \_\_\_\_\_
  - c. Direct appointment of:
    1. Merit System employee who will be placed on leave from current job
    2. Non-County employee

Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: Ratifying the Granting of Leave and Leave Accruals Related to COVID-19

---

**RECOMMENDATION(S):**

RATIFY the order of the County Administrator crediting up to 120 hours of COVID Administrative Leave to eligible employees for lost leave (see attached).

**FISCAL IMPACT:**

Ultimately, the cost of these leave hours will depend upon how many employees are eligible for the leave, and will be offset by the unexpected loss of leave hours in the current year.

**BACKGROUND:**

The County Administrator (CAO) is the administrator of emergency services and is in charge of the County's emergency organization. Under the emergency powers granted to the CAO under Article 42-2.8 of County Ordinance Code the CAO modified leave for County employees (see attached).

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Lisa Driscoll, County Finance  
Director (925) 335-1023

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Robert Campbell, Auditor-Controller, Ann Elliott, Acting Director of Human Resources

## BACKGROUND: (CONT'D)

The COVID 19 Pandemic has changed our lives in ways that we would have found impossible a year ago. For the most part, we have learned to adapt to changing circumstances, and have continued to provide the services that our communities need. The Regional Stay Home Order that the Governor recently announced is one more step in uncharted territory, yet I am confident that our employees will continue to rise to the occasion and do their level best to support those in need. To that end, and in recognition of those employees who have gone above and beyond their normal duties, we are providing up to 120 hours of COVID Administrative Leave to eligible employees. The following information is provided as guidance for the weeks to come:

1. COVID Administrative Leave will be awarded to eligible permanent full-time and part-time County employees who are required and able to work (including remote work) who lose time in the specific leave categories listed below, due to reaching maximum cumulative hours or forfeiture of unused hours. Excludes First 5, IHSS Public Authority, LAFCO, and Contra Costa County Fire Protection District employees.
2. For each hour of Personal Holiday, Vacation, and/or Paid Personal Leave/Management Administrative leave lost (up to a maximum of 120 hours), employees will be credited with one hour of COVID Administrative Leave (pay code COVAL) during the time period covering December 1, 2020 through January 1, 2021. The hours credited will be deposited into a new leave bank, and made available for use in 2022.
3. Any unused COVID Administrative Leave will not be paid out and will be forfeited at the end of 2023, or when the employee terminates from County employment, whichever is sooner.

## CONSEQUENCE OF NEGATIVE ACTION:

Employees will not have access to COVID Administrative Leave.

## ATTACHMENTS

Letter to Employees 12-3-2020

# County Administrator

County Administration Building  
1025 Escobar Street, 4th Floor  
Martinez, California 94553-1229  
(925) 655-2075

**David J. Twa**  
County Administrator

# Contra Costa County



## Board of Supervisors

**John M. Gioia**  
1<sup>st</sup> District

**Candace Andersen**  
2<sup>nd</sup> District

**Diane Burgis**  
3<sup>rd</sup> District

**Karen Mitchoff**  
4<sup>th</sup> District

**Federal D. Glover**  
5<sup>th</sup> District

December 3, 2020

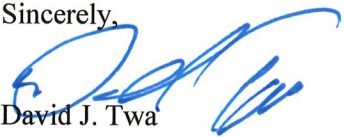
COVID 19 Update to Employees,

The COVID 19 Pandemic has changed our lives in ways that we would have found impossible a year ago. For the most part, we have learned to adapt to changing circumstances, and have continued to provide the services that our communities need. The Regional Stay Home Order that the Governor announced today is one more step in uncharted territory, yet I am confident that our employees will continue to rise to the occasion and do their level best to support those in need. To that end, and in recognition of those employees who have gone above and beyond their normal duties, we are providing up to 120 hours of COVID Administrative Leave to eligible employees. The following information is provided as guidance for the weeks to come:

1. COVID Administrative Leave will be awarded to eligible permanent full-time and part-time County employees who are required and able to work (including remote work) who lose time in the specific leave categories listed below, due to reaching maximum cumulative hours or forfeiture of unused hours. Excludes First 5, IHSS Public Authority, LAFCO, and Contra Costa County Fire Protection District employees.
2. For each hour of Personal Holiday, Vacation, and/or Paid Personal Leave/Management Administrative leave lost (up to a maximum of 120 hours), employees will be credited with one hour of COVID Administrative Leave (pay code COVAL) during the time period covering December 1, 2020 through January 1, 2021. The hours credited will be deposited into a new leave bank, and made available for use in 2022.
3. Any unused COVID Administrative Leave will not be paid out and will be forfeited at the end of 2023, or when the employee terminates from County employment, whichever is sooner.
4. Retired annuitants, student interns, per diem, and temporary employees are not eligible for COVID Administrative Leave.
5. When COVID Administrative Leave becomes available, consistent with any leave/time off request, the leave is subject to supervisor/manager approval.
6. Employees cannot donate their awarded COVID Administrative Leave to another employee or group of employees.
7. Employees who are specifically directed by their supervisors that their jobs are non-essential may remain at home until called upon to return to work or to provide disaster service work. Until called into work, these employees are on paid administrative leave and need not use accruals.

Thank you for all you do, and for continuing to work with us to support our employees and our community through these challenging times.

Sincerely,

  
David J. Twa  
County Administrator



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Approve Third Amendment to Lease and Federal Lease Rider for Community Services Bureau - 5050 Hartnett Ave., Richmond.

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a third amendment to a lease dated July 10, 2012, between the County and the City of Richmond for the City-owned property located at 5050 Hartnett Avenue in Richmond (the Lease) to extend the term of the Lease through September 30, 2035, and a rider to the Lease that is mandated by the United States Department of Health and Human Services (HHS) to acknowledge a federal interest in the Lease through September 30, 2035.

**FISCAL IMPACT:**

100% Community Services Budget Unit 0588 (Federal – Health & Human Services – Administration for Children and Families & California Department of Education funding)

**BACKGROUND:**

The County’s Employment and Human Services Department, through the Community Services Bureau (CSB), has been leasing the premises at 5050 Hartnett Avenue in Richmond since 1991 for the Crescent Park Head Start operation.

In 2018, the CSB applied for and received a federal grant in the amount of \$314,224.76 to reroof the building. Using federal grant funds in excess of \$300,000 to improve a leased

- 
- APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Stacey Sinclair, 925.957-2464

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Auditor Controller

BACKGROUND: (CONT'D)

property triggered the need for a federal lease rider. The rider enables HHS/ACF to recover the remaining value of the improvements in the event that the lease is terminated sooner than 15 years after the federal investment in the property. The federal interest in the leasehold at this site will continue for a period of 15 years to fully amortize the entire grant amount. The lease amendment extends the term of the lease to correspond to the term of the federal interest.

The amendment to lease will ensure CSB's occupation of the premises for the 15-year period and eliminate the need to pay back any remaining value left on the improvement.

CONSEQUENCE OF NEGATIVE ACTION:

Not authorizing the amendment to lease for the continued operation of Head Start at this location would require relocating to another suitable location to provide childcare services to the community at an additional expense.

ATTACHMENTS

Lease Amendment

Lease Rider

Third Amendment to Lease

Employment and Human Services  
Crescent Park Center  
5050 Hartnett Avenue  
Richmond, California

This third amendment to lease agreement (“**Third Amendment**”) is dated as of October 13, 2020, and is between the CITY OF RICHMOND, a municipal corporation (the “**Lessor**”) and the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (the “**Tenant**”).

Recitals

A. The Lessor and the Tenant are parties to a lease dated July 10, 2012, as amended by a first amendment dated September 27, 2017, and by a second amendment dated July 1, 2019 (the “**Lease**”), under which the Tenant is leasing the real property located at 5050 Hartnett Avenue, Richmond, California (the “**Property**”) for use in the operation of a childcare facility. The childcare facility is operated by the Tenant as part of “Head Start,” a program of the United States Department of Health and Human Services Administration for Children and Families (the “**HHS/ACF**.”)

B. On September 21, 2018, HHS/ACF awarded Grant No. 09CH010862 to Tenant’s Employment and Human Services Division (the “**Grant**”). \$314,224.76 of the Grant was used to re-roof the building on the Property.

C. Simultaneous with entering into this Third Amendment, Lessor, Tenant and HHS/ACF are entering into a Lease Rider of even date herewith (the “**Lease Rider**”) that describes the Federal Interest (as defined in the Lease Rider) in the Tenant’s leasehold interest in the Property. In accordance with the Lease Rider, the Federal Interest continues for a period of at least 15 years.

D. To ensure that Tenant’s leasehold interest in the Property continues for the duration of the Federal Interest, Lessor and Tenant are entering into this Third Amendment to (i) extend the term of the Lease through September 30, 2035, and (ii) incorporate the terms of the Lease Rider into the Lease. In addition, Lessor and Tenant are modifying the amount due from Tenant for utility services provided to the Property during the term of the Lease.

The parties therefore agree as follows:

Agreement

1. Section 2 of the Lease, Term of Lease, is deleted in its entirety and replaced with the following:

2. Term of Lease. The term (“**Term**”) of the Lease commences on July 1, 2012, and expires on September 30, 2033.

2. Section 11 of the Lease, Utilities, is deleted in its entirety and replaced with the following:

11. Utilities.

a) For the Period July 10, 2012 through June 30, 2019

Tenant shall pay all heat, gas, trash collection, telephone service, electricity and any other utilities which may be furnished to or used in or upon the Premises during the Term of this Lease. Tenant shall pay Landlord its prorated share of water and sewer service during the Term of this Lease, which payment shall be in the initial amount of \$150.00 per month, due and payable on the first day of each month.

b) For the Period from July 1, 2019 through June 30, 2020

Tenant shall pay all heat, gas, trash collection, telephone service, electricity and any other utilities which may be furnished to or used in or upon the Premises during the Term of this Lease. Tenant shall pay Landlord its prorated share of water and sewer service during the Term of this Lease, which payment shall be in the initial amount of \$205.00 per month, due and payable on the first day of each month.

c) For the Period July 1, 2020 through September 30, 2033

Tenant shall pay all heat, gas, trash collection, telephone service, electricity and any other utilities which may be furnished to or used in or upon the Premises during the Term of this Lease. Tenant shall pay Landlord its prorated share of water and sewer service during the Term of this Lease, due and payable on the first day of each month as follows,:

<u>Term</u>	<u>Amount Due</u>
July 1, 2020 - June 30, 2021	\$212
July 1, 2021 - June 30, 2022	\$219
July 1, 2022 - June 30, 2023	\$226
July 1, 2023 – June 30, 2024	\$233
July 1, 2024 - June 30, 2025	\$240
July 1, 2025 - June 30, 2026	\$248
July 1, 2026 - June 30, 2027	\$256
July 1, 2027 – June 30, 2028	\$264
July 1, 2028 - June 30, 2029	\$272



July 1, 2029 - June 30, 2030	\$281
July 1, 2030 - June 30, 2031	\$290
July 1, 2031 - June 30, 2032	\$299
July 1, 2032 - September 30, 2033	\$308

3. The terms of the Lease Rider are incorporated into the Lease by reference.
4. All other terms of the Lease remain unchanged.

(Remainder of page intentionally left blank)

Lessor and Tenant are signing this Third Amendment as of the date set forth in the introductory paragraph.

**TENANT**

COUNTY OF CONTRA COSTA, a  
Political subdivision of the State of  
California

By: \_\_\_\_\_  
Brian M. Balbas  
Public Works Director

**LESSOR**

CITY OF RICHMOND, a municipal  
corporation

By: \_\_\_\_\_  
Laura Snideman  
City Manager

**RECOMMENDED FOR APPROVAL:**

**ATTEST:**

By: \_\_\_\_\_  
Jessica L. Dillingham  
Principal Real Property Agent

By: \_\_\_\_\_  
Pam Christian  
City Clerk

By: \_\_\_\_\_  
Stacey Sinclair  
Senior Real Property Agent

**APPROVED AS TO FORM:**  
SHARON L. ANDERSON, County Counsel

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Kathleen M. Andrus  
Deputy County Counsel

By: \_\_\_\_\_  
Rachel Sommovilla  
Interim City Attorney

## LEASE RIDER

**This Lease RIDER** (“Rider”), made as of [Click here to enter a date.](#), by and between City of Richmond, a municipal corporation (“Lessor”), the County of Contra Costa, a political subdivision of the State of California (“Tenant”), and United States Department of Health and Human Services, Administration for Children and Families (“HHS/ACF”) attaches to the lease between Lessor and Recipient/Grantee entered into on July 1, 2012, for the real property located at 5050 Hartnett Avenue, Richmond, California (“Lease”). HHS/ACF is not a party to the attached Lease, but joins in execution of this document solely to evidence its consent to the provisions hereof.

### WITNESSETH:

**WHEREAS**, Lessor is the owner of real property located at 5050 Hartnett Avenue, Richmond, California and described in Exhibit A attached hereto and hereby incorporated into this Rider (the “Property”);

**WHEREAS**, On September 21, 2018, the United States Department of Health and Human Services, Administration for Children and Families (“HHS/ACF”) awarded Grant No. **09CH010862** in the amount of \$314,224.76 to Tenant for the purpose of operating a Head Start facility in Richmond, California;

**WHEREAS**, Tenant has agreed to lease the above-described Property (“Leased Premises”) from Lessor for the purpose of operating a Head Start facility, pursuant to a lease, a copy of which is attached hereto as Exhibit B (the “Lease”), which establishes a leasehold interest (the “Leasehold”) for the benefit of the Tenant;

**WHEREAS**, HHS/ACF has approved Tenant’s planned use of its award of Head Start grant for placement of a modular unit on Leased Premises or to fund leasehold improvements on the Leased Premises, which consist of either construction of a facility on the Property or major renovation of the Leased Premises (the “Improvements”), and;

**WHEREAS**, HHS/ACF has and will continue to have a Federal Interest (defined below) in the Leasehold and Improvements because the Tenant has used Federal grant funds awarded by HHS/ACF to place a modular unit on the Leased Premises or make Improvements to the Leased Premises. The Federal Interest includes any future HHS/ACF awards made for Improvements to the Leasehold.

**NOW, THEREFORE**, in consideration of the mutual agreements set forth herein, the Parties agree as follows:

1. **Definitions**: Under this Rider, the following terms are defined as follows:
  - (a) **Event of Default**: The term “Event of Default” means an event of default under the Lease.
  - (b) **Federal Interest**: The term “Federal Interest,” in the context of the Lease, is the interest of HHS/ACF in the Leasehold that secures the remaining value of the Improvements.
  - (c) **Lessor**: The term “Lessor” means the City of Richmond and/or its heirs, assignees, and successors under this Rider and the Lease.

- (d) Modular Unit: The term “Modular Unit” means a portable prefabricated structure made at another location and moved to a site for use by a Head Start recipient/grantee to carry out a Head Start program, regardless of the manner or extent to which the modular unit is attached to the underlying real property.
- (e) Parties: The term “Parties” shall refer to Lessor, Tenant, and their respective heirs, successors, and assignees under this Rider and the Lease.
- (f) Tenant: The term “Tenant” means the County of Contra Costa and/or its heirs, assignees, and successors under this Amendment and the Lease.

2. Federal Interest.

- (a) This Lease Rider evidences a Federal Interest in the Leasehold that secures the right of the federal awarding agency to recover the remaining value of the Improvements in the event that a lease is terminated prior to expiration of its full term, including costs associated with relocation or replacement of a modular unit following such termination.
- (b) The Federal Interest in the Leasehold of a facility on which the Tenant has made major renovations with Federal Head Start funds or placement of a modular unit on the Leased Premises continues for a period of at least 15 years and the Federal Interest in the Leasehold of land on which the Tenant has constructed a facility with Federal Head Start funds continues for a period of at least 30 years notwithstanding any termination of the lease prior to completion of its original term.
- (c) In the event of termination prior to completion of the original term of the Lease, the value of the Improvements will be determined by applying the remaining term of the Lease expressed as a percentage of the entire term and applying the resulting percentage to the amount of Federal Head Start funds awarded to the Recipient/Grantee for the Improvements. The value of the Improvements at the time of termination and any costs associated with relocation or replacement of a modular unit following such termination is subject to disallowance at the discretion of the awarding agency.

3. Tenant’s Obligations.

- (a) The Tenant agrees not to sublease, assign, or otherwise transfer the Leased Premises, or use the Leased Premises for any non-grant purpose, without the express written approval of the responsible HHS/ACF official.
- (b) The Tenant agrees to provide HHS/ACF with notice:
  - (1) Of any Event of Default by the Tenant, on the date of the discovery of such Event of Default; and/or
  - (2) That the Lessor has notified the Tenant of its intent to exercise the remedy of cancellation, termination, and/or other remedies, on the day that the Tenant receives such notice from the Lessor.

4. Lessor’s Promise To Notify HHS/ACF.

The Lessor agrees to provide HHS/ACF with notice:

- (a) Of any Event of Default by the Tenant, as soon as the Lessor first knows of such default;
- (b) That the Lessor intends to exercise its remedy of cancellation, termination, and/or any other remedy, on the day that Lessor notifies the Tenant that it intends to exercise such remedy or remedies;
- (c) That the Lessor intends to mortgage the Leased Premises; and/or
- (d) Of any lien or other encumbrance affecting title that has been attached to the Leased Premises, as soon as practicable after Lessor first knows of any such lien or other encumbrance affecting title.

5. Addresses For Notification To HHS/ACF.

Whenever notice to HHS/ACF is required under this Rider, the Lessor and the Tenant promise to provide both telephonic and written notification (by registered mail, return receipt requested) to the following HHS/ACF offices, or to their successors:

- (a) Mr. Jeffrey Arciero  
Office of Grants Management  
Administration for Children and Families  
U.S. Department of Health and Human Services  
15 New Sudbury St., JFK Building, Room 2025  
Boston, MA 02203  
Telephone Number: 617-565-2446  
[Click here to enter text.](#)
- (b) Dr. Deborah Bergeron  
Director, Office of Head Start  
Administration for Children and Families  
330 C St., S.W.  
Washington D.C. 20201  
Telephone Number: 866-763-6481  
[Click here to enter text.](#)
- (c) Office of the General Counsel, Children, Families, and Aging Division  
United States Department of Health and Human Services  
330 Independence Avenue, S.W., Rm. 4276  
Washington, DC 20201  
Telephone Number: (202) 690-8005

In addition, if the offices listed above have a change of name, address, and/or telephone number, the Lessor and the Tenant further agree to take all reasonable action necessary to discover and notify the appropriate government offices listed in this section.

6. Contents of Notification to HHS/ACF.

The Lessor and the Tenant agree to include the following information in the written notice to HHS/ACF whenever such notice is required under this Rider:

- (a) The full names, addresses, and telephone numbers of the Lessor and the Tenant and the address of the Leased Premises;
- (b) The following statement, prominently displayed at the top of the first page of the notice:

**The Federal Interest in certain real property or equipment purchased or improved by the Office of Head Start may be at risk. Immediately give this notice to the appropriate government official.**

- (c) The date and the nature of the default and the manner in which the default may be cured and/or an explanation of other circumstances that required the notice;
- (d) In the event that the Lessor will be exercising the remedy of cancellation, termination, and/or other remedies, the date or expected date of the cancellation and/or exercise of any remedy or remedies.
- (e) Of any notice of foreclosure or other action to enforce a remedy against the Leased Premises by a third party on the day that Lessor receives notice of such foreclosure or other action.

7. Tenant's Promise to Notify Lessor of Changes in HHS/ACF's Address.

The Tenant agrees to give the Lessor written and telephonic notice of any change of name, address, and/or telephone number of an HHS/ACF office listed in Section 5. If one or more of the HHS/ACF offices listed in Section 5 stops operating, the Tenant agrees to give the Lessor written and telephonic notice of the name, address, and telephone number of the succeeding Federal office(s) to which notice must be given.

8. HHS/ACF's Rights in Event of The Tenant's Default.

If an Event of Default occurs, the Parties agree that HHS/ACF may intervene to ensure that the default is cured by the Tenant, HHS/ACF, or another entity designated by HHS/ACF and that the Lessor shall accept the payment of money or performance of any other obligation by HHS/ACF or its designee, for the Tenant, as if such payment of money or performance had been made by the Tenant. In the event of default, HHS/ACF or its designee has the right to take possession of any modular unit on the leased property and remove it to another location. Unless otherwise specified in Section 8, HHS/ACF shall have sixty (60) days from the date of receipt of notice of the default that has been served in full compliance with Sections 4 through 7 above in which to intervene and to attempt to cure the default. If HHS/ACF fails to respond to any notice of default from Lessor, HHS/ACF's Federal Interest and the Tenant's obligation to repay the remaining value of the Improvements are preserved pursuant to 45 C.F.R. § 1303.49(a)(4).

9. Special Period for Curing Certain Non-Monetary Defaults.

With respect to non-monetary defaults that cannot with due diligence be cured within sixty (60) days from the date of receipt of notice of default that has been served in full compliance with Sections 4 through 7 above, if Tenant, HHS/ACF, or another entity designated by HHS/ACF promptly commences to cure the default within the sixty (60) day period and thereafter continues to attempt to cure the it with due diligence, then the party attempting to cure the default shall have the right to such additional time as may be reasonably necessary to finish curing the default.

10. Delay of Exercise of Remedies Pending Cure.

In the event of a default under the Lease, Lessor agrees that it shall not commence cancellation or termination of the Lease or any other remedies that affect ownership or possession of the Leased Premises until after (i) HHS/ACF has been properly served, in full compliance with Sections 4 through 7, with notice of default and intent to exercise remedies, and (ii) one of the following events has occurred:

- (a) The responsible HHS/ACF official informs the Lessor in writing that HHS/ACF has decided not to cure the default; or
- (b) HHS/ACF fails to timely cure the default within the period of time set forth in Sections 8 or 9.

11. HHS/ACF's Right to Substitute Another Entity Under the Lease.

Notwithstanding any other provision of this Rider or the Lease, the Parties recognize and hereby consent that, in an Event of Default, or the withdrawal or termination of the Tenant from the Federal grant, the Lease may be assumed by an entity designated by HHS/ACF. The Lessor will have the right to approve the entity HHS/ACF designates to assume the Lease, but such approval will not be withheld except for good cause and will not be unreasonably delayed. Any interim or replacement recipient/grantee must, as a precondition to its occupancy of the Leased Premises, execute an Assumption Agreement approved by Lessor and HHS/ACF.

12. Tenant Shall Cooperate With Substitution.

The Tenant covenants and agrees that, in the event HHS/ACF designates another entity, either on an interim or permanent basis, to assume the Tenant's rights, obligations, and liabilities under the grant and the Lease, the Tenant will relinquish to such designee possession and all property interests that the Tenant might have in the Leased Premises, subject to any compensation to which the Tenant may be entitled.

13. Substitution by HHS/ACF Shall Not Constitute an Event of Default.

Notwithstanding any other provisions of this Rider or the Lease, the Parties agree that any substitution of recipients/grantees by HHS/ACF, either on an interim or permanent basis, shall not constitute a default under this Rider or an Event of Default. The Parties further agree that any such substitution by HHS/ACF that is made in accordance with this

Rider shall not trigger termination of the Lease or any other remedy under this Rider or the Lease.

14. Notice of Federal Interest in the Leasehold.

This Rider also serves to notify all potential sellers, purchasers, transferors, transferees, mortgagees, creditors, and any other persons or entities who have or may seek to obtain an interest of any kind in the Property of the Federal Interest in the Leasehold.

In accordance with the terms of the Federal grant, the Head Start Act, 42 U.S.C. §§ 9831-9852c, 45 C.F.R. Parts 75 and 1303, and relevant decisions of the United States courts, the restrictions on the use of the Leased Premises include, but are not limited to, the following:

- (a) The Leased Premises may not be used for any purpose inconsistent with that authorized by the Head Start Act and applicable regulations.
- (b) Leased Premises may not be encumbered, used as collateral, sold or otherwise transferred by the Tenant to another party without the written permission of the responsible HHS/ACF official.
- (c) The grant conditions and requirements cannot be altered or nullified through a transfer of ownership.

Further information regarding the Federal Interest in the Leasehold can be obtained from the HHS/ACF Regional Office of Grants Management, at the address provided in Section 5(a).

15. Binding on Heirs, Successors And Assigns.

This Rider shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of each Party but does not otherwise create, and shall not be construed as creating, any rights enforceable by any person not a party to this Rider.

16. Entire Agreement.

This Rider constitutes the entire agreement among the Parties regarding the Federal Interest in the Leasehold, and any other statement, promise, representation or agreement, either written or oral, made by any party or agents of any party, that is not contained in this written Rider shall not be enforceable.

17. Integration and Modification.

No modification, waiver, amendment, or discharge of this Rider shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is sought. No provision of this Rider shall be modified or limited by course of conduct or usage of trade except by an executed written agreement. In the event of a conflict between this Rider and the Lease, the terms of this Rider shall govern.



18. Severability.

In the event that any of the agreements, terms, or provisions contained in this Rider shall be invalid, illegal, or unenforceable in any respect, the validity of the remaining agreements, terms, and provisions contained herein shall not be in any way affected, prejudiced, or disturbed.

19. Knowing and Voluntary Agreement.

The Parties have entered into this Rider voluntarily and with a complete and thorough understanding of its terms, meaning, and effect. Each of the undersigned is signing the Rider voluntarily and freely, without coercion, having had the opportunity to read and raise questions about its meaning prior to signing.

20. Counterparts.

This Rider may be executed in any number of counterparts and by different parties in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

21. Due Authorization.

The persons executing this Rider on behalf of a Party represent and warrant to the other Party that he or she has been duly authorized by such Party to so execute this Rider.

**IN WITNESS WHEREOF**, the Parties have executed this Rider pursuant to authority duly given, as of the date first above written.

[Signature pages follow.]

Click here to enter text.

Signature: \_\_\_\_\_

Click here to enter text.

Click here to enter text.

CHOOSE AN ITEM. Click here to enter text.

CHOOSE AN ITEM. Click here to enter text.

On this Click or tap to enter a date., the undersigned, a Notary Public in and for said State, personally appeared Click here to enter text., Click here to enter text., of Click here to enter text., personally known to me on the basis of satisfactory evidence to the individual, whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Seal

\_\_\_\_\_  
Notary Public signature

Commission Expires: \_\_\_\_\_

Click here to enter text.

Signature: \_\_\_\_\_

Click here to enter text.

Click here to enter text.

On this Click or tap to enter a date., before me, the undersigned, a Notary Public in and for said Click here to enter text., personally appeared Click here to enter text. Click here to enter text. of Click here to enter text., personally known to me on the basis of satisfactory evidence to the individual, whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Seal

\_\_\_\_\_  
Notary Public signature

Commission Expires: \_\_\_\_\_

**UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

Signature: \_\_\_\_\_

Click here to enter text.

Grants Management Officer

CHOOSE AN ITEM. Click here to enter text.

CHOOSE AN ITEM. Click here to enter text.

On this Click or tap to enter a date., before me, the undersigned, a Notary Public in and for said Click here to enter text., personally appeared Click here to enter text. Click here to enter text., of the United States Department of Health and Human Services, Administration for Children and Families, personally known to me on the basis of satisfactory evidence to the individual, whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Seal

\_\_\_\_\_  
Notary Public signature

Commission Expires: \_\_\_\_\_

**EXHIBIT A**

The property legal description from public records is: [Click here to enter text.](#)

## **EXHIBIT B**

The lease is attached. [Click here to enter text.](#)



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Approve a lease with Desco Investments, LLC, located at 3685 Mount Diablo Blvd., Lafayette on behalf of the Department of Conservation and Development

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a lease with Desco Investments, LLC, for a term of five years for approximately 1,712 square feet of office space for the Department of Conservation and Development, located at 3685 Mount Diablo Boulevard, Suite 120, Lafayette, at an initial annual rent of \$67,800, with annual increases thereafter.

**FISCAL IMPACT:**

100% Department of Conservation and Development Funds.

**BACKGROUND:**

The County has leased the premises since January 1, 2001 on behalf of the Department of Conservation and Development. This Lease will provide for the continued use of 1,712 square feet of office space, and to continue to meet the demands of customer service provided for the purpose of building inspections by the Department of Conservation and Development.

**CONSEQUENCE OF NEGATIVE ACTION:**

If the lease is not approved, the Department of Conservation and Development may experience interruptions in its ability to provide customer service for the purpose of building inspections.

- 
- APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Julin Perez, 925.  
957-2460

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Auditor Controller

ATTACHMENTS

Lease



## LEASE

Department of Conservation and Development  
3685 Mount Diablo Boulevard, Suite 120,  
Lafayette, CA

This lease is dated December 15, 2020 and is between Desco Investments, LLC, and Desco Plaza I, LLC (together the “**Lessor**”) and the County of Contra Costa, a political subdivision of the State of California (the “**County**”).

### **Recitals**

- A. Lessor is the owner of the building located at 3685 Mt. Diablo Boulevard, Lafayette, California (the “**Building**”).
- B. The Lessor and the County are parties to a lease dated March 9, 2010, under which the County is leasing Suite 120 in the Building, which consists of approximately 1,712 square feet (the “**Premises**”) and has the non-exclusive use of 40 parking spaces (the “**Original Lease**”).
- C. Section A.6. of the Original Lease requires the County to pay its proportionate share of the amount (if any) by which certain operating expenses exceed the cost of those expenses in 2010. In the Original Lease, as in this lease, the “**Base Year**” is calendar year 2010.
- D. The parties now desire to enter into a new lease for the Premises, updating the terms of the Original Lease.
- E. Simultaneous with the effectiveness of this lease, the Original Lease is terminated.

### **Agreement**

- 1. Lease of Premises. In consideration of the rents and subject to the terms herein set forth, Lessor hereby leases to County and County hereby leases from Lessor, the Premises.
- 2. Term. The “**Term**” of this lease is comprised of an Initial Term and, at County’s election, Renewal Terms, each as defined below.
  - a. Initial Term. The “**Initial Term**” is five years, commencing on April 1, 2020 (the “**Commencement Date**”) and ending March 31, 2025.
  - b. Renewal Terms. County has two options to renew this lease for a term of one year for each option (each, a “**Renewal Term**”) upon all the terms and conditions set forth herein.

- i. County will provide Lessor with written notice of its election to renew the Lease thirty days prior to the end of the Term. However, if County fails to provide such notice, its right to renew the Lease will not expire until fifteen working days after County’s receipt of Lessor’s written demand that County exercise or forfeit the option to renew.
  - ii. Upon the commencement of a Renewal Term, all references to the Term of this lease will be deemed to mean the Term as extended pursuant to this Section.
- 3. Rent. County shall pay rent (“**Rent**”) to Lessor monthly in advance beginning on the Commencement Date. Rent is payable on the tenth day of each month during the Initial Term and, if applicable, the Renewal Terms, in the amounts set forth below:

a. Initial Term.

<u>Period</u>	<u>Monthly Rent</u>
April 1, 2020 – March 31, 2021	\$5,650
April 1, 2021 – March 31, 2022	\$5,819
April 1, 2022 – March 31, 2023	\$5,994
April 1, 2023 – March 31, 2024	\$6,174
April 1, 2024 – March 31, 2025	\$6,359

b. First Renewal Term. \$6,550 per month commencing April 1, 2025 and ending March 31, 2026.

c. Second Renewal Term. \$6,746 per month commencing April 1, 2026 and ending March 31, 2027.

Rent for any fractional month will be prorated and computed on a daily basis with each day’s rent equal to one-thirtieth (1/30) of the monthly Rent.

- 4. Additional Rent. In addition to the rent set forth above, County shall pay Lessor the amounts set forth below (collectively, “**Additional Rent**”). Lessor shall invoice County for any Additional Rent due within ninety days after the end of each calendar year during the Term. County shall pay the amount so invoiced within thirty days of receipt of the invoice. County has the right, exercisable upon reasonable prior written notice to Lessor, to inspect Lessor’s books and records relating to the amounts charged to County as Additional Rent. County shall cause any such inspection to occur within ninety days of receipt of the annual invoice. County may not withhold payment of the invoice until after the completion of such inspection.
  - a. Proportionate Share. For purposes of this Lease, “**Proportionate Share**” means the ratio, expressed as a percentage, of the square feet of the Premises to the total square

footage of the Building. As of the date of this Lease, the parties estimate that County's Proportionate Share of the Building is 4.23%.

- b. Real Property Taxes. County's Proportionate Share of the Excess Amount of Real Property Tax Expense, as defined below.

**"Excess Amount of Real Property Tax Expense"** means the amount by which Real Property Taxes, as defined below, actually paid by Lessor in any calendar year (or portion thereof) exceeds the amount Lessor actually paid for Real Property Taxes in the Base Year.

**"Real Property Taxes"** means and includes all taxes, assessments (amortized over the longest period available to Lessor) levied or assessed upon the Building and the real property upon which it is situated, any state or local business taxes or fees measured by or assessed upon gross rentals or receipts, and other governmental charges, general and special, including, without limitation, assessments for public improvements or benefits, that are, during the Term of this Lease, assessed, levied, and imposed by any governmental authority upon the Building. Real Property Taxes do not include any late fees or penalties, any municipal, county, state or federal net income, estate, succession, inheritance, sales, use or franchise taxes of Lessor or documentary transfer taxes.

- c. Insurance. County's Proportionate Share of the Excess Amount of Insurance Expense, as defined below.

**"Excess Amount of Insurance Expense"** means the amount by which Insurance, as defined below, actually paid by Lessor in any calendar year (or portion thereof) exceeds the amount Lessor actually paid for Insurance in the Base Year.

**"Insurance"** means the All Risk Property Insurance maintained by Lessor covering the Building and all improvements thereto for perils including fire and earthquake, if applicable, for an amount equal to full replacement cost; liability and other insurance that Lessor reasonably deems necessary on the Premises or that may be required by Lessor's mortgagee, including, but not limited to, earthquake, and flood insurance.

- d. Maintenance and Repairs. County's Proportionate Share of the Excess Amount of CAM Charges, as defined below.

**"Excess Amount of the Cost of CAM Charges"** means the amount by which CAM Charges, as defined below, actually paid by Lessor in any calendar year (or portion thereof) exceeds the amount Lessor actually paid for CAM Charges in the Base Year.

**"CAM Charges"** means common area maintenance charges and includes (i) all actual costs and expenses incurred by Lessor to operate and maintain those areas within the Building, including the Building's entrances, walkways, sidewalks, lavatories, drives, parking facilities, and other areas that are not leased or held for

lease but are within or contiguous to or serving the Building and are necessary or desirable for County's full use and enjoyment of the Premises (the "**Common Area**"), to repair Common Area facilities when reasonably required, to clean and remove trash from the Common Area and to provide security services to the Common Area, (ii) all actual costs and expenses incurred by Lessor to maintain and repair all common areas, parking lots, sidewalks, driveways, all landscaped areas, and other areas that are used in common by the tenants or occupants of the Building, and (iii) an administrative fee for services rendered by a third party manager that is equal to no more than ten percent (10%) of the total CAM Charges.

Notwithstanding any provision of this Lease to the contrary, Lessor and County acknowledge and agree that the following items are excluded from CAM Charges or other Additional Rent to be reimbursed or paid by County:

- i. Payments on any loans or ground leases affecting the Building.
  - ii. Depreciation of any Building or any major systems of Building service equipment.
  - iii. All costs and expenses associated with leasing to other tenants, including tenant improvements allowances, attorneys' fees, brokerage commissions, and architectural fees, if any.
  - iv. Any cost incurred in complying with hazardous materials laws.
  - v. Capital taxes, income taxes, corporate taxes, corporation capital taxes, excise taxes, profits taxes or other taxes personal to the Lessor.
5. Use. County may use the Premises for the purpose of conducting various functions of County and any other purpose permitted by law.
6. Obligation to Pay Utilities and Janitorial. Lessor shall pay for all gas, electric, water, sewer, refuse collection and janitorial services provided to the Premises. Janitorial specifications are more particularly described in Exhibit A.
7. Maintenance and Repairs.
- a. Roof and Exterior of Premises. Lessor shall keep the roof and exterior of the Premises in good order, condition, and repair, and shall maintain the structural integrity of the Building, including the exterior doors and their fixtures, closers and hinges, exterior windows, glass and glazing, and all locks and key systems used in the Premises.
  - b. Interior of Premises. County shall keep and maintain the interior of the Premises in good order, condition and repair, but Lessor shall repair damage to the interior caused by its failure to maintain the exterior in good repair, including damage to the interior

caused by roof leaks and/or interior and exterior wall leaks. The County may install and maintain an alarm system, if deemed necessary by County.

- c. Utility Systems. Lessor shall repair and maintain the electrical, lighting, water and plumbing systems in good order, condition and repair.
  - d. HVAC. Lessor shall maintain and repair the heating, ventilating, and air-conditioning (HVAC) systems.
  - e. Parking; Exterior Lighting; Landscaping. Lessor shall maintain the parking lot, exterior lighting system, and landscaping in good order, condition and repair.
  - f. Services by Lessor. If County determines that the Premises are in need of maintenance, construction, remodeling or similar service that is beyond Lessor's responsibilities under this lease, at County's request, Lessor shall perform such service at County's expense. In performing the service, Lessor shall consult with County and use either licensed insured contractors or employees of Lessor. Lessor shall obtain County's prior written approval of the scope, terms, and cost of any contracts. County may, by giving Lessor thirty (30) days prior written notice, change the level of service, terminate any or all service, or require that a service be performed by a different contractor.
8. Quiet Enjoyment. Provided County is in compliance with the material terms of this lease, Lessor shall warrant and defend County in the quiet enjoyment and possession of the Premises during the Term.
  9. Assignment and Sublease. County has the right to assign this lease or sublease the Premises or any part thereof at any time during the Term with Lessor's prior written consent. Upon the assignment of the lease by County, the County will have no further obligation under the lease.
  10. Alterations; Fixtures and Signs. County may (i) make any lawful and proper minor alterations to the Premises and (ii) attach fixtures and signs ("**County Fixtures**") in or upon the Premises with Lessor's prior written consent. Any County Fixtures will remain the property of County and may be removed from the Premises by County at any time during the Term. County is responsible for the cost of all alterations and County Fixtures. All alterations and County Fixtures are subject to Lessor's approval and must comply with existing code requirements.
  11. Insurance.
    - a. Liability Insurance. Throughout the Term, County shall maintain in full force and effect, at its sole expense, a general self-insurance program covering bodily injury (including death), personal injury, and property damage, including loss of use. County shall provide Lessor with a letter of self-insurance affirming the existence of the aforementioned self-insurance program.

- b. Self-Insurance Exclusion. County's self-insurance does not provide coverage for (i) areas to be maintained by Lessor under this lease, or (ii) negligence, willful misconduct, or other intentional act, error or omission of Lessor, its officers, agents, or employees.
12. Surrender of Premises. On the last day of the Term, or sooner termination of this lease, County shall peaceably and quietly leave and surrender to Lessor the Premises, along with appurtenances and fixtures at the Premises (except County Fixtures), all in good condition, ordinary wear and tear, damage by casualty, condemnation, acts of God and Lessor's failure to make repairs required of Lessor excepted. County is not responsible for painting or for repairing or replacing any floor coverings in the Premises upon the expiration or earlier termination of this lease.
13. Waste, Nuisance. County may not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing that may disturb the quiet enjoyment of any other occupant of the Building.
14. Inspection. Lessor, or its proper representative or contractor, may enter the Premises by prior appointment between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted, to determine that (i) the Premises is being reasonably cared for, (ii) no waste is being made and that all actions affecting the Premises are done in the manner best calculated to preserve the Premises, and (iii) County is in compliance with the terms and conditions of this lease.
15. Perilous Conditions. If the County's Director of Public Works becomes aware of a perilous condition on the Premises that, in his or her opinion, substantially and significantly threatens the health and safety of County employees and/or invitees (a "**Perilous Condition**"), the Director of Public Works, or his or her designee, will immediately notify Lessor of such Perilous Condition and Lessor shall use best efforts to immediately eliminate the Perilous Condition.

Lessor shall immediately address any condition reasonably constituting an emergency, whether Lessor learns of the condition through County or otherwise.

If Lessor fails to address a Perilous Condition within twenty-four (24) hours after County's notice or to immediately address an emergency situation, County may attempt to resolve the Perilous Condition or emergency situation. Lessor shall reimburse County for any costs incurred by County in addressing the Perilous Condition or emergency situation promptly upon receipt of County's invoice.

16. Destruction. If damage occurs that causes a partial destruction of the Premises during the Term from any cause and repairs can be made within sixty days from the date of the damage under the applicable laws and regulations of governmental authorities, Lessor shall repair the damage promptly. Such partial destruction will not void this lease, except that County will be entitled to a proportionate reduction in Rent while such repairs are being made. The proportionate reduction in Rent will be calculated by multiplying Rent

by a fraction, the numerator of which is the number of square feet that are unusable by County and the denominator of which is the total number of square feet in the Premises.

If repairs cannot be made in sixty days, County will have the option to terminate the lease or request that Lessor make the repairs within a reasonable time, in which case, Lessor will make the repairs and Rent will be proportionately reduced as provided in the previous paragraph.

This lease will terminate in the event of a total destruction of the Building or the Premises.

17. Hazardous Material. Lessor warrants to County that Lessor does not have any knowledge of the presence of Hazardous Material (as defined below) or contamination of the Building or Premises in violation of environmental laws. Lessor shall defend, save, protect and hold County harmless from any loss arising out of the presence of any Hazardous Material on the Premises that was not brought to the Premises by or at the request of County, its agents, contractors, invitees or employees. Lessor acknowledges and agrees that County has no obligation to clean up or remediate, or contribute to the cost of clean up or remediation, of any Hazardous Material unless such Hazardous Material is released, discharged or spilled on or about the Premises by County or any of its agents, employees, contractors, invitees or other representatives. The obligations of this Section shall survive the expiration or earlier termination of this lease.

**“Hazardous Material”** means any substance, material or waste, including lead based paint, asbestos and petroleum (including crude oil or any fraction thereof), that is or becomes designated as a hazardous substance, hazardous waste, hazardous material, toxic substance, or toxic material under any federal, state or local law, regulation, or ordinance.

18. Indemnification.
- a. County. County shall defend, indemnify and hold Lessor harmless from County’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors, or omissions of County, its officers, agents or employees in using the Premises pursuant to this lease, or the County’s performance under this lease, except to the extent caused or contributed to by (i) the structural, mechanical, or other failure of buildings owned or maintained by Lessor, and/or (ii) the negligent acts, errors, or omissions of Lessor, its officers, agents, or employees.
- b. Lessor. Lessor shall defend, indemnify and hold County harmless from Lessor’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors or omissions of Lessor, its officers, agents, employees, with respect to the Premises, or Lessor’s performance under this lease, or the Lessor’s performance, delivery or supervision of services at the

Premises, or by the structural, mechanical or other failure of buildings owned or maintained by Lessor, except to the extent caused or contributed to by the negligent acts, errors, or omissions of County, its officers, agents, or employees.

19. Default.

The occurrence of any of the following events is a default under this lease:

a. County.

- i. County's failure to pay Rent within ten business days after receipt of a written notice of failure (a "**Notice**") from Lessor to County; provided, however, that County will have additional time if its failure to pay Rent is due to circumstances beyond its reasonable control, including, without limitation, failure of the County's Board of Supervisors to adopt a budget. In no event may such additional time exceed seventy-five days from receipt of a Notice.
- ii. County's failure to comply with any other material term or provision of this lease if such failure is not remedied within thirty days after receipt of a Notice from Lessor to County specifying the nature of the breach in reasonably sufficient detail; provided, however, if such default cannot reasonably be remedied within such thirty day period, then a default will not be deemed to occur until the occurrence of County's failure to comply within the period of time that may be reasonably required to remedy the default, up to an aggregate of ninety days, provided County commences curing such default within thirty days and thereafter diligently proceeds to cure such default.

- b. Lessor. Lessor's failure to perform any obligation under this lease if such failure is not remedied within thirty days after receipt of a Notice from County to Lessor specifying the nature of the breach in reasonably sufficient detail; provided, however, if such breach cannot reasonably be remedied within such thirty day period, then a default will not be deemed to occur until the occurrence of Lessor's failure to perform within the period of time that may be reasonably required to remedy the breach, up to an aggregate of ninety days, provided Lessor commences curing such breach within thirty days and thereafter diligently proceeds to cure such breach.

20. Remedies.

- a. Lessor. Upon the occurrence of a default by County, Lessor may, after giving County written notice of the default, and in accordance with due process of law, reenter and repossess the Premises and remove all persons and property from the Premises.
- b. County. Upon the occurrence of a default by Lessor, County may (i) terminate this lease by giving written notice to Lessor and quit the Premises without further cost or obligation to County or (ii) proceed to repair or correct the failure and, at County's



option, either deduct the cost thereof from Rent due to Lessor, or invoice Lessor for the cost of repair, which invoice Lessor shall pay promptly upon receipt.

21. Notices. Any notice required or permitted under this lease shall be in writing and sent by overnight delivery service or registered or certified mail, postage prepaid and directed as follows:

To Lessor:                    Desco Plaza 1  
750 Menlo Avenue, Ste 250  
Menlo Park, CA 94025

To County:                    Contra Costa County  
Public Works Department  
Attn: Principal Real Property Agent  
40 Muir Rd. 2<sup>nd</sup> Floor  
Martinez, CA 94553

Either party may at any time designate in writing a substitute address for that set forth above and thereafter notices are to be directed to such substituted address. If sent in accordance with this Section, all notices will be deemed effective (i) the next business day, if sent by overnight courier, or (ii) three days after being deposited in the United States Postal system.

22. Successors and Assigns. This lease binds and inures to the benefit of the heirs, successors, and assigns of the parties hereto.
23. Holding Over. Any holding over after the Term of this lease is a tenancy from month to month and is subject to the terms of this lease.
24. Time is of the Essence. In fulfilling all terms and conditions of this lease, time is of the essence.
25. Governing Law. The laws of the State of California govern all matters arising out of this lease.
26. Severability. In the event that any provision herein contained is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this lease will not in any way be affected or impaired.

[Remainder of Page Intentionally Left Blank]

27. Entire Agreement; Construction; Modification. Neither party has relied on any promise or representation not contained in this lease. All previous conversations, negotiations, and understandings are of no further force or effect. This lease is not to be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. This lease may be modified only by a writing signed by both parties.

The parties are executing this lease as of the date set forth in the introductory paragraph.

COUNTY OF CONTRA COSTA, a  
political subdivision of the State of  
California

DESCO PLAZA 1, LLC

By: \_\_\_\_\_  
Brian M. Balbas  
Director of Public Works

By: \_\_\_\_\_  
Robert Gould  
Managing Partner

RECOMMENDED FOR APPROVAL:

DESCO INVESTMENT, LLC

By: \_\_\_\_\_  
Jessica L. Dillingham  
Principal Real Property Agent

By: \_\_\_\_\_  
Robert Gould  
Managing Partner

By: \_\_\_\_\_  
Julin E. Perez  
Supervising Real Property Agent

APPROVED AS TO FORM  
SHARON L. ANDERSON, COUNTY COUNSEL

By: \_\_\_\_\_  
Kathleen M. Andrus  
Deputy County Counsel

T00609/ WLP282

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## EXHIBIT A

### CONTRA COSTA COUNTY JANITORIAL SPECIFICATIONS

- Contra Costa County requires that custodial contractors use industrial and institutional cleaning products that meet Green Seal certification standards for environmental preferability and performance to the extent that products are available.
- To the extent practicable, Contra Costa County requires janitorial contractors to supply vacuum cleaners that meet the requirements of the Carpet and Rug Institute "Green Label" Testing Program - Vacuum Cleaner Criteria. Contra Costa County requires the use of a "hepa filter" vacuum.
- The use of micro fiber cleaning cloths that capture fine particles using less wetting agents shall be phased in whenever possible.
- All paper products supplied by the custodial contractor shall be recycled paper products.

The scope of work is as follows:

#### A. Entire Office Suite

##### 1. Nightly

- a) Carpeted Areas: Thoroughly vacuum and spot clean carpets and floor mats to remove spots and spills.
- b) Uncarpeted Areas: Thoroughly sweep (being sure to pick up all dust balls) and spot mop with a germicidal solution to remove all marks, spills and stains.
- c) Walls, Doors, and Frames: Spot clean to remove all finger marks and smudges. Thoroughly clean all glass entryway doors.
- d) Drinking Fountains: Sanitize and polish all drinking fountains.
- e) Light Bulb Replacement: Check for burned out light bulbs and replace (less than 15 feet high).
- f) Trash Can and Liners: Empty all trash cans and replace liners as necessary.
- g) Counter Tops: Wash reception and kitchen counter tops, where applicable.
- h) Waste Materials: Break down cardboard and place at Recycle Pickup Point. Deposit other waste materials in outside trash dumpster.

- i) Gum Removal: Remove all gum from under the tables and chairs where applicable.
2. Semi-Weekly (2x)
- a) Uncarpeted Areas: Remove area rugs/mats, sweep and damp mop to remove all loose dirt and grit. Thereafter buff all vinyl, tile, and linoleum floors to a uniformly bright condition as required.
3. Weekly
- a) Carpeted Areas & Carpet Mats: Thoroughly vacuum and edge carpeted floors using pile lifter to remove all embedded dirt and grit.
  - b) Chairs & Tables: Thoroughly wipe down all chairs and tables with a mild germicidal solution, leaving the same in a streak-free condition.
4. Monthly
- a) Dusting: Dust all mini-blinds, partitions, windowsills and other horizontal surfaces. Remove all cobwebs from walls and ceilings including ventilation grills 15 feet and lower.
  - b) Wipe all telephones with treated dust cloth.
5. Bimonthly (Every 2 months)
- a) Area Rugs and Carpets: Thoroughly vacuum, edge and Bonnet Buff all carpeted areas and area rugs.
6. Yearly
- a) Uncarpeted Areas: Completely strip down all vinyl, tile and linoleum floors to the bare floor surface, totally free of any wax, sealer or other finish. After stripping, apply 3 coats of finish. At the next service date, or after 24 hours, buff the floors to a uniformly bright condition. Walls, baseboards, furniture and adjoining carpeted areas shall be free of wax, water, and other marks.
  - b) Carpeted Area and Area Rugs/Mats: Thoroughly vacuum, hot water extract all carpeted floors including stairways and area rugs to remove any spots, stains or other spills, and leave same in a uniformly clean condition.
  - c) Windows: Wash windows inside and out and wipe windowsills.
  - d) Window Blinds: Remove, wash and rehang window blinds as required.
  - e) Light Fixtures and Diffusers: Wash and clean all light fixtures and diffusers, 15 feet and lower.

## B. Restrooms

### 1. Nightly

- a) Uncarpeted Areas: Sweep, clean and remove all debris from floors. Wet mop using a germicidal detergent paying particular attention to corners and areas around the toilet and under urinals.
- b) Metal Fixtures: Wash and polish all mirrors, powder shelves, bright work (including exposed piping below washbasins and behind toilet fixtures), towel dispensers, receptacles, metal partitions, and any other metal accessories. Contractor shall use only non-abrasive, non-acidic materials to avoid damage to metal fixtures.
- c) Ceramic Fixtures: Wash and disinfect all basins, including faucet handles, bowls, and urinals and tile walls around the urinals with a germicidal detergent solution. Wash both sides of all toilet seats with a non-abrasive cloth/sponge and a germicidal solution and wipe dry. Special care must be taken to inspect and clean areas of difficult access, such as underside of toilet bowl rings and urinals to prevent building up of calcium and iron oxide deposits.
- d) Dispensers: Fully restock all dispensers nightly, excluding the sanitary napkin machine.
- e) Trash Cans and Liners: Empty trash cans and sanitary napkin disposal containers and replace liners.
- f) Dusting: Dust the edges of all partitions, ledges, and mirror tops.

### 2. Bi-Weekly

- a) Restroom Floors: Sweep, damp mop, and thereafter buff all hard surface, except ceramic surfaces, leaving the floor in a streak free and uniform condition.

### 3. Monthly

- a) Drains: Pour water down floor drains to prevent gaseous odor.

### 4. Every 4 Months

- a) Chemical Enzyme Solution: Pour a chemical enzyme solution (specified by County) down all floor drains.

## C. Stairwells

### 1. Weekly

- a) Uncarpeted Stairs: Sweep all uncarpeted stair treads and landings with a treated dust mop daily and spot clean as necessary, to remove all spills and stains.
- b) Carpeted Stairs: Vacuum carpeted stairs and spot clean to remove all spills and stains.
- c) Stair Rail: Wipe down all stair rails with a germicidal solution.



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Approve and Authorize a lease with Seecon Financial & Construction Co., Inc., for the Public Works Print & Mail Division, Concord area.

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a lease with Seecon Financial & Construction Co., Inc., for a term of 20 years beginning on December 15, 2020, for approximately 20,452 square feet of office and warehouse space for the Public Works Print & Mail division, located at 4061 Port Chicago Highway, Concord, at an initial annual rent of \$29,655 per month with annual increases thereafter and exercise any options to extend the lease term.

**FISCAL IMPACT:**

100% General Fund.

**BACKGROUND:**

The Print & Mail operation has leased the building at 2366 Stanwell Circle, Concord for almost 20 years. The lease has been on a month-to-month basis since September 1, 2020. The building was built over 40 years ago and is currently in need of many upgrades and repairs with many more anticipated. The electrical switchgear in the current space is obsolete and tenant improvements are needed to provide air conditioning in work areas that are not currently air conditioned.

APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Margaret Eychner, 925.  
957-2463

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Auditor Controller

BACKGROUND: (CONT'D)

Undergoing repairs and tenant improvements would be very disruptive and costly to the Print & Mail operations.

The building at 4061 Port Chicago Hwy meets all current and anticipated future requirements for the Print & Mail operation. It is a newer building, built in 2004. Tenant improvements will be constructed and delivered by the landlord all-inclusive in the rent for turnkey premises. Most importantly, the tenant improvements will have no impact to the Print & Mail operations and the annual rent cost will be similar to what is currently being paid for a much smaller footprint and older building.

CONSEQUENCE OF NEGATIVE ACTION:

The Print & Mail division would remain in the building they currently occupy and the County would be responsible for the many anticipated repairs to the building that would be required for the Print & Mail operation to remain and function efficiently.

ATTACHMENTS

DRAFT Lease

DRAFT Exhibit A

DRAFT Work Letter



## LEASE

Print & Mail  
4061 Port Chicago Highway  
Concord, California

This lease is dated December 15, 2020, and is between SEECON FINANCIAL & CONSTRUCTION CO., INC., a California Corporation (“**Lessor**”) and the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (“**County**”).

### **Recitals**

- A. Lessor is the owner of the real property located at 4061 Port Chicago Highway, Concord, California (the “**Property**”), which has been improved with an approximately 20,452 square foot building (the “**Building**”).
- B. Lessor desires to lease to County and County desires to lease from Lessor the Building and both desire for the County to have with the non-exclusive use of 40 parking stalls in the parking lot adjacent to the Building.
- C. Simultaneous with the execution of this lease, Lessor and County are entering into a work letter that sets forth how tenant improvements in the Building are to be constructed, that Lessor will pay for the construction of the tenant improvements, and the time schedule for completing construction of the tenant improvements (the “**Work Letter**”). The Work Letter is part of this lease.
- D. The initial term of this lease is twenty years. There are four renewal terms of five years each. Rent is subject to adjustment in two ways. Every ten years, rent will be adjusted to reflect the fair market rental value of the Building. In each of the years that rent is not adjusted to reflect the fair market rental value of the Building, rent will be increased based on changes in the consumer price index.

The parties therefore agree as follows:

### **Agreement**

- 1. Lease of Premises. In consideration of the rents and subject to the terms set forth in this lease, Lessor hereby leases to County and County hereby leases from Lessor, the Building.
- 2. Term. The “**Term**” of this lease is comprised of an Initial Term and, at County’s election, Renewal Terms, each as defined below. County may terminate this lease at any time upon one hundred eighty (180) days prior written notice to Lessor without cost or penalty to County.

- a. Initial Term. The “**Initial Term**” is twenty (20) years beginning on the Commencement Date, as defined in the Work Letter.
  - b. Renewal Terms. County has four (4) options to renew this lease for a term of five (5) years for each option (each, a “**Renewal Term**”) upon all the terms and conditions set forth herein.
    - i. County will provide Lessor with written notice of its election to renew the lease not more than six (6) months prior to the end of the Term. However, if County fails to provide such notice, its right to renew the lease will not expire until fifteen working days after County’s receipt of Lessor’s written demand that County exercise or forfeit the option to renew.
    - ii. Upon the commencement of a Renewal Term, all references to the Term of this lease will be deemed to mean the Term as extended pursuant to this Section.
3. Rent. Beginning on the Commencement Date, as defined in the Work Letter, County shall pay the amounts set forth below (“**Rent**”) to Lessor monthly in advance on the tenth day of each month. Rent for any partial month will be prorated at the rate of 1/30 of the applicable monthly Rent per day.
- a. Initial Period. For the 12-month period that begins on the Commencement Date, Rent is equal to \$29,655 per month.
  - b. First Renewal Term. Monthly Rent due during the first year of the first Renewal Term is equal to an amount determined in accordance with Section 4.b. below (Revaluation of Rent).
  - c. Second Renewal Term. Monthly Rent due during the first year of the second Renewal Term is equal to an amount determined in accordance with Section 4.a. below (CPI Increases).
  - d. Third Renewal Term. Monthly Rent due during the first year of the third Renewal Term is equal to an amount determined in accordance with Section 4.b. below (Revaluation of Rent).
  - e. Fourth Renewal Term. Monthly Rent due during the first year of the fourth Renewal Term is equal to an amount determined in accordance with Section 4.a. below (CPI Increases).
4. Adjustments to Rent. Rent will be adjusted in each year after the first year of the Initial Period. In most years, the adjustment to Rent will be based solely on the change to the Consumer Price Index (“**CPI**”). Every ten years, beginning December 1, 2030, Rent will be adjusted to reflect market rates, using the Revaluation Process described below.

a. CPI Increases.

i. Timing and Amount. In each year after the Initial Period, except for the one-year periods that begin on a Revaluation Date, Rent will increase over the amount paid the preceding year by (i) an amount equal to the change in the CPI for the most recent period ending June, based on the CPI Factor, or (ii) two percent (2%), whichever is greater; provided, however, in no event will the increase be more than five percent (5%).

ii. Definitions.

1. “**CPI Factor**” means the percentage by which the “Index,” as defined below, for the most recent one-year period ending April has changed with respect to the Index in effect for the immediately preceding one-year period, calculated to the nearest one-tenth of one percent.
2. “**Index**” means the Consumer Price Index, all Urban Consumers, All Items, for the San Francisco-Oakland-San Jose Metropolitan Area (1982–84 = 100), as published by the Bureau of Labor Statistics of the U.S. Department of Labor, or its successor or a substitute index published as a replacement for that index by the U.S. Department of Labor or by any other United States governmental agency.
3. “**Revaluation Date**” means each of the following: December 1, 2030, and, if Tenant renews the lease, December 1, 2040, December 1, 2050, and December 1, 2060.
4. Notice. Lessor will notify County of any increase in Rent based on a CPI adjustment when the calculation of the CPI adjustment is complete. If the notice is given after the effective date of an increase, County shall pay the increased rent retroactively to the effective date of the increase; provided, however, in no event will Tenant be required to pay the increased rent retroactively for a period greater than six months.

b. Revaluation of Rent.

- i. Timing and Amount. On each Revaluation Date, Rent will be adjusted to reflect the fair market rental value of the Building in accordance with the Revaluation Process described below. The adjustment to Rent that results from the Revaluation Process is the “**Adjustment.**” The total Adjustment is effective on the Revaluation Date. Lessor shall initiate the Revaluation Process prior to each Revaluation Date.
- ii. Conditions of Revaluation. The revaluation of Rent, including any appraisals prepared as part of the Revaluation Process, will be conducted as follows:

1. All negotiations and actions taken by Lessor and County under this Section will be undertaken and conducted by the parties in good faith.
2. If the Revaluation Process is not concluded by the Revaluation Date, the Rent determined by the Revaluation Process described herein will be retroactive to the Revaluation Date to which the Revaluation Process applies. County shall make any retroactive payments of Rent no later than thirty (30) days following the completion of the Revaluation Process.
3. Except as otherwise provided herein, no waiver of any of the provisions of this Section will be deemed to have been, unless made expressly in writing by the duly authorized agent of the waiving party.
4. All time periods specified in this Section will be counted in calendar days.

iii. Revaluation Process. The “**Revaluation Process**” consists of the following:

1. Lessor shall determine the fair market rental value of the Building using the median of comparable commercial buildings using per square foot lease rates in Concord, California (the “**Lessor Revaluation**”) and shall notify County in writing of the amount of the new monthly Rent (the “**Revaluation Notice**”).
2. If County disagrees with the Lessor Revaluation, County may file with Lessor a dispute of the amount of Lessor Revaluation (“**County Dispute**”) and include County’s proposed Rent revaluation amount. The County Dispute must be in writing and delivered to Lessor no later than twenty-one (21) days after the Revaluation Notice is delivered to County (the “**Dispute Period**”). If County does not file a County Dispute with Lessor within the Dispute Period: (i) Lessor Revaluation will automatically be deemed to be accepted by County, (ii) County will be deemed to have waived the right to contest the amount specified in the Revaluation Notice, (iii) the new Rent specified in the Revaluation Notice will become effective on the applicable Revaluation Date, and (iv) the Revaluation Process will be over.
3. If County delivers a County Dispute to Lessor within the Dispute Period, Lessor and County will have twenty-one (21) days following Lessor’s receipt of the County Dispute to attempt to establish a new Rent by negotiation (the “**Rent Negotiation Period**”). The Rent Negotiation Period may not be extended

beyond the initial twenty-one (21) day period except by mutual written agreement. If County and Lessor agree in writing on the new monthly Rent during the Rent Negotiation Period, the new monthly Rent will become effective on the applicable Revaluation Date and both Lessor and County will be deemed to have waived the right to contest such new Rent.

4. If Lessor and County are unable to agree upon a new Rent during the Rent Negotiation Period, then Lessor and County shall each appoint an appraiser to determine the fair market value of the Building. Lessor and County shall identify the name of their appraiser by written notice to the other party. The appointment of the appraiser will be made and notice of the appointment will be given to the other party within twenty-one (21) days after the end of the Rent Negotiation Period (the “**Selection Period**”). Each appraiser must be a member of the American Institute of Real Estate Appraisers, have the designation of Member of the Appraisal Institute (“**MAI**”), and have current appraisal experience in appraising commercial property in the geographic area where the Building is situated. Each party is responsible for paying the fees and costs of its appraiser.

In the event that County does not appoint an appraiser and provide Lessor with written notice of the appointment within the Selection Period: (i) the initial Lessor Revaluation will automatically be deemed to be accepted by County, (ii) the new monthly Rent, specified in the Revaluation Notice will become effective on the applicable Revaluation Date, (iii) County will be deemed to have waived the right to further contest the amount of Lessor Revaluation by arbitration or in any other manner, and (iv) the Revaluation Process will be over.

In the event that Lessor does not appoint an appraiser and provide County with written notice of the appointment within the Selection Period: (i) the monthly Rent will remain unchanged or will equal the fair market rental value determined by County’s appraiser, whichever is greater, (ii) such monthly Rent will become effective on the applicable Revaluation Date, (iii) Lessor will be deemed to have waived the right to contest the amount of the new monthly Rent by arbitration or in any other manner, and (iv) the Revaluation Process will be over.

If Lessor and County each properly appoint an appraiser during the Selection Period, both appraisers will make an independent determination of the fair market rental value of the Building. Each appraisal must be completed and a copy of the appraisal report delivered to the other party no later than sixty (60) days from the

date the appraiser was appointed (the “**Appraisal Period**”) unless otherwise extended by the mutual agreement of Lessor and County.

Upon completion of both appraisals, Lessor and County shall make a final attempt to establish a new monthly Rent by negotiation. If Lessor and County agree in writing on a new monthly Rent, the new monthly Rent will become effective on the applicable Revaluation Date and both Lessor and County will be deemed to have waived the right to contest such new Rent.

5. In the event that Lessor and County cannot agree on a revaluation of the monthly Rent within thirty (30) days following the Appraisal Period, either Lessor or County may declare an impasse in the negotiations by providing written notice of the impasse to the other party. The written notice of impasse (the “**Final Proposal**”) will include all of the following information: (i) a statement that the declaring party has determined that negotiations have reached an impasse; (ii) the declaring party’s final proposed Rent revaluation figure; (iii) a statement that the recipient has ten (10) business days to either give written acceptance of the amount of the Rent revaluation specified in the Final Proposal or deliver a counter-final proposal (the “**Counter-Final Proposal**”) to the declaring party; and (iv) any other supplementary information as the declaring party deems appropriate. The party upon whom the Final Proposal is served shall then have ten (10) business days following receipt of the Final Proposal to either accept the Final Proposal or to reject the Final Proposal and deliver a Counter-Final Proposal to the declaring party. If either the Final Proposal or the Counter-Final Proposal is accepted in writing, then the new monthly Rent will become effective on the applicable Revaluation Date and both Lessor and County will be deemed to have waived the right to contest such new Rent.

If neither the Final Proposal nor the Counter-Final Proposal is accepted, not later than forty-five (45) days after delivery of the Final Proposal, the appraiser selected by Lessor and the appraiser selected by County will jointly select a third appraiser with the designation of MAI and with current appraisal experience in appraising commercial property in the geographic area where the Building is situated. The third appraiser will determine the fair market value of the Building. The third appraiser will render a final written decision within thirty (30) days of his or her appointment. The cost of the third appraiser will be shared equally by Lessor and County. The appraiser’s decision is binding on all parties and will apply retroactively to the Revaluation Date.

5. Operating Expenses. In addition to Rent, County shall pay Lessor the amounts set forth below (collectively, “**Operating Expenses**”). Lessor shall invoice County for any Operating Expenses due within ninety days after the end of each calendar year during the Term. County shall pay the amount so invoiced within thirty days of receipt of the invoice. County has the right, exercisable upon reasonable prior written notice to Lessor, to inspect Lessor’s books and records relating to the amounts charged to County as Operating Expenses. County shall cause any such inspection to occur within ninety days of receipt of the annual invoice.

a. Real Property Taxes. Real Property Tax Expense, as defined below.

“**Real Property Tax Expense**” means the amount of Real Property Taxes, as defined below, paid or incurred by Lessor in any calendar year (or portion thereof).

“**Real Property Taxes**” means and includes all taxes, assessments (amortized over the longest period available to Lessor) levied or assessed upon the Building and the real property upon which it is situated, any state or local business taxes or fees measured by or assessed upon gross rentals or receipts, and other governmental charges, general and special, including, without limitation, assessments for public improvements or benefits, that are, during the Term of this Lease, assessed, levied, and imposed by any governmental authority upon the Building. Real Property Taxes do not include any late fees or penalties, any municipal, county, state or federal net income, estate, succession, inheritance, sales, use or franchise taxes of Lessor or documentary transfer taxes, or tax increases of any kind in connection with the transfer, sale or change in ownership of all or part of the Building.

At the County’s election, the County may pay the Real Property Taxes (i) directly to the taxing authority, or (ii) to Lessor, as reimbursement for Real Property Taxes paid by Lessor. County has Lessor’s consent to work with the County Assessor to cause the Premises to be exempt from property taxes during the period of time that it is occupied by County. If County undertakes this effort, Lessor shall take all steps reasonably requested by County to bring about such exemption.

b. Insurance. Insurance Expense, as defined below.

“**Insurance Expense**” means the amount of Insurance, as defined below, actually paid or incurred by Lessor in any calendar year (or portion thereof).

“**Insurance**” means the All Risk Property Insurance maintained by Lessor covering the Building and the Warehouse and all improvements thereto for perils including fire and earthquake, if applicable, for an amount equal to full replacement cost; liability and other insurance that Lessor reasonably deems necessary on the Premises or that may be required by Lessor’s mortgagee, including, but not limited to, earthquake, and flood insurance.

- c. CAM Charges. CAM Charges, as defined below.

“**CAM Charges**” means common area maintenance charges and includes (i) all actual costs and expenses incurred by Lessor to operate and maintain the Building, including the Building’s entrances, walkways, sidewalks, lavatories, parking facilities, driveways, and landscaped areas, including the cost of water and the cost of garbage removal, and (iii) an administrative fee for services rendered by a third party manager that is equal to no more than ten percent of the total CAM Charges, excluding administrative expenses, taxes, and insurance premiums.

Notwithstanding any provision of this Lease to the contrary, Lessor and County acknowledge and agree that the following items are excluded from CAM Charges or other Operating Expenses to be reimbursed or paid by County:

- i. Payments on any loans or ground leases affecting the Building.
- ii. Depreciation of any Building or any major systems of Building service equipment.
- iii. All costs and expenses associated with leasing to other tenants, including tenant improvements allowances, attorneys’ fees, brokerage commissions, and architectural fees, if any.
- iv. Any cost incurred in complying with hazardous materials laws.
- v. Capital taxes, income taxes, corporate taxes, corporation capital taxes, excise taxes, profits taxes or other taxes personal to the Lessor.

6. Payment of Operating Expenses.

- a. Annual Estimates. At the beginning of each year, Lessor shall provide County with a reasonable estimate of the amount of Additional Rent due for the upcoming year (or portion thereof). That amount will be divided by the number of months in the year (or portion thereof) to determine the “**Estimated Monthly Operating Expenses**.”
- b. Monthly Payments. County shall pay the Estimated Monthly Operating Expenses monthly in advance on the first day of each month. Operating Expenses for any fractional month will be prorated and computed on a daily basis with each day’s Operating Expenses equal to one-thirtieth (1/30) of the then-current Operating Expenses.
- c. Annual Reconciliation. Within 180 days after the end of the calendar year, or, if applicable, within 180 days after the end of the term, Lessor shall (i) calculate the actual Operating Expenses due for the relevant period, and (ii) provide County with a statement that compares the actual expenses incurred by Lessor for the relevant period with the total payments of Estimated Monthly Operating Expenses paid by the County during such period (a “**Reconciliation Statement**”). If County’s total



payments of Estimated Monthly Operating Expenses for the period are less than the amount of actual expenses incurred by Lessor, County shall pay to Lessor the amount of such deficiency within 30 days after receipt of the Reconciliation Statement. If County's total payments of Estimated Monthly Operating Expenses for such period exceed actual expenses incurred by Lessor for such period, Lessor shall refund the excess to County within 30 days after the County's demand therefor.

- d. Inspection of Books. County has the right to inspect and audit Lessor's books and records relating to the amounts charged to County as Operating Expenses and to set forth specific objections to amounts charged to County. If the County's inspection and audit reveals the County was overcharged for Operating Expenses, Lessor shall remit the amount overcharged to County with interest at a rate of one percent (1.0 %) per month from the date of overpayment until the date paid to County in full within 30 days of demand therefor. Lessor shall retain all relevant records for at least two years. County shall cause any such inspection to occur within eighteen months of receipt of the Reconciliation Statement. County may not cause such inspection to occur more than once in any twelve-month period. In no event may this section be deemed to allow any review of Lessor's records by any subtenant of County.
7. First Year Estimated Monthly Operating Expenses. The Estimated Monthly Operating Expenses for the first year of the Term is \$6,545.00 per month.
8. Utilities and Janitorial Services. County shall pay for all gas, electric, and janitorial services provided to the interior of the Building. Lessor shall pay for all water, sewer and refuse collection services provided to the exterior of the Building.
9. Use. County may use the Building for the purpose of conducting various functions of County and any other purpose permitted by law.
10. Maintenance and Repairs.
  - a. Roof and Exterior of Building. Lessor shall keep the roof and exterior of the Building in good order, condition, and repair, and shall maintain the structural integrity of the Building, including the exterior doors and their fixtures, closers and hinges, exterior windows, glass and glazing used in the Building.
  - b. Interior of Building. County shall keep and maintain the interior of the Building in good order, condition and repair, but Lessor shall repair damage to the interior caused by its failure to maintain the exterior in good repair, including damage to the interior caused by roof leaks and/or interior and exterior wall leaks. The County may install and maintain an alarm system, if deemed necessary by County.
  - c. Utility Systems. Lessor shall repair and maintain the electrical, lighting, water and plumbing systems in good order, condition and repair.
  - d. HVAC. Lessor shall maintain and repair the heating, ventilating, and air-conditioning (HVAC) systems.

- e. Parking; Exterior Lighting; Landscaping. Lessor shall maintain the parking lot and exterior lighting system, and landscaping, in good order, condition and repair.
  - f. Life Safety. Lessor shall maintain and repair any and all Life Safety systems designed to protect and evacuate the building population in emergencies, including but not limited to fires, earthquakes and power failures in compliance with the then current governmental codes.
  - g. Services by Lessor. If County determines that the Building is in need of maintenance, construction, remodeling or similar service that is beyond Lessor's responsibilities under this lease, at County's request, Lessor shall perform such service at County's expense. In performing the service, Lessor shall consult with County and use either licensed insured contractors or employees of Lessor. Lessor shall obtain County's prior written approval of the scope, terms, and cost of any contracts. County may, by giving Lessor thirty (30) days prior written notice, change the level of service, terminate any or all service, or require that a service be performed by a different contractor.
11. Quiet Enjoyment. Provided County is in compliance with the material terms of this lease, Lessor shall warrant and defend County in the quiet enjoyment and possession of the Building during the Term.
  12. Right of First Refusal. During the term of the lease and any option periods thereafter, County shall have the one-time right to match an offer to purchase the property. However, the right of first refusal excludes inter-family and affiliated business transfers and only applies to third-party arm's length transactions.
  13. Subordination, Non-Disturbance and Attornment. If at any time Lessor has a loan that is secured by a lien of a mortgage or deed of trust encumbering the Building, Lessor shall cause the lender(s) holding such lien to execute and deliver to County a Subordination, Non-Disturbance and Attornment Agreement that is in substantial conformity with Exhibit A hereto.
  14. Assignment and Sublease. County has the right to assign this lease or sublease the Building or any part thereof at any time during the Term. Upon the assignment of the lease by County, the County will have no further obligation under the lease.
  15. Alterations; Fixtures and Signs. County may (i) make any lawful and proper minor alterations to the Building and (ii) attach fixtures and signs ("**County Fixtures**") in or upon the Building. Any County Fixtures will remain the property of County and may be removed from the Building by County at any time during the Term. County is responsible for the cost of all alterations and County Fixtures. All alterations and County Fixtures are subject to Lessor's approval and must comply with existing code requirements.
  16. Prior Possession. Prior to the Commencement Date and with Lessor's written approval County has the right to install fixtures, telephones, alarm systems, and other items

required to prepare the Building for County's occupancy and to store furniture, supplies and equipment, provided such work and storage can be effected without unduly interfering with Lessor's completion of any tenant improvements.

17. Insurance.

a. Liability Insurance. Throughout the Term, County shall maintain in full force and effect, at its sole expense, a general self-insurance program covering bodily injury (including death), personal injury, and property damage, including loss of use. County shall provide Lessor with a letter of self-insurance affirming the existence of the aforementioned self-insurance program.

b. Self-Insurance Exclusion. County's self-insurance does not provide coverage for (i) areas to be maintained by Lessor under this lease, or (ii) negligence, willful misconduct, or other intentional act, error or omission of Lessor, its officers, agents, or employees.

18. Surrender of Building. On the last day of the Term, or sooner termination of this lease, County shall peaceably and quietly leave and surrender to Lessor the Building, along with appurtenances and fixtures at the Building (except County Fixtures), all in good condition, ordinary wear and tear, damage by casualty, condemnation, acts of God and Lessor's failure to make repairs required of Lessor excepted. County is not responsible for painting or for repairing or replacing any floor coverings in the Building upon the expiration or earlier termination of this lease.

19. Waste, Nuisance. County may not commit, or suffer to be committed, any waste upon the Building, or any nuisance or other act or thing that may disturb the quiet enjoyment of any other occupant of the Building.

20. Inspection. Lessor, or its proper representative or contractor, may enter the Building by prior appointment between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted, to determine that (i) the Building is being reasonably cared for, (ii) no waste is being made and that all actions affecting the Building are done in the manner best calculated to preserve the Building, and (iii) County is in compliance with the terms and conditions of this lease.

21. Perilous Conditions. If the County's Director of Public Works becomes aware of a perilous condition on the Building that, in his or her opinion, substantially and significantly threatens the health and safety of County employees and/or invitees (a "**Perilous Condition**"), the Director of Public Works, or his or her designee, will immediately notify Lessor of such Perilous Condition and Lessor shall use best efforts to immediately eliminate the Perilous Condition.

Lessor shall immediately address any condition reasonably constituting an emergency, whether Lessor learns of the condition through County or otherwise.

If Lessor fails to address a Perilous Condition within twenty-four (24) hours after County's notice or to immediately address an emergency situation, County may attempt to resolve the Perilous Condition or emergency situation. Lessor shall reimburse County for any costs incurred by County in addressing the Perilous Condition or emergency situation promptly upon receipt of County's invoice.

22. Destruction. If damage occurs that causes a partial destruction of the Building during the Term from any cause and repairs can be made within sixty days from the date of the damage under the applicable laws and regulations of governmental authorities, Lessor shall repair the damage promptly. Such partial destruction will not void this lease, except that County will be entitled to a proportionate reduction in Rent while such repairs are being made. The proportionate reduction in Rent will be calculated by multiplying Rent by a fraction, the numerator of which is the number of square feet that are unusable by County and the denominator of which is the total number of square feet in the Building.

If repairs cannot be made in sixty days, County will have the option to terminate the lease or request that Lessor make the repairs within a reasonable time, in which case, Lessor will make the repairs and Rent will be proportionately reduced as provided in the previous paragraph.

This lease will terminate in the event of a total destruction of the Building.

23. Hazardous Material. Lessor warrants to County that Lessor does not have any knowledge of the presence of Hazardous Material (as defined below) or contamination of the Building in violation of environmental laws. Lessor shall defend, save, protect and hold County harmless from any loss arising out of the presence of any Hazardous Material on the Building that was not brought to the Building by or at the request of County, its agents, contractors, invitees or employees. Lessor acknowledges and agrees that County has no obligation to clean up or remediate, or contribute to the cost of clean-up or remediation, of any Hazardous Material unless such Hazardous Material is released, discharged or spilled in the Building by County or any of its agents, employees, contractors, invitees or other representatives. The obligations of this Section shall survive the expiration or earlier termination of this lease.

**“Hazardous Material”** means any substance, material or waste, including lead based paint, asbestos and petroleum (including crude oil or any fraction thereof), that is or becomes designated as a hazardous substance, hazardous waste, hazardous material, toxic substance, or toxic material under any federal, state or local law, regulation, or ordinance.

24. Indemnification.
- a. County. County shall defend, indemnify and hold Lessor harmless from County's share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys' fees, caused by the willful misconduct or the negligent acts, errors, or omissions of County, its officers, agents or employees in using the Building pursuant to this lease, or the County's performance under this lease, except to the extent caused or contributed to by (i) the

structural, mechanical, or other failure of the Building and/or (ii) the negligent acts, errors, or omissions of Lessor, its officers, agents, or employees.

- b. Lessor. Lessor shall defend, indemnify and hold County harmless from Lessor's share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys' fees, caused by the willful misconduct or the negligent acts, errors or omissions of Lessor, its officers, agents, or employees with respect to the Building, or Lessor's performance under this lease, or the Lessor's performance, delivery or supervision of services at the Building, or by the structural, mechanical or other failure of the Building, except to the extent caused or contributed to by the negligent acts, errors, or omissions of County, its officers, agents, or employees.

25. Default.

The occurrence of any of the following events is a default under this lease:

- a. County.
  - i. County's failure to pay Rent within ten business days after receipt of a written notice of failure (a "Notice") from Lessor to County; provided, however, that County will have additional time if its failure to pay Rent is due to circumstances beyond its reasonable control, including, without limitation, failure of the County's Board of Supervisors to adopt a budget. In no event may such additional time exceed seventy-five days from receipt of a Notice.
  - ii. County's failure to comply with any other material term or provision of this lease if such failure is not remedied within thirty days after receipt of a Notice from Lessor to County specifying the nature of the breach in reasonably sufficient detail; provided, however, if such default cannot reasonably be remedied within such thirty day period, then a default will not be deemed to occur until the occurrence of County's failure to comply within the period of time that may be reasonably required to remedy the default, up to an aggregate of ninety days, provided County commences curing such default within thirty days and thereafter diligently proceeds to cure such default.
- b. Lessor. Lessor's failure to perform any obligation under this lease if such failure is not remedied within thirty days after receipt of a Notice from County to Lessor specifying the nature of the breach in reasonably sufficient detail; provided, however, if such breach cannot reasonably be remedied within such thirty day period, then a default will not be deemed to occur until the occurrence of Lessor's failure to perform within the period of time that may be reasonably required to remedy the breach, up to an aggregate of ninety days, provided Lessor commences curing such breach within thirty days and thereafter diligently proceeds to cure such breach.

26. Remedies.
- a. Lessor. Upon the occurrence of a default by County, Lessor may, after giving County written notice of the default, and in accordance with due process of law, reenter and repossess the Building and remove all persons and property from the Building.
  - b. County. Upon the occurrence of a default by Lessor, County may (i) terminate this lease by giving written notice to Lessor and quit the Building without further cost or obligation to County or (ii) proceed to repair or correct the failure and, at County's option, either deduct the cost thereof from Rent due to Lessor, or invoice Lessor for the cost of repair, which invoice Lessor shall pay promptly upon receipt.

27. Notices. Any notice required or permitted under this lease shall be in writing and sent by overnight delivery service or registered or certified mail, postage prepaid and directed as follows:

INC.,	To Lessor:	SEECON FINANCIAL & CONSTRUCTION CO., Attn: Sierra Pacific Properties, Inc. 1800 Willow Pass Court Concord, CA 94520
	To County:	Contra Costa County Public Works Department Attn: Principal Real Property Agent 40 Muir Road, 2 <sup>nd</sup> Floor, Martinez, CA 94553

Either party may at any time designate in writing a substitute address for that set forth above and thereafter notices are to be directed to such substituted address. If sent in accordance with this Section, all notices will be deemed effective (i) the next business day, if sent by overnight courier, or (ii) three days after being deposited in the United States Postal system.

- 28. Successors and Assigns. This lease binds and inures to the benefit of the heirs, successors, and assigns of the parties hereto.
- 29. Holding Over. Any holding over after the Term of this lease is a tenancy from month to month and is subject to the terms of this lease.
- 30. Time is of the Essence. In fulfilling all terms and conditions of this lease, time is of the essence.
- 31. Governing Law. The laws of the State of California govern all matters arising out of this lease.

32. Severability. In the event that any provision herein contained is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this lease will not in any way be affected or impaired.
33. Real Estate Commission. In negotiating this lease, Lessor is represented by Colliers International and the County represents itself. Lessor shall pay a real estate commission to Colliers International pursuant to a separate written agreement. Lessor recognizes and acknowledges that the County is entitled to a real estate commission when it represents itself. The County warrants to Lessor that County's contact with Lessor in connection with this Lease has been directly with Colliers International.

Lessor shall pay to County a real estate commission in the amount of \$101,987.00 (the "**County Commission**"). Lessor shall pay one-half of the County Commission upon the execution of this lease and the remainder on the Commencement Date.

[Remainder of Page Intentionally Left Blank]

34. Entire Agreement; Construction; Modification. Neither party has relied on any promise or representation not contained in this lease. All previous conversations, negotiations, and understandings are of no further force or effect. This lease is not to be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. This lease may be modified only by a writing signed by both parties.

The parties are executing this lease on the date set forth in the introductory paragraph.

COUNTY OF CONTRA COSTA, a  
political subdivision of the State of  
California

Seecon Financial & Construction Co., Inc.,

By: \_\_\_\_\_  
Brian M. Balbas  
Director of Public Works

By: \_\_\_\_\_  
Douglas W. Messner  
Vice President

By: \_\_\_\_\_  
Mark D. Wickham  
Vice President

RECOMMENDED FOR APPROVAL:

By: \_\_\_\_\_  
Jessica L. Dillingham  
Principal Real Property Agent

By: \_\_\_\_\_  
Margaret Eychner  
Senior Real Property Agent

APPROVED AS TO FORM  
SHARON L. ANDERSON, COUNTY COUNSEL

By: \_\_\_\_\_  
Kathleen M. Andrus  
Deputy County Counsel



EXHIBIT A  
FORM OF SNDA

DRAFT

Exhibit A

Recorded at the request of:  
Contra Costa County

Return to:  
Contra Costa County  
Public Works Department  
255 Glacier Drive  
Martinez, CA 94553

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Assessor's Parcel No. 159-050-052

**Subordination, Non-Disturbance and Attornment Agreement**

This agreement is dated December 15, 2020, and is between the County of Contra Costa, a political subdivision of the State of California (the “**Tenant**”), and \_\_\_\_\_, a \_\_\_\_\_, its successors and assigns (the “**Lender**”), having its principal place of business at \_\_\_\_\_.

Recitals

- A. Pursuant to a lease dated December 15, 2020 (the “**Lease**”) between the Tenant and Seecon Financial & Construction Co., Inc., a California Corporation (the “**Landlord**”), Landlord is leasing to the Tenant certain space in the building located at 4061 Port Chicago Hwy, Concord, California, more fully described in Exhibit A attached hereto and made a part hereof (the “**Property**”).
- B. Lender has previously made a loan (the “**Loan**”) to Landlord that is secured, in part, by the lien of a mortgage or deed of trust executed and delivered by Landlord to Lender encumbering the Property (the “**Mortgage**”) and an assignment of all leases of and rents from the Property
- C. This agreement is being executed by the parties in accordance with the requirements of Section 13 of the Lease.

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. Tenant hereby represents, acknowledges and agrees as follows:
  - (a) The Lease contains an option to purchase an ownership interest in the building, and a right of first refusal to purchase an ownership interest in the building.

- (b) The term of the Lease commences on the Commencement Date, as defined in the Work Letter.
- (c) The current monthly rent payment under the Lease is set forth in Section 3 of the Lease. No advance rents have been prepaid.
- (d) The improvements described in the Lease have not been completed or accepted by Tenant.
- (e) Tenant has not sublet any portion of the leased premises or assigned any of its rights under the Lease.
- (f) Upon its execution, the Lease will be in full force and effect.
- (g) All rent payments will be paid as provided under the Lease until Tenant has been otherwise notified by Lender or its successors and assigns.
- (h) If Lender provides Tenant with Lender's address for notification purposes, Tenant will deliver to Lender a copy of all notices Tenant delivers to or receives from Landlord.
- (i) Tenant will not look to Lender or its successors or assigns for the return of the security deposit, if any, under the Lease, except to the extent that such funds are delivered to Lender.

2. The Lease and all terms thereof, including, without limitation, any options to purchase, rights of first refusal, and any similar rights, are subject and subordinate to the Mortgage, and to all amendments, modifications, replacements and extensions thereof, to the full extent of the principal, interest, fees, expenses and all other amounts secured thereby.

3. If Lender elects to foreclose the Mortgage, Lender will not join Tenant in summary or foreclosure proceedings unless required by applicable law (and then only to the extent so required) as long as Tenant has not amended the Lease without Lender's prior written consent and is not in default under the Lease.

4. In the event that Lender succeeds to the interest of Landlord under the Lease and there exists no default by Tenant under the Lease and Tenant has not amended the Lease without Lender's prior written consent, Lender agrees not to disturb or otherwise interfere with Tenant's possession of the leased premises for the unexpired term of the Lease, provided that Lender is not:

- (a) Liable for any act or omission of Landlord or any prior landlord under the Lease;
- (b) Subject to any offsets or defenses that Tenant might have against Landlord or any prior landlord;

- (c) Bound by any rent or additional rent that Tenant might have paid for more than the current month to Landlord;
- (d) Bound by any amendment or modification of the Lease made without Lender's prior written consent; or
- (e) Liable for any security deposit Tenant might have paid to Landlord, except to the extent Lender has actually received said security deposit.

5. Upon Lender's succeeding to Landlord's interest under the Lease, Tenant covenants and agrees to attorn to Lender or a purchaser at a foreclosure or trustee's sale, to recognize such successor landlord as Tenant's landlord under the Lease, and to be bound by and perform all of the obligations and conditions imposed on Tenant by the Lease. If requested by Lender or any subsequent owner, Tenant shall execute a new lease with Lender, for a term equal to the remaining term of the Lease and otherwise containing the same provisions and covenants of the Lease.

6. Prior to terminating the Lease due to a default by Landlord thereunder, Tenant agrees to notify Lender of such default and give Lender the opportunity to cure such default within thirty (30) days of Lender's receipt of such notice (or, if such default cannot reasonably be cured within such thirty (30) day period, Lender will have such longer time as may be necessary to cure the default provided that Lender commences the cure within such period and diligently pursues the cure thereafter).

7. This agreement binds and inures to the benefit of the respective heirs, personal representatives, successors and assigns of the parties hereto.

[Remainder of Page Intentionally Left Blank]

8. This agreement may be modified only in a writing duly executed by both parties.

The parties are signing this agreement as of the date set forth in the introductory clause.

**COUNTY**

COUNTY OF CONTRA COSTA, a  
political subdivision of the State of  
California

By \_\_\_\_\_  
Brian M. Balbas  
Director of Public Works

**LENDER**

Name of Lender., a  
\_\_\_\_\_

By \_\_\_\_\_  
Name  
Title

By \_\_\_\_\_  
Name  
Title

**[Attach Notary Forms]**

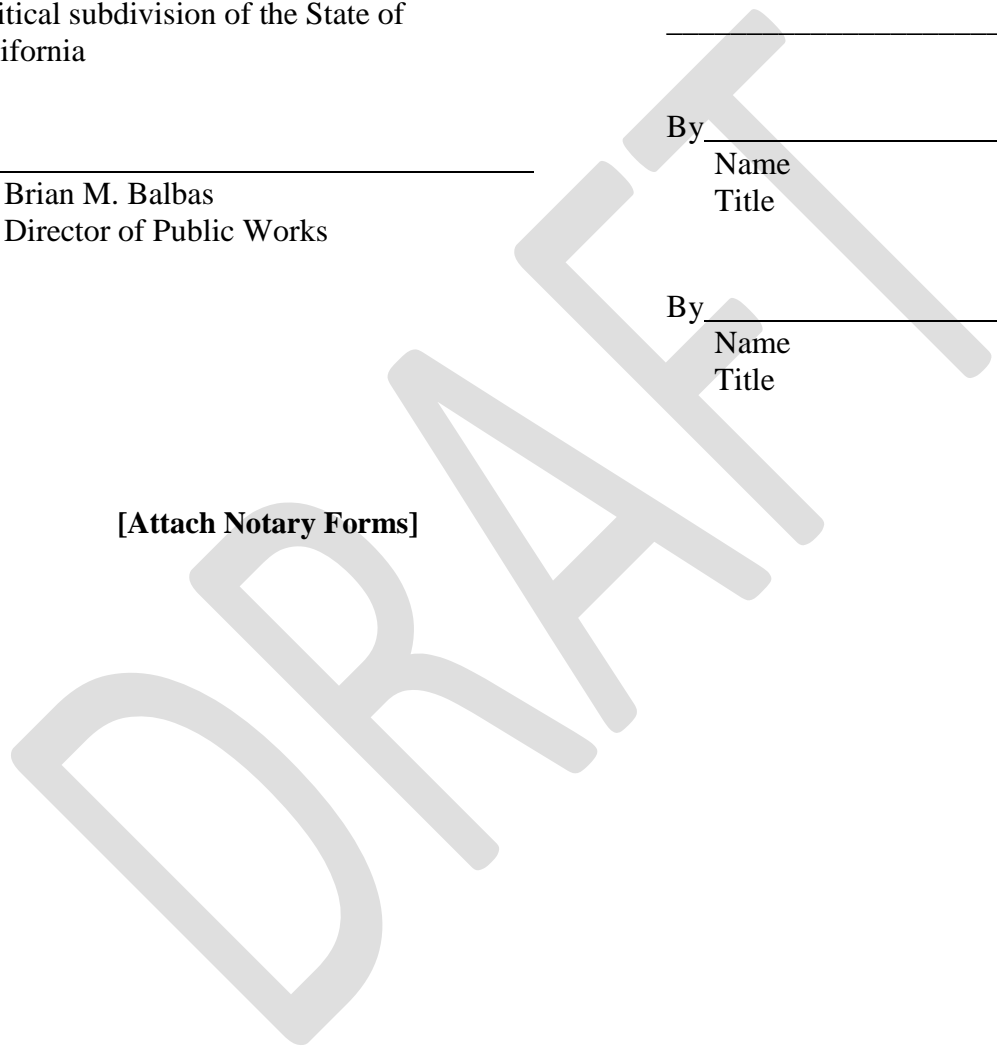


Exhibit A

[Legal Description of Property]

DRAFT

## WORK LETTER

Print & Mail  
4061 Port Chicago Hwy  
Concord, CA

December 15, 2020

This work letter (“**Work Letter**”) is part of the lease (“**Lease**”) executed concurrently herewith between SEECON FINANCIAL & CONSTRUCTION CO., INC., a California Corporation, as landlord (“**Lessor**”), and the County of Contra Costa, as tenant (“**County**”), under which the County is leasing the building located at 4061 Port Chicago Highway, Concord, California, as more particularly described in the Lease (the “**Building**”).

Lessor and County mutually agree as follows:

1. Terms. All capitalized terms not defined herein have the meanings ascribed to them in the Lease. The provisions of this Work Letter supplement the Lease and are specifically subject to the provisions of the Lease. If there is a conflict between the provisions of the Lease and the provisions of this Work Letter, the provisions of the Lease control. Whenever the approval of County is required hereunder, approval is required of the County’s Director of Public Works or his designee (the “**County Representative**”).
2. Lessor's Representation and Warranties. Lessor represents and warrants to County that Lessor is the owner of the Building, and the Building is presently zoned to permit its use for the purposes contemplated by this Work Letter and the Lease and is free of any covenants, restrictions and other encumbrances. In addition, Lessor represents and warrants that the individuals signing this Work Letter on behalf of Lessor are authorized to do so.

Lessor covenants and agrees that it will cause the Substantial Completion Date, as defined below, to occur no later than March 31, 2021.

3. Tenant Improvements. Subject to the conditions set forth below, Lessor, at its sole cost and expense, shall construct and install the improvements to the Premises that are described on Schedule 1 attached hereto and incorporated herein (the “**Tenant Improvements**”) in accordance with (i) the Space Plans, as defined below, (ii) the Construction Schedule, attached hereto as Schedule 3 – Construction Schedule, and (iii) the Final Plans, as defined below. Any other work on the Premises is to be performed at County’s expense by County, or, if requested by County, Lessor (“**Tenant’s Work**”). The Lessor may not charge an administrative fee in connection with Tenant’s Work.

For purposes of this Work Letter, “**Construction Schedule**” means the schedule that (i) has been agreed upon by Lessor and County, (ii) identifies the work to be accomplished to complete the Tenant Improvements and the sequence of that work, and (iii) sets forth the dates by which certain components of the work must be completed.

4. Plans.

- a. Except as otherwise provided in this Section 4, prior to the execution of the Lease, Lessor and County approved in writing space plans for the build-out of the Tenant Improvements and an estimate of the cost to design and/or construct the Tenant Improvements for the Premises that were prepared by Lessor or Lessor’s designated architect (the “**Space Plans**”). A copy of the Space Plans is attached hereto as Schedule 2.
- b. In the event that Lessor and County enter into the Lease prior to reaching agreement on the Space Plans, Lessor and County shall cooperate in good faith to finalize the Space Plans without delay. County shall fully cooperate by providing Lessor, its architects, engineers, and contractors with timely information and approvals of plans, drawings, and specifications. Any acts by County to delay or otherwise act negligently or in bad faith in approving the Space Plans and/or cooperating with Lessor in the design and construction of the Tenant Improvements will result in a Tenant Delay (as hereinafter defined) under this Work Letter. Upon agreement by Lessor and County on the Space Plans, a true and correct copy will be attached to this Work Letter as Schedule 2.
- c. Lessor shall pay for all architectural and engineering fees and costs incurred in connection with the Tenant Improvements depicted on the Final Plans, as defined below, including architectural plans required to depict accessibility routes for the Building in general. Any and all architectural and engineering fees and costs incurred as a result of changes in the Final Plans requested by County will be County’s sole responsibility and paid for by County as additional rent within ten (10) days after receipt of invoices from Lessor showing that such additional fees or costs have been incurred.

5. Modifications to the Plans.

- a. Lessor and County acknowledge that the Space Plans may not depict certain structural elements of the Building and/or various elements of the Building systems that may necessitate modifications to the Space Plans and specifications for the Tenant Improvements (collectively “**Structural Modifications**”). Furthermore, any final plans and specifications for the construction of the Tenant Improvements may require modification to account for Applicable Laws and Restrictions. “**Applicable Laws and Restrictions**” means all laws (including, without limitation, the Americans with Disabilities Act), building codes, ordinances, regulations, title covenants, conditions, and restrictions, and casualty underwriters requirements applicable to the



Premises and the Tenant Improvements. Within sixty days after the date of the Lease, Lessor shall cause to be prepared final plans and specifications in substantial conformity with the Space Plans, taking into account (i) Structural Modifications, (ii) the requirements of the Applicable Laws and Restrictions, (iii) other modifications resulting from physical constraints of the Premises, and (iv) modifications requested by County and consented to by Lessor, which consent may not be unreasonably withheld (the “**Final Plans**”). Once completed, the Final Plans will be attached to this Work Letter as Schedule 4.

- b. Any and all modifications of, or amendments to, the Space Plans and the Final Plans (including all working drawings and other supplements thereto, but excluding immaterial field changes and Structural Modifications), are subject to the prior written approval of County. Material "or equal" items or substitute items provided for in the specifications forming part of the Final Plans are subject to the prior written approval of County, which approval may not be unreasonably withheld or delayed. Samples of such “or equal” or substitute materials, together with any additional supplemental information that may be necessary for County's review, are to be submitted to County in a timely manner.
6. Inspections. The County and its representatives may enter the Premises at all reasonable times for the purpose of inspecting the progress of construction of the Tenant Improvements.
  7. Compliance with Laws; Standards of Performance. Lessor, at its expense, shall (i) obtain all approvals, permits and other consents required to commence, perform and complete the Tenant Improvements, and, if applicable, shall deliver a certificate of occupancy to County, and (ii) cause the Tenant Improvements to be constructed in accordance with the following performance standards: the Tenant Improvements are to be constructed by well-trained, adequately supervised workers, in good and workmanlike manner, free from design, material and workmanship defects in accordance with the Final Plans and all Applicable Laws and Restrictions (the “**Performance Standards**”). Lessor warrants that all Tenant Improvements shall be constructed in accordance with the Performance Standards. Notwithstanding anything to the contrary in the Lease or this Work Letter, County’s acceptance of possession of the Premises does not waive this warranty and Lessor shall promptly remedy all violations of the warranty at its sole cost and expense.
  8. Completion Notice; Inspection; Substantial Completion Date.
    - a. When Lessor deems construction of the Tenant Improvements to be Substantially Complete, as defined below, Lessor shall tender delivery to County by delivering a “**Completion Notice**” in substantial conformity with Schedule 5. For purposes of this Work Letter, the phrase “**Substantially Complete**” means (i) construction of the Tenant Improvements has been substantially completed in accordance with the Performance Standards, (ii) there is no incomplete or defective work that unreasonably interferes with County’s use of the Premises, (iii) all necessary

government approvals for legal occupancy of the Tenant Improvements have been obtained (including, if applicable, a Certificate of Occupancy), and (iv) all utilities are hooked up and available for use by County in the Premises.

- b. Upon receipt of the Completion Notice, a representative of the County, a representative of Lessor, and the Architect will immediately inspect the Tenant Improvements for the purpose of establishing that the Tenant Improvements are Substantially Complete. Once County and the Architect are satisfied that the Tenant Improvements appear to be Substantially Complete, both shall so indicate by countersigning the Completion Notice. The Premises will be deemed delivered to County on the day that both County and the Architect have countersigned the Completion Notice (the “**Commencement Date**” and the “**Substantial Completion Date**”).
9. Delay. The Commencement Date will be delayed by one day for each day of delay in the design or completion, of the Tenant Improvements that is caused by a Lessor Delay, as defined below. The Commencement Date will not be delayed due to a County Delay, as defined below. No Lessor Delay, or County Delay will be deemed to have occurred unless and until the party claiming the delay provides written notice to the other party specifying the action or inaction that constitutes a Lessor Delay, or County Delay, as applicable. If such action or inaction is not cured within one day after receipt of the notice, then a Lessor Delay, or County Delay, as set forth in the notice, will be deemed to have occurred commencing as of the date the notice is received and continuing for the number days the design or completion of the Tenant Improvements is in fact delayed as a direct result of such action, inaction or event.
- a. The term “**Lessor Delay**” means any actual delay in the design of the Final Plans or in the completion of Tenant Improvements that is caused solely by any of the following: (i) Lessor not responding to requests for authorization or approval within the time period provided for a response to such request or, if no such time is stated, beyond a reasonable time therefore, and (ii) the acts or failures to act, whether willful, negligent, or otherwise, of Lessor, its agents, or contractors, to the extent contrary to the terms hereof.
  - b. The term “**County Delay**” means any actual delay in the design and/or completion of Tenant Improvements that is caused solely by any of the following: (i) changes in the Space Plans or the Final Plans requested by County, (ii) the County not furnishing information or giving any approvals or authorizations within the time limits set forth for such performance in this Work Letter, or if no time is set forth for such performance in this Work Letter, then a reasonable time therefor, and (iii) the acts or failures to act, whether willful, negligent, or otherwise, of County, its agents, or contractors, to the extent contrary to the terms hereof.
10. Punchlist. County has sixty days after the Substantial Completion Date to provide Lessor with a written list of any items that are defective, incomplete, or do not conform to the

Final Plans or to Applicable Laws and Restrictions (a “**Punchlist**”). County’s failure to specify any item on the Punchlist, however, does not waive Lessor’s obligation to construct the Tenant Improvements in accordance with this Work Letter. Lessor shall remedy all items on the Punchlist as soon as practicable and in any event within thirty days of Lessor receiving the Punchlist. If Lessor fails to remedy all items on the Punchlist within the thirty-day period (exempt as to items, if any, that require more than thirty days to complete), then County may, upon twenty days prior notice to Lessor, complete any Punchlist items and deduct the cost of such work from the Rent next coming due under the Lease in an amount not to exceed twenty-five percent (25%) of the Rent per month for a period not to exceed six months.

11. Tenant's Work.

- a. Any item of work not shown in the Final Plans, including, for example, telephone and data service or furnishings ("**Tenant's Work**"), may be performed by County through contractors selected by County and approved by Lessor; which approval may not be unreasonably withheld or delayed. Upon a timely request by County, Lessor shall perform the Tenant's Work through contractors selected by Lessor and approved by County. If Lessor performs the Tenant's Work, County shall reimburse Lessor for the full cost thereof upon receipt by County of receipted invoices for work performed or materials supplied. If County performs all or any portion of the Tenant's Work, Lessor shall allow County prompt and reasonable access to the Premises, provided, in Lessor's reasonable opinion, the Tenant’s Work can be performed by County without undue interference with the completion of the Tenant Improvements.
- b. Lessor shall furnish water, electricity, and HVAC to the Premises during the performance of any of Tenant's Work during normal working hours of the Tenant Improvement project, without charge to County.

12. County’s Right to Terminate. County may terminate the Lease and this Work Letter by delivering a written termination notice to Lessor upon the occurrence of any of the following events:

- a. A permit required for construction of the Tenant Improvements has not been issued on or before the last day for issuance of the permits specified in the Construction Schedule.
- b. If Lessor is using a general contractor to construct the tenant improvements, Lessor fails to execute a construction contract with a general contractor on or before January 31, 2021.
- c. Lessor fails to cause construction of the Tenant Improvements to commence on or before February 28, 2021.

- d. The Substantial Completion Date does not occur on or before the Scheduled Completion Date (as the same may be adjusted for County Delays in accordance with this Work Letter) and Lessor fails to Substantially Complete the Tenant Improvements on or before the fifth day after written notice by County to Lessor of its intent to terminate pursuant to this section.

13. Construction Period Insurance.

- a. Throughout the performance of the Tenant Improvements and the Tenant's Work, if the Tenant's Work is performed by Lessor, Lessor shall carry and shall cause all contractors and their subcontractors to carry the insurance set forth below covering all occurrences in or about the Building, and County shall be named as a party assured, together with the Lessor, contractor or subcontractor, as the case may be:
  - i. Workers' compensation insurance in statutory limits;
  - ii. Lessor: Commercial general liability insurance, including contractual liability, owners and contractors protective liability for a period of one year after substantial completion, with limits of not less than \$2,000,000 per occurrence;
  - iii. Contractors and Subcontractors: Commercial general liability insurance, including contractual liability, owners and contractors protective liability for a period of one year after substantial completion, with limits of not less than \$1,000,000 per person and \$1,000,000 per occurrence;
  - iv. Comprehensive automobile liability in minimum limits of \$500,000 for bodily injury or death to one person and \$1,000,000 for bodily injury or death in any one occurrence and \$500,000 per occurrence for property damage;
  - v. Employer's liability insurance in minimum limits of \$1,000,000 per occurrence for bodily injury or disease; and
  - vi. Excess liability insurance over the insurance required by subsections (ii), (iii), (iv), and (v) of this section with combined, minimum coverage of \$2,000,000.
- b. All insurance required by this Section 13 may be carried in whole or in part under a blanket policy (or policies). Lessor agrees to require each contractor and subcontractor to furnish Lessor with evidence reasonably satisfactory to Lessor of the maintenance of the required insurance coverage, with assurances that it will not be cancelled without fifteen days advance written notice to Lessor, and, in the case of blanket insurance, setting forth that the Building and the work with respect thereto is covered by the blanket policy and specifying the amount of coverage relating thereto. Upon the request of the County Representative, Lessor shall provide to the County Representative evidence of the maintenance of the required insurance coverage that is reasonably satisfactory to the County Representative.

14. Risk of Loss.
- a. If the Premises or any portion of the Tenant Improvements or Tenant's Work is damaged or destroyed prior to the Substantial Completion Date, County may terminate the Lease if, in the reasonable opinion of Architect, the Building cannot be restored and the Tenant Improvements Substantially Completed prior to \_\_ days after the Scheduled Completion Date. If the Lease is terminated pursuant to this section, Lessor shall cause its insurance to pay County an amount that is equal to the cost of constructing the Tenant's Work paid by County prior to the casualty.
  - b. If the Premises or the Tenant Improvements are damaged or destroyed prior to the Substantial Completion Date and the Lease is not terminated pursuant to this section, Lessor shall promptly and diligently cause its contractor to restore the Premises and complete construction of the Tenant Improvements.
15. Pre-Move-In Cleaning. Lessor shall clean and ventilate the Premises immediately prior to County moving into the Premises.
16. Move-In. Lessor shall make available to County on any weekday between the hours of 8:00 a.m. and 6:00 p.m. and, in addition, at County's request either on any three weekends between the hours of 6:00 p.m. on Friday and 8:00 a.m. on Monday or, in lieu of any one weekend, any four nights between the hours of 7:00 p.m. and 8:00 a.m., and the electricity and HVAC that County may reasonably require in connection with County's moving into the Premises. Lessor shall provide a qualified property management employee during County's move-in. County shall provide reasonable security at the Building in the event County moves into the Leased Premises at any time other than Normal Business Hours.

17. Time of the Essence. Time is of the essence in fulfilling all terms and conditions of this Work Letter.

The parties are executing this Work Letter as of the date hereinabove set forth.

COUNTY OF CONTRA COSTA, a  
political subdivision of the State of  
California

Seecon Financial & Construction Co., Inc.

By: \_\_\_\_\_  
Brian M. Balbas  
Director of Public Works

By: \_\_\_\_\_  
Douglas W. Messner  
Vice President

RECOMMENDED FOR APPROVAL:

By: \_\_\_\_\_  
Mark D. Wickham  
Vice President

By: \_\_\_\_\_  
Jessica L. Dillingham  
Principal Real Property Agent

By: \_\_\_\_\_  
Margaret Eychner  
Senior Real Property Agent

APPROVED AS TO FORM  
SHARON L. ANDERSON, COUNTY COUNSEL

By: \_\_\_\_\_  
Kathleen M. Andrus  
Deputy County Counsel

ME:  
\\PW-DATA\Grpdata\Realprop\LEASE MANAGEMENT\CONCORD\4061 PORT CHICAGO HWY -  
T00724\LEASES\4061 Port Chicago Hwy\_Work Letter V2.Docx

## **SCHEDULE 1**

### **TENANT IMPROVEMENTS**

1. Roof – rework/reroof with a minimum 10-year warranty
  
2. Offices
  - a) Remove all pin panels from all walls
  - b) Patch and repair walls; apply fresh paint
  - c) Install new carpet tiles (leave existing base)
  
3. Hand-Fulfillment Area
  - a) Drop ceiling to 10 ft.
  - b) Remove all pin panels from all walls
  - c) Patch and repair walls; apply fresh paint
  - d) Extend walls to ceiling height
  - e) Install double doors
  - f) Install new carpet tiles
  
4. Production Area
  - a) Install new HVAC system engineering for the Production Area
  - b) Install new Humidity control system (Tenant to specify)
  - c) Remove walls as per Space Plan
  - d) Drop ceiling to 10 ft.
  - g) Patch and repair walls; apply fresh paint
  - e) Clean, patch and seal concrete floors
  - f) Add two bathrooms on the east wall closest to office area
  - g) Add two bathrooms on west wall closest to warehouse and adjacent to break-room
  - h) Remove stairs leading to the top of break-room mezzanine
  - i) Install j-boxes in locations specified by County
  - j) Reconfigure electrical power distribution to provide power to j-boxes

5. Warehouse
  - a) Remove existing ceiling
  - b) Remove walls per Space Plan
  - c) Drop lights to equivalent of ceiling height
  - d) Clean, patch and seal concrete floors
  - e) Install insulation to County specifications
  
6. Server Room
  - a) Install static flooring
  - b) Install cooling system
  
7. Deli Space
  - a) Demolish existing improvements and incorporate this space into the Production Area following specifications in #4 above.
  
8. Parking
  - a) Install two electric vehicle charges
  - b) Reserve      stalls for County fleet vehicles



**SCHEDULE 2**

**SPACE PLANS**

DRAFT

**SCHEDULE 3**

**CONSTRUCTION SCHEDULE**

DRAFT

**SCHEDULE 4**

**FINAL PLANS**

DRAFT

**SCHEDULE 5**

**FORM OF COMPLETION NOTICE**

To: Contra Costa County

From: Seecon Financial & Construction Co., Inc.

Date:

Re: Completion Notice – 4061 Port Chicago Hwy, Concord

This notice is provided in compliance with Section 8 of that certain Work Letter dated December 15, 2020, between Seecon Financial & Construction Co., Inc. and Contra Costa County (the “Work Letter”).

All terms not otherwise defined herein have the meaning ascribed to them in the Work Letter.

Tender by Lessor

Lessor hereby represents that it has completed construction of the Tenant Improvements in substantial conformity with the Final Plans.

Landlord hereby tenders the Premises for delivery to Tenant.

Seecon Financial & Construction Co., Inc.

By: \_\_\_\_\_

Date: \_\_\_\_\_

Its: \_\_\_\_\_

Certification by Architect

The undersigned, a duly authorized representative of M.Naraghi Architects, hereby represents that (s)he has inspected the Tenant Improvements and determined them to be in substantial conformity with the Final Plans.

M. Naraghi Architects

By: \_\_\_\_\_

Date: \_\_\_\_\_

Its: \_\_\_\_\_

Certification by Contra Costa County

The undersigned, a duly authorized representative of Contra Costa County, hereby represents that the County has caused the Tenant Improvements to be inspected and has determined them to be in substantial conformity with the Final Plans.

Contra Costa County

By: \_\_\_\_\_

Date: \_\_\_\_\_

Its: \_\_\_\_\_



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Agreement #24-760-28 with the State Department of Rehabilitation

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Standard Agreement #24-760-28 with the State Department of Rehabilitation, to pay the County an amount not to exceed \$1,167,744, to provide vocational rehabilitation services for individuals with psychiatric disorders, for the period from July 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

Approval of this agreement will allow the County to continue receiving funding from the State Department of Rehabilitation. No County match is required.

**BACKGROUND:**

On September 10, 2019, the Board of Supervisors approved Standard Agreement #24-760-27 with the State Department of Rehabilitation, to pay the County to provide vocational rehabilitation services for individuals with psychiatric disorders for the period from July 1, 2019 through June 30, 2020.

Approval of Standard Agreement #24-760-28 will allow the County to continue receiving funding from the State and enable the County's clients to continue participating in comprehensive rehabilitation plans that provide job skills development, career counseling, coaching in job application skills, job development and placement, and follow up services through June 30, 2021.

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

CONSEQUENCE OF NEGATIVE ACTION:

If this agreement is not approved, the County will not receive State funding to support skills development, career counseling, coaching in job application skills, job development and placement, and follow-up services for residents with psychiatric disorders.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Grant Agreement #29-544-7 with U.S. Department of Housing and Urban Development

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County, Grant Agreement #29-544-7 (CA1837L9T051900) with the U.S. Department of Housing and Urban Development (HUD), for McKinney-Vento Act funds, to pay County an amount not to exceed \$462,917, for the County's Continuum of Care Project providing housing and support services for homeless individuals, for the period from December 1, 2020 through November 30, 2021.

**FISCAL IMPACT:**

Approval of this agreement will result in an amount not to exceed \$462,917, payable to the County from HUD McKinney-Vento Act funds for County's Continuum of Care Project. A 25% County match is required and has been budgeted in fiscal year 2020-21.

**BACKGROUND:**

The Contra Costa Continuum of Care (CoC), through its Inter-jurisdictional Council on Homelessness was awarded funds for CoC Planning. The CoC's planning needs and proposed activities include: 1) Evaluating

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Lavonna Martin,  
925-608-6701

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: L Walker, M Wilhelm

BACKGROUND: (CONT'D)

the outcomes of CoC and ESG funded projects; 2) Preparing and submitting an application to HUD on behalf of the entire Continuum of Care membership; 3) Conducting a sheltered and unsheltered point-in-time count; and 4) Monitoring recipients and sub-recipients and enforcing compliance with CoC program requirements. The CoC's Executive Committee, with the CoC coordinator, will coordinate and implement the activities. This will improve the members' ability to comply with current and new McKinney-Vento regulations related to their funding from HUD.

Approval of Grant Agreement #29-544-7 will allow the County to continue to receive funding for the Continuum of Care project through November 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this award is not accepted, the County will not receive funding to support the Continuum of Care project.





Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Interagency Agreement #29-602-4 with The Tides Center

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County, Interagency Agreement #29-602-4 with The Tides Center, a non-profit corporation, to pay the County an amount not to exceed \$105,358, to provide mental health and crisis intervention services for the School Engagement Program, for the period from July 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

Approval of this interagency agreement will result in payment to the County in an amount not to exceed \$105,358 from The Tides Center. No County match is required.

**BACKGROUND:**

On July 9, 2019, the Board of Supervisors approved Interagency Agreement #29-602-3 with The Tides Center for the period from July 1, 2019 through June 30, 2020, to collaborate to provide mental health services and crisis intervention to students enrolled in Contra Costa County schools and their families through the School Engagement Program. The County's Health Services Department subcontracted with Lincoln Child Center to provide mental health services and crisis intervention to students who have been referred to the School Engagement Program through the State of California Court Parent Truancy Program, the County's District Attorneys' Office and the Contra Costa County Office of Education.

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D.,  
925-957-5212

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: L Walker, M Wilhelm

BACKGROUND: (CONT'D)

Approval of Interagency Agreement #29-602-4 will allow The Tides Center to continue to pay the County for the provision of mental health services and crisis intervention for students and their families enrolled in Contra Costa County schools, through June 30, 2021. Expected program outcomes include an increase in positive social and emotional development as measured by the Child and Adolescent Functional Assessment Scale (CAFAS).

CONSEQUENCE OF NEGATIVE ACTION:

If this agreement is not approved, the County will not be able to provide these mental health services and crisis intervention under the School Engagement Program to students and families in the Contra Costa County.

CHILDREN'S IMPACT STATEMENT:

The recommendation supports one or more of the following children's outcomes: (1) Children Ready for and Succeeding in School; (4) Families that are Safe, Stable and Nurturing; and (5) Communities that are Safe and Provide a High Quality of Life for Children and Families.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Amendment Agreement #29-469-22 with the California Department of Health Care Services

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Amendment Agreement #29-469-22 (State #18-95239, A01) with the California Department of Health Care Services, to modify terms and conditions to include the Substance Abuse Prevention and Treatment Block Grant services for County's community behavioral health services, for the period from July 1, 2018 through June 30, 2021.

**FISCAL IMPACT:**

Under this contract, the County shall be reimbursed by the California Department of Health Care Services with Federal Title XIX funds for the cost of federally eligible Short-Doyle/Medi-Cal Specialty Mental Health services rendered to federally eligible Medi-Cal beneficiaries. County shall adhere to the State maximum statewide reimbursement of negotiated rates for Short-Doyle/Medi-Cal (SD/MC) services and Medi-Cal Specialty Mental Health Services for Fiscal Years 2018 through 2021. Reimbursement for Federal grants shall be subject to Federal cost containment requirements and availability of funds.

**BACKGROUND:**

This Mental Health Services Performance Agreement covers County Realignment requirements, including maintenance of effort, access to and use of State Hospital, data collection and reporting, and cost reporting on County Mental Health Programs. The County shall provide an array of Mental Health treatment options

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D.,  
925-957-5201

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Marcy Wilhelm

BACKGROUND: (CONT'D)

and case management services to County Mental Health residents in accordance with the Welfare and Institution Codes section 5600.2 through 5600.9.

On November 5, 2019, the Board of Supervisors approved Performance Standard Agreement #29-469-21 with the California Department of Health Care Services for Fiscal Year 2018/2021.

Approval of this Amendment Agreement #29-469-22 will allow for modifications to the terms and conditions to include the Substance Abuse Prevention and Treatment Block Grants through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved the County will not receive funding for Substance Abuse Prevention and Treatment Block Grant services and will not meet the conditions and requirements of the State Department of Health Care Services.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Agreement #29-807-5 with the City of Pittsburg

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Agreement #29-807-5 with the City of Pittsburg, which includes full indemnification of the City, to pay the County an amount not to exceed \$23,034 to provide homeless outreach services for the Coordinated Outreach, Referral and Engagement (CORE) Program, for the period from July 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

Approval of this agreement will allow the County to receive an amount not to exceed \$23,034 from the City of Pittsburg to provide homeless outreach services. No County match is required.

**BACKGROUND:**

On September 10, 2019 the Board of Supervisors approved Agreement #29-807-4 to receive funds from the City of Pittsburg for the provision of the CORE Program which locates and engages homeless clients throughout Contra Costa County. CORE teams serve as an entry point into the County’s coordinated entry system for unsheltered persons and work to locate, engage, stabilize and house chronically homeless individuals and families for the period from July 1, 2019 through June 30, 2020.

Approval of Agreement #29-807-5 will allow County to receive funds from the City of Pittsburg to continue providing services, through June 30, 2021. The County is agreeing to indemnify and hold harmless the City for claims arising out of County’s performance under this contract.

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- APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Lavonna Martin,  
925-608-6701

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: L Walker, M Wilhelm



CONSEQUENCE OF NEGATIVE ACTION:

If this agreement is not approved, the County will not receive funding and without such funding, the CORE program may have to operate at a reduced capacity.

ATTACHMENTS



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Agreement #29-806-6 with the City of Concord (Community Development Block Grant)

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Agreement #29-806-6 with the City of Concord, Community Development Block Grant (CDBG), to pay the County an amount not to exceed \$12,500 for the provision of homeless outreach services for the Coordinated Outreach, Referral and Engagement (CORE) Program, for the period from July 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

Approval of this agreement will allow the County to receive an amount not to exceed \$12,500 from the City of Concord CDBG to provide homeless outreach services. There is no County match required.

**BACKGROUND:**

The CORE Program services locate and engage homeless clients throughout Contra Costa County. CORE teams serve as an entry point into the County's coordinated entry system for unsheltered persons and work to locate, engage, stabilize and house chronically homeless individuals and families. The Community Development Block Grant Program is funded by the U.S. Department of Housing and Urban Development

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Lavonna Martin,  
925-608-6701

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: L Walker, M Wilhelm



BACKGROUND: (CONT'D)

(HUD) and is a source of public funding providing valuable housing and service benefits to homeless persons of Contra Costa County.

On October 17, 2017, the Board of Supervisors approved Contract #29-806-1, as amended by Amendment Agreements #29-806-2 through #29-806-5, to provide homeless outreach services under the CORE program for the period August 1, 2017 through June 30, 2020.

Approval of Agreement #29-806-6 will allow the County to continue providing homeless outreach services under the CORE program through June 30, 2021. The County is agreeing to indemnify and hold harmless the Contractor for claims arising out of County's performance under this contract.

CONSEQUENCE OF NEGATIVE ACTION:

If this agreement is not approved, the County will not receive funding and without such funding, the CORE program may have to operate at a reduced capacity.

ATTACHMENTS



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David O. Livingston, Sheriff-Coroner  
Date: December 15, 2020

Subject: California Department of Parks and Recreation, Division of Boating and Waterways Financial Aid Program Agreement

---

**RECOMMENDATION(S):**

ADOPT Resolution No. 2020/316 approving and authorizing the Sheriff-Coroner or designee, to apply for and accept the California Department of Parks and Recreation, Division of Boating and Waterways Financial Aid Program Agreement in an initial amount of \$738,249 for marine patrol and boating regulation enforcement for the period July 1, 2021 through the end of available funding.

**FISCAL IMPACT:**

Initial Revenue of \$738,249, 100% State funds. The Office of the Sheriff receives annual funding from the California Department of Parks and Recreation, Division of Boating and Waterways that is incorporated in the baseline budget. No County match.

**BACKGROUND:**

California Department of Parks and Recreation, Division of Boating and Waterways (DBW) provides funding to maintain the service level of the Office of the Sheriff's Marine Patrol Unit on the Delta Waterways. Marine patrol operations cost roughly \$2.4 million per year of which DBW has awarded \$638,249 for each of the past seven years. Beginning July 1, 2016, DBW funded an additional \$100,000 for a total initial amount of \$738,249. DBW funding provides the ability for more vigilant enforcement of boating regulations.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Mary Jane Robb, (925)  
655-0005

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

Failure to secure State funding will result in a further reduction in Marine Patrol Services.

ATTACHMENTS

Resolution 2020/316

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 12/15/2020 by the following vote:

**AYE:**

**NO:**

**ABSENT:**

**ABSTAIN:**

**RECUSE:**



**Resolution No. 2020/316**

IN THE MATTER OF: Applying for and Accepting the FY 2021/2022 California Department of Parks and Recreation, Division of Boating and Waterways Financial Aid Program Agreement.

WHEREAS, the County of Contra Costa is seeking funds available through the California Department of Parks and Recreation, Division of Boating and Waterways Financial Aid Program Agreement; County of Contra Costa shall not allocate funds to any county or a public agency within a county unless County of Contra Costa receives a resolution adopted annually by the board of supervisors authorizing the county to participate in the program and certifying that the county will expend for boating safety programs during that year not less than an amount equal to 100 percent of the amount received by the county from personal property taxes on vessels. The money allocated to a county pursuant to subdivision (a) shall be used only for boating safety and enforcement programs, as specified in subdivision (b), that are conducted in that county.

(1) In the case of a local government agency within a county, a certified copy of the resolution or minute order shall accompany the application for financial aid from that local government entity, as well as a certified copy of the resolution or minute order from its county board of supervisors, authorizing the agency to participate in the program. (2) The resolution or minute order shall: (A) Authorize the chairperson, or designated representative, to sign the application and contract. (B) Authorize the chairperson, or designated agency representative, to sign the department's form for each reimbursement claim. (C) Authorize the county auditor to certify the amount of prior year vessel taxes received by the county.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors: Authorizes the Sheriff-Coroner, Undersheriff or Commander Management Services, to sign the application, contract and County of Contra Costa form for each reimbursement claim; authorizes the County Auditor Controller to certify the amount of prior year vessel taxes received by County of Contra Costa. And on behalf of the County of Contra Costa, a public entity established under the laws of the State of California, any action necessary for the purpose of obtaining financial assistance including Agreement modifications and extensions provided by California Department of Parks and Recreation, Division of Boating and Waterways Financial Aid Program Agreement.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**Contact: Mary Jane Robb, (925) 655-0005**

**ATTESTED: December 15, 2020**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

**cc:**



**Contra  
Costa  
County**

To: Board of Supervisors

From: Matt Slattengren

Date: December 15, 2020

Subject: LBAM Regulatory Contract - 20-0270-031SF

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Agricultural Commissioner, or designee, to execute an agreement with the California Department of Food and Agriculture (CDFA) to reimburse the County an amount not to exceed \$52,893 to provide Light Brown Apple Moth (LBAM) quarantine response and regulatory enforcement activities for the period July 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

This agreement provides reimbursement for county expenses not to exceed \$52,893 incurred during the period July 1, 2020 through June 30, 2021. There is no county match of funds nor grant monies involved.

**BACKGROUND:**

The LBAM was first detected in Contra Costa County in March 2007 and subsequently the County has become generally infested. The CDFA imposed the LBAM Interior Quarantine, for the entirety of Contra Costa County. The United States Department of Food and Agriculture issued a Federal Domestic Quarantine order regulating interstate travel of host materials. This regulation requires all nurseries green waste facilities, community gardens, harvest host plants and commodities within the infested areas be issued quarantine compliance agreements and be inspected every 30 days.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF  
SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: 608-6600

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

A negative response will result in the Department's failure to meet State mandates and reduce budgeted revenue. This would also negatively impact the County's nursery industry and some growers as they would not be able to meet the requirements to ship host material to non-infested areas outside the county.

ATTACHMENTS



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Approve and Authorize Amendment No. 1 to Consulting Services Agreement with TBP/Architecture, Inc., Countywide

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a contract amendment with TBP/Architecture, Inc. effective December 15, 2020, to increase the payment limit by \$750,000 to a new payment limit of \$1,500,000 and extend the term from October 8, 2022 to October 8, 2023, to provide on-call architectural services for various County facilities projects.

**FISCAL IMPACT:**

Projects will be assigned to the on-call architect when there is an approved project and funding (100% Various Funds).

**BACKGROUND:**

On October 8, 2019 the Board of Supervisors approved an on-call Consulting Services Agreement with TBP/Architecture, Inc., in the amount of \$750,000 which will be terminating on October 8, 2022.

Amendment No. 1 is necessary to provide architectural services and the additional costs associated with the completion of ongoing and new projects. TBP/Architecture, Inc. is familiar with these active projects,

APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Ramesh Kanzaria  
925-957-2480

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

and the design and construction of typical building types therefore, it is recommended that the contract amendment be awarded at this time.

TBP/Architecture, Inc will continue to provide architectural services, such as programming, design and construction administration. The type, size and location of projects vary. Typical projects may include new construction, building renovations/modernizations, remodeling of an entire building or specific areas within a building, tenant improvements, MEP upgrades, structural improvements, code-related improvements and deferred maintenance projects. Projects may also include fire district building projects. Extending this on-call agreement will save the County money when compared with the time and expense in conducting a consultant selection process on a project-by-project basis. It will also allow the design phase to commence sooner and provide for a shorter project completion schedule.

CONSEQUENCE OF NEGATIVE ACTION:

If Amendment No. 1 is not approved, projects in process will be delayed, which will ultimately result in higher project costs.





Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: Allocation of Funds from the Livable Communities Trust Fund, District II Portion

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**RECOMMENDATION(S):**

ALLOCATE \$10,000 from the Livable Communities Trust Fund (District II portion) to the Public Works Department to participate in the San Ramon Valley Street Smarts Program for the period July 1, 2020 through June 30, 2021, as recommended by Supervisor Andersen.

**FISCAL IMPACT:**

No General Fund impact. This action allocates \$10,000 from the District II portion of the Livable Communities Trust Fund (Fund). The current available balance in the District II portion of the Fund is \$1,571,042.66.

**BACKGROUND:**

The Fund is a Special Revenue Mitigation Fund that was established by the Board of Supervisors on November 15, 2005, following the approval of the Camino Tassajara Combined General Plan Amendment Project, also known as the Alamo Creek and Intervening Property residential projects, and was required as a condition of approval. The Fund was established to implement the County's Smart Growth Action Plan. The residential developers pay an \$8,000 per unit fee (excluding affordable housing portions of the projects) into the Fund. The Department of Conservation and Development administers the Fund.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Kristin Sherk, (925)  
674-7887

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## BACKGROUND: (CONT'D)

On December 3, 2013, the Board of Supervisors determined that revenue from the Fund should be spent equally among supervisorial districts. At complete build-out, deposits to the Fund will total \$8,448,000. As of November 2, 2020, the account has collected \$8,264,000 in revenue fees and \$833,503.28 in accrued interest with \$6,084,109.64 remaining in uncommitted funds. The approved expenditures to date are attached.

The San Ramon Valley Street Smarts Program ("Street Smarts Program") is a collaborative effort among the County, the City of San Ramon, the Town of Danville, the San Ramon Valley Unified School District, and the San Ramon Valley Fire Protection District to support traffic, bicyclist and pedestrian safety for school children. It supports Goal Five of the Smart Growth Action Plan to help fund transit and other transportation improvements that foster smart growth principles. The County has participated in this program since 2004 by funding a share of the costs to implement the program. During Fiscal Year 2020/21, the City of San Ramon is administering the program and is requesting that the County fund a total of \$10,000 for program support only.

The Street Smarts Program campaign is administered through the collaborative effort of the Street Smarts Advisory Committee ("Advisory Committee"), which meets periodically to implement program components. The Advisory Committee has adopted several large-scale programs, including:

- \* Street Smarts Media Annual Press Release: An annual press release will be sent out at the beginning of the program year outlining the upcoming Street Smarts Program. The release will encourage members of the media and the public to learn about Street Smarts' traffic safety education activities for the upcoming school year.
- \* Traffic Safety Assemblies: Street Smarts devised an elementary and middle school assembly designed to teach students the basics of pedestrian and bicycle safety. On-site assemblies educate students about the lessons of traffic safety in a fun and entertaining environment.
- \* Bike Rodeos/Festival: As a component of Street Smarts' Safe Routes to School Efforts, bike rodeos are an after-school activity that allows elementary school students to practice their cycling and traffic safety skills in a controlled, supervised environment. Bike rodeos include an interactive bicycling course, bike maintenance station and individual helmet check to ensure a proper fit. These activities reinforce street safety concepts.
- \* Community Outreach Efforts: Street Smarts staff attends over two dozen community events as part of its outreach efforts. At the events, Street Smarts representatives staff an informational booth with traffic safety educational program materials and activities for children and teen drivers.

The Street Smarts Program advances traffic, bicyclist, and pedestrian safety within the San Ramon Valley. For these reasons, Supervisor Andersen recommends that the Board of Supervisors approve continuing participation in the program during Fiscal Year 2020/21 with an award of \$10,000 for program support only.

## CONSEQUENCE OF NEGATIVE ACTION:

Contra Costa County will no longer be a participant in the Street Smarts Program.

## CHILDREN'S IMPACT STATEMENT:

The Street Smarts Program supports Outcome 5: Communities are Safe and Provide a High Quality of Life for Children and Families.

## ATTACHMENTS

LCT Project List

Livable Communities Trust Funds Project Expenditure List											
Project No.	Board Date	Grant Recipient	Project	District I	District II	District III	District IV	District V	Total Expenditures*	Remaining Balance	Rate of Expenditure
2013-01	10/22/2013	DCD	Northern Waterfront	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000.00	\$ -	100%
2016-01	6/14/2016	Community Housing Development Corp.	Heritage Point Apartments	\$ 927,494	\$ -	\$ -	\$ -	\$ -	\$ 927,493.66	\$ -	100%
2016-02	12/20/2016	DCD	Marsh Creek Trail	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ 157,556.77	\$ 92,443.23	63%
2016-03	12/20/2016	DCD	Agriculture Policy Study	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 111,681.84	\$ 38,318.16	74%
2017-01	3/7/2017	Aglantis	Agra Tech Solar Light Greenhouse	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 50,000.00	\$ -	100%
2017-02	3/14/2017	Mobility Matters	Rides for Veterans	\$ -	\$ 33,458	\$ -	\$ 50,187	\$ -	\$ 83,645.00	\$ -	100%
2017-03	9/19/2017	Garden Park Apartments Community	Garden Park Apartments	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ 125,000.00	\$ -	100%
2018-01	1/16/2018	PWD	SRV Street Smarts - 2017/18	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	100%
2018-02	2/27/2018	HSD	Contra Costa Housing Security Fund	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000.00	\$ -	100%
2018-03	3/27/2018	PWD	Newell Avenue Pathway	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000.00	\$ -	100%
2018-04	3/27/2018	Innovation Tri Valley	Tri Valley Rising Report	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000.00	\$ -	100%
2018-05	6/12/2018	PWD	RYSE Acquisition - Phase 1	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ -	100%
2018-06	12/4/2018	PWD	SRV Street Smarts - 2018/19	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	100%
2018-07	12/18/2018	Choice in Aging	Infrastructure Workforce Development Project	\$ -	\$ -	\$ -	\$ 13,200	\$ -	\$ 13,200.00	\$ -	100%
2019-01	1/15/2019	PWD	Friends of the El Sobrante Library	\$ 15,045	\$ -	\$ -	\$ -	\$ -	\$ 15,044.98	\$ -	100%
2019-02	3/26/2019	PWD	RYSE Acquisition - Phase 2	\$ 42,500	\$ -	\$ -	\$ -	\$ -	\$ 42,500.00	\$ -	100%
2019-03	3/26/2019	RYSE Center	RYSE Center Capital Expansion Project	\$ 51,174	\$ -	\$ -	\$ -	\$ -	\$ 51,174.00	\$ -	100%
2019-04	6/18/2019	Innovation Tri Valley	2040 Tri Valley Vision Plan Investment	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000.00	\$ -	100%
2019-05	7/30/2019	Sheriff's Office	Bay Point Resident Deputy Program	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000.00	\$ -	100%
2019-06	7/30/2019	PWD	PWD - Beautification Bay Point	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000.00	\$ -	100%
2019-07	7/30/2019	DCD	District V Code Enforcement	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000.00	\$ -	100%
2019-08	10/22/2019	PWD	SRV Street Smarts - 2019/20	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	100%
2020-01	9/22/2020	Community Housing Development Corp.	Heritage Point Commercial	\$ 505,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
2020-02	11/17/2020	City of San Ramon	SRV Street Smarts - 2020/21	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00	0%
				<b>\$ 1,616,549</b>	<b>\$ 258,458</b>	<b>\$ 450,000</b>	<b>\$ 263,387</b>	<b>\$ 425,000</b>	<b>\$ 2,367,296.25</b>	<b>\$ 130,761.39</b>	<b>79%</b>

\* Reflects expenditures made by DCD, including payments to other County departments or non-profit organizations.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: December 15, 2020

Subject: Mt. Diablo Unified School District, Workforce Development Services to Youth, Amendment

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute an interagency agreement amendment with Mt.Diablo Unified School District to increase the payment limit by \$171,065 to a new payment limit of \$546,065 to provide Workforce Innovation and Opportunity Act (WIOA) youth workforce development services and extend the agreement from July 1, 2019 through September 30, 2020 to July 1, 2019 through June 30, 2021.

**FISCAL IMPACT:**

This interagency agreement will increase department expenditures by \$171,065 to a total agreement of \$546,065 to be funded 100% with federal WIOA Youth Formula funds. CFDA# 17.259

**BACKGROUND:**

Funding was awarded through Request for Proposals (RFP) 1150 for the provision of comprehensive Workforce Innovation and Opportunity Act (WIOA) youth development services to eligible youth ages 16-24 years in Central Contra Costa County and Bay Point.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Elaine Burres  
608-4960

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

WIOA defines the nation's job training system and provides guidance for local workforce investment systems designed to increase the employment, retention, and earnings of participants, and to increase occupational skill attainment by participants. The goals of these efforts are to improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the nation. Agency will provide a systematic approach that offers eligible in-school and out-of-school youth a broad range of coordinated services.

Services include assistance in academic and occupational learning; development of leadership skills; and preparation for further education, additional training, and eventual employment. Programs will provide guidance for youth balanced with appropriate consideration of each youth's involvement in his or her training and educational plan.

CONSEQUENCE OF NEGATIVE ACTION:

Without this Agreement, in-school and out-of-school youth in Central Contra Costa County and Bay Point will not receive assistance in overcoming barriers to employment, job readiness, educational programs, and career building.

CHILDREN'S IMPACT STATEMENT:

The services provided under this Agreement support all five of Contra Costa County's community outcomes: (1) "Children Ready for and Succeeding in School"; (2) "Children and Youth Healthy and Preparing for Productive Adulthood"; (3) "Families that are Economically Self-Sufficient"; (4) "Families that are Safe, Stable and Nurturing"; and (5) "Communities that are Safe and Provide a High Quality of Life for Children and Families" by providing training and employment opportunities for in-school and out-of-school youth.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Contract #23-697 with Public Health Foundation Enterprises, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract #23-697 with Public Health Foundation Enterprises, Inc., a non-profit corporation, in an amount not to exceed \$774,212 to implement the COVID-19 Adult Ambassador Pilot Program, which promotes testing and best practices in areas of the County that are underserved or experiencing a high number of COVID-19 cases, for the period from December 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

This contract will be funded by the Employment and Human Services Department- Workforce Development Board with 100% Workforce Innovation and Opportunity Act (WIOA) funding (CFDA #17.258, #17.259, #17.278) and shall not exceed \$774,212.

These funds are 2019-2020 WIOA formula funds not fully expended during the designated program year due to COVID-19. Due to COVID-19, the term of these funds was extended through June 30, 2021 and can be utilized to support subsidized work experience employment for individuals who have been disconnected from employment and need retraining for a new career pathway.

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Anna Roth,  
925-957-2670

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Marcy Wilhelm

**BACKGROUND:**

Under WIOA Public Law 113-128, training services to Adult and Dislocated Workers mandates the provision of training services. Subsidized employment, work experience training, is an allowable and fundable activity under the federal Workforce Innovation and Opportunity Act (WIOA). Participants must be eligible for and enrolled in the WIOA program, have barriers to employment, and be in need of training for the positions in which they are placed.

Through an interagency agreement between the Health Services and the Employment and Human Services departments, and the utilization of contracted services under Contract #23-697 with Public Health Foundations Enterprises, Inc., the Adult Ambassador Pilot Program will be established to hire up to 36 Workforce Innovation and Opportunity Act (WIOA) enrolled individuals as Adult Ambassadors who will provide comprehensive community engagement dedicated to promoting awareness of COVID-19 testing, best practices in community prevention and safety, and ultimately supporting positive health outcomes in areas/communities within the county that are traditionally underserved and experiencing a high number of COVID-19 cases, for the period of December 1, 2020 through June 30, 2021.

Approval of Contract #23-697, will allow the contractor to implement a COVID-19 Adult Ambassador Pilot Program and promote testing and community best practices for safety, primarily in areas that are underserved or experiencing a surge in cases. This pilot will also assist in the County in meeting state requirements in outreach and testing, through June 30, 2021.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this contract is not approved, preventive health efforts serving the most vulnerable Contra Costa County residents will be hindered and these groups will continue to be at high risk for COVID-19.



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Approval of Consent and Agreement associated with SunPower Power Purchase Agreement

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a Consent and Agreement, dated December 8, 2020 with SunPower (Solar Star Co Co 1), LLC and ST TOTAL Strong Statutory Trust, as lessor (together, with its successors in such capacity, the “System Lessor”) in accordance with the original Power Purchase Agreement.

**FISCAL IMPACT:**

No fiscal impact.

**BACKGROUND:**

The originally executed Power Purchase Agreements established the County’s obligation in Section 14.17 to reasonably cooperate with SunPower and its financing parties in connection with such financing including the giving of a Financing Party acknowledgment form attached in the Power Purchase Agreement as Exhibit B. On March 26, 2020, the Contra Costa Public Works Department received the Notice of Assignment from SunPower, and on October 16, 2020 was advised that TOTAL Strong Construction Holdco, LLC entered into the finance agreement, and on September 22, 2020 the Board approved the finalized Consent and Agreement that allowed the construction loan to be funded.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Ramesh Kanzaria  
925-957-2480

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



BACKGROUND: (CONT'D)

This subsequent Consent and Agreement is a financing document required by the project financier before it will (a) fund the project to allow payoff of the construction loan and (b) allow the PV systems to be turned on. This Consent and Agreement replaces and terminates the construction loan consent, and updates party names and other facts relevant to the projects' progression from construction financing to operations financing. The Consent and Agreement 1) establishes a relationship between the financier (as lessor in a sale-leaseback financing structure) and the County; 2) provides consent by the County if the financier needs to cure any defaults in the operation of the project by SunPower; and 3) memorializes the Commercial Operation Date and PPA rate at the time of completion of the projects). Execution of the Consent and Agreement is one of the final steps to be complete before turning on the systems.

CONSEQUENCE OF NEGATIVE ACTION:

Without approval of the Consent and Agreement the County would not be in accordance with the original Power Purchase Agreement.



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Execute a contract with CDM Smith, Inc., to provide on-call water treatment consulting services, Countywide.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a Consulting Services Agreement (“contract”) with CDM Smith, Inc., in an amount not to exceed \$500,000, to provide on-call water treatment consulting services for the period January 1, 2021 to December 31, 2023, Countywide. (All Districts) (Project No.: Various)

**FISCAL IMPACT:**

Work performed under this contract is 100% funded by federal, local, state and/or General funds. (100% Various Funds)

**BACKGROUND:**

The Public Works Department is involved in various projects in the County which require water treatment services. The Public Works Department solicited water treatment service providers, but did not receive any responsive statements of qualification. Due to a lack of responsive firms, CDM Smith, Inc., the current water treatment service provider, was given a sole-source contract for this work and will continue to augment Public Works staff on an as-needed basis. They will be used when in-house expertise is not available. This on-call consultant service agreement shall be in effect for three years.

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Carl Roner, (925)  
313-2213

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Carl Roner- Special Districts, Rochelle Johnson - Special Districts, Scott Anderson - Special Districts

CONSEQUENCE OF NEGATIVE ACTION:

If the contract is not approved, there may be a delay in completing projects requiring water treatment services.

ATTACHMENTS

CDM Smith, Inc., Consulting Services Agreement

## **CONSULTING SERVICES AGREEMENT**

*(To be used only for Architectural, Engineering or Land Surveying Services.)*

This consulting services agreement ("Agreement") is dated January 1, 2021, and is between the agency and the consultant identified below. The parties agree to each of the terms set forth below (the "Basic Terms") and to each of the terms set forth in the Attachments (as defined below).

1. Parties.

(a) Agency: *(check one)*

- Contra Costa County for its Department named below
- Contra Costa County Flood Control and Water Conservation District
- Contra Costa County Fire Protection District
- Housing Authority of the County of Contra Costa
- Contra Costa County Redevelopment Agency

(i) Department *(if applicable):* Public Works

(ii) Department Head means the individual named below or his or her designee *(check one):*

- Director of General Services
- Public Works Director/Chief Engineer
- Fire Chief
- Housing Authority Executive Director
- Director of Department of Conservation and Development

(iii) Agency Mailing Address: Contra Costa County Public Works Department  
255 Glacier Driver  
Martinez, CA 94553  
Attn: Carl Roner

(b) Consultant's Name & Address: CDM Smith Inc.  
100 Pringle Avenue, Suite 300  
Walnut Creek, CA 94596  
Attn: Servando Molina, P.E.

(i) Type of Business Entity: Massachusetts Corporation  
(e.g., individual, corporation, sole proprietorship, partnership, limited liability company)

If corporation, add State of incorporation: Massachusetts

(ii) Federal Taxpayer I.D. or SSN: 04-2473650

(iii) License Number: C57481

2. Project Name, Number, & Location: On-Call Water Treatment Consulting Services, Various, Countywide

3. Term. The effective date of this Agreement is January 1, 2021. It terminates on December 31, 2023 unless sooner terminated as provided herein.

- 4. Payment Limit. Payments under this Agreement cannot exceed: \$500,000.
- 5. Legal Authority. This Agreement is entered into under and subject to Government Code Section 4525 or Section 31000, or:

- Health and Safety Code Section 13861 (*Fire Protection District*)
- Health and Safety Code Section 34314 (*Housing Authority*)
- Health and Safety Code Section 33125 (*Redevelopment Agency*)
- Other (*Specify*)

- 6. Attachments. The following documents are attached to this Agreement (the "Attachments") and are incorporated herein by reference. This Agreement includes the Basic Terms, the signature pages, and all of the Attachments.

- General Conditions (*always attached*)
- Special Conditions (*optional*)
- Appendix A: Scope of Services (*always attached*)
- Appendix B: Payment Provisions, Project Personnel and Billing Rates (*always attached*)

- 7. Signatures. The signatures set forth below attest the parties' agreement hereto:

**CONSULTANT**

**SIGNATURE A**

Consultant's Name:  
CDM Smith Inc. ,  
a Massachusetts Corporation

**SIGNATURE B**

By \_\_\_\_\_  
(Signature of individual or officer)  
  
(Print name and title, if applicable)

By \_\_\_\_\_  
(Signature of individual or officer)  
  
(Print name and title, if applicable)

Note to Consultant: If Consultant is a corporation, two officers must sign the Agreement. The first signature (Signature A) must be that of the chairman of the board, president, or vice-president; the second signature (Signature B) must be that of the secretary, assistant secretary, chief financial officer, or assistant treasurer. (Civil Code Section 1190 and Corporations Code Section 313.) The acknowledgment below must be signed by a Notary Public.

**ACKNOWLEDGMENT**

State of California )  
 )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_ (insert name(s) and title(s) of the officer(s) signing on behalf of the Consultant), who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS MY HAND AND OFFICIAL SEAL

\_\_\_\_\_  
Signature

(Notary's Seal)

Signatures. The signatures set forth below attest the parties' agreement hereto:

**CONSULTANT SIGNATURES**

**SIGNATURE A**

**SIGNATURE B**

Consultant's Name: CDM Smith, Inc., a Massachusetts Corporation

Consultant's Name: CDM Smith, Inc., a Massachusetts Corporation

By \_\_\_\_\_  
(Signature of individual or officer)

By \_\_\_\_\_  
(Signature of individual or officer)

\_\_\_\_\_  
(Print name and title, if applicable)

\_\_\_\_\_  
(Print name and title, if applicable)

Note to Consultant: If Consultant is a corporation, two officers must sign the Agreement. The first signature (Signature A) must be that of the chairman of the board, president, or vice-president; the second signature (Signature B) must be that of the secretary, assistant secretary, chief financial officer, or assistant treasurer. (Civil Code Section 1190 and Corporation Code Section 313.) The acknowledgment below must be signed by a Notary Public.

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_ (Date),

before me, \_\_\_\_\_ (Name and Title of Officer),  
personally appeared, \_\_\_\_\_,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS MY HAND AND OFFICIAL SEAL

\_\_\_\_\_  
Signature of Notary Public



Place Notary Seal Above

ACKNOWLEDGMENT (by Corporation, Partnership, or Individual)  
(Civil Code §1189)

**AGENCY**

(a) **If Agreement is approved by Agency governing body (required if Payment Limit exceeds \$100,000):**

AGENCY,

By \_\_\_\_\_  
Board Chair/Designee

ATTEST: Clerk of the Board of Supervisors

By \_\_\_\_\_  
Deputy

(b) **If Agreement is approved by County Purchasing Agent:**

AGENCY,

By \_\_\_\_\_  
County Purchasing Agent or Designee

**COUNTY APPROVALS**

RECOMMENDED BY DEPARTMENT

By \_\_\_\_\_  
Designee

FORM APPROVED BY COUNTY COUNSEL

By \_\_\_\_\_  
Deputy County Counsel

APPROVED: COUNTY ADMINISTRATOR

By \_\_\_\_\_  
Designee

**GENERAL CONDITIONS**  
(Consulting Services Agreement)

8. Employment/Scope of Service. Agency hereby employs Consultant, and Consultant accepts such employment, to perform the professional services as described in Appendix A (Scope of Services), upon the terms and in consideration of the payments stated herein.
9. Report Disclosure Section. Pursuant to Government Code Section 7550, Consultant shall include in all documents or written reports completed and submitted to Agency in accordance with this Agreement, a separate section listing the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of each such document or written report. This section only applies if the Payment Limit of this Agreement exceeds \$5,000. If multiple documents or written reports are the subject or product of this Agreement, the disclosure section may also contain a statement indicating that the total Agreement amount represents compensation for multiple documents or written reports.
10. Insurance. Consultant may not commence work under this Agreement until it has furnished evidence of the insurance required herein to the Department Head, and the Department Head has approved it, and may not continue to perform any work under this Agreement if the insurance required herein is no longer in effect.
- (a) Types and Amount of Insurance: Consultant, at no cost to Agency, shall obtain and maintain during the term hereof: (i) Workers' Compensation Insurance pursuant to state law, including, without limitation, California Labor Code section 3700; (ii) Professional Liability Insurance with a minimum coverage limit of \$1,000,000 for claims made in the aggregate annually and a maximum self-insured retention or self-insured retained limit of liability of \$25,000, for all damages or losses because of errors, omissions or malpractice arising out of the provision of professional services by Consultant and Consultant's subconsultants under this Agreement; and (iii) liability insurance with a minimum coverage limit of \$5,000,000 for claims made in the aggregate annually for all personal injury and property damage, to include liability assumed under this Agreement, the use of any licensed motor vehicle by Consultant or subconsultants, and naming Agency, its governing body, officers and employees as additional insureds. The policies will constitute primary insurance as to Agency and its governing body, officers and employees such that other insurance policies held by them or their self-insurance program(s) are not required to contribute to any loss covered under Consultant's insurance policy or policies.
- (b) Certificate of Insurance: Prior to the effective date of this Agreement, Consultant shall furnish to the Department Head certificates of insurance evidencing the coverage required herein and requiring 30 days' written notice to Agency of policy lapse, cancellation or material change in coverage. If Consultant renews the insurance policy(ies) or acquires a new insurance policy(ies) or amends the coverage through an endorsement to the policy(ies) at any time during the term of this Agreement, then Consultant shall provide current certificate(s) to the Department Head.
- (c) Warranty: Consultant represents and warrants that, as of the effective date of this Agreement, Consultant is not aware of any situation that has occurred that could reduce the limits of liability set forth above for claims made under this Agreement.
- (d) Labor Code Section 1861 Certification: In executing this Agreement, Consultant certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."
11. Payment. Agency shall pay Consultant for professional services performed as described in Appendix A at the rates shown in Appendix B, which include all overhead and incidental expenses, for which no additional compensation will be allowed. Notwithstanding the foregoing, Agency shall reimburse those incidental expenses specifically itemized in Appendix B, provided that Consultant submits copies of receipts and, if applicable, a detailed mileage log to the Department Head. In no event may the total amount paid to Consultant exceed the Payment Limit specified in Section 4, Payment Limit, without Agency's prior written approval.
- (a) Billing Statements: Consultant shall submit billing statements in the manner and form prescribed by the Department Head detailing the work performed and listing, for each item of services, the employee categories, hours and rates. Except as otherwise provided in the Scope of Services, Consultant shall submit the billing statements no later than 30 days from the end of the month in which the services described in the billing statement were actually rendered. Except as provided in subsections (b) – (d) below, Agency will endeavor to pay Consultant within 30 days after receipt of each statement.



**GENERAL CONDITIONS**  
(Consulting Services Agreement)

- (b) Documentation: Consultant shall furnish progress reports with each billing statement at no additional charge. Consultant shall include sufficient detail in each progress report, and shall furnish to the Department Head whatever additional information is necessary, to enable the Department Head to determine whether Consultant is performing all tasks described in the Scope of Services pursuant to the schedule set forth in the Scope of Services.
- (c) Penalty for Late Submission: If Agency is unable to obtain reimbursement from the state or federal government as a result of Consultant's failure to submit to Agency a timely billing statement as set forth above, Agency will not be obligated to pay Consultant for the services included in the late billing statement.
- (d) Right to Withhold: Agency may withhold payment to Consultant following written notice to Consultant that: (i) Consultant has failed to fully perform its obligations under this Agreement (including, without limitation, any failure to submit required deliverable items according to the schedule set forth in the Scope of Services); (ii) Consultant has neglected, failed, or refused to furnish information or cooperate with any inspection, review, or audit of its work or records; or (iii) Consultant has failed to sufficiently itemize or document its billing statement.
- (e) Audit Exceptions: Consultant accepts responsibility for receiving, replying to, and/or complying with any audit exceptions by appropriate county, state or federal audit agencies resulting from its performance of this Agreement. Within 30 days of demand, Consultant shall pay Agency the full amount of Agency's obligation to the state and/or federal government resulting from any audit exceptions that are attributable to Consultant's failure to properly perform any of its obligations under this Agreement.
- (f) Payment Retention: Agency may retain 10% of each billing statement as security for the fulfillment of this Agreement. After Consultant has completed all services as required under this Agreement, submitted final billing, and if the Department Head has determined that the services have been completed in accordance with this Agreement, Agency will release all withheld funds.
- (g) Penalties for False Claims: Any person who commits any of the following acts shall be liable to Agency for three times the amount of damages which Agency sustains because of the act of that person. A person who commits any of the following acts shall also be liable to Agency for the costs of a civil action brought to recover any of those penalties or damages, and may be liable to Agency for a civil penalty of not less than \$5,000 and not more than \$10,000 for each false claim: (a) Knowingly presents or causes to be presented to an officer or employee of Agency a false claim for payment or approval. (b) Knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by Agency. (c) Conspires to defraud Agency by getting a false claim allowed or paid by Agency. (d) Knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to Agency. (e) Is a beneficiary of an inadvertent submission of a false claim to Agency, subsequently discovers the falsity of the claim, and fails to disclose the false claim to Agency within a reasonable time after discovery of the false claim. Liability under this section shall be joint and several for any act committed by two or more persons.
12. Extra Work. Any work or services in addition to the work or services described in the Scope of Services that Agency deems necessary to properly complete the work or services described in Scope of Services shall be performed by Consultant at the direction of Agency according to the rates or charges listed in Appendix B. In the event that no rate or charge is listed for a particular type of extra work, Consultant will be paid for the extra work at a rate to be mutually agreed on prior to the commencement of the extra work. In no event will Consultant be entitled to compensation for extra work unless, prior to commencement of the extra work, Agency has executed a written amendment describing the extra work and payment terms in accordance with Section 32, Amendments.
13. Time for Completion. Consultant shall complete all services covered by this Agreement no later than the end of the term as set forth above. Notwithstanding the foregoing, to the extent the Scope of Services provides for the phasing of services, Consultant shall complete all services for each phase of the project by the deadlines stated in the Scope of Services.
14. Termination by Agency. At its option, Agency may terminate this Agreement at any time by written notice to Consultant, whether or not Consultant is then in default. Upon such termination, Consultant shall, without delay, deliver to Agency all materials and records prepared or obtained in the performance of this Agreement, and Agency shall pay Consultant, without duplication, all amounts due for the services rendered up to the date of termination.

**GENERAL CONDITIONS**  
(Consulting Services Agreement)

15. Abandonment by Consultant. If Consultant ceases performing services under this Agreement or otherwise abandons the project prior to completing all of the services described in this Agreement, Consultant shall deliver to Agency, without delay, all materials and records prepared or obtained in the performance of this Agreement. Agency shall pay Consultant the amount it determines to be the reasonable value of the services performed up to the time of cessation or abandonment, less a deduction for any damages or additional expenses which Agency incurs as a result of such cessation or abandonment.
16. Ownership of Documents. All materials and records of a finished nature, such as final plans, specifications, reports, and maps, prepared or obtained in the performance of this Agreement, shall be delivered to and become the property of Agency. Consultant shall retain, and make available to Agency in accordance with Section 17, Record Retention and Auditing, all materials of a preliminary nature, such as survey notes, sketches, preliminary plans, computations and other data, prepared or obtained in the performance of this Agreement.
17. Record Retention and Auditing. Except for materials and records delivered to Agency, Consultant shall retain all materials and records prepared or obtained in the performance of this Agreement, including financial records, for a period of at least five years after Consultant's receipt of the final payment under this Agreement. Upon request by Agency, Consultant shall promptly make such materials and records available to Agency, or to authorized representatives of the state and federal governments, at a convenient location within Contra Costa County designated by the Department Head, at no additional charge and without restriction or limitation on their use.
18. Independent Contractor Status. The parties intend that Consultant, in performing the services specified herein, is acting as an independent contractor and that Consultant will control the work and the manner in which it is performed. This Agreement is not intended and may not be construed to create the relationship between the parties of agent, servant, employee, partnership, joint venture or association. Additionally, Consultant is not entitled to participate in any pension plan, workers' compensation plan, health plan, insurance, bonus or similar benefits Agency provides to its employees. In the event that Agency exercises its right to terminate the Agreement, Consultant expressly agrees that it will have no recourse or right of appeal under any rules, regulations, ordinances or laws applicable to employees.
19. Breach. If Consultant fails to perform any of the services described in this Agreement in the manner and timeframe set forth in the Scope of Services or otherwise breaches this Agreement, Agency may pursue all remedies provided by law or equity. Disputes relating to the performance of this Agreement are not subject to non-judicial arbitration.
20. Compliance with Laws. In performing this Agreement, Consultant shall comply with all applicable laws, statutes, ordinances, rules and regulations, whether federal, state, or local in origin, including, but not limited to, licensing and purchasing practices, and wages, hours and conditions of employment, including nondiscrimination and prevailing wage rates and their payment in accordance with California Labor Code Section 1775. If any federal or state regulations or laws touching upon the subject of this Agreement are adopted or revised during the term hereof, this Agreement will be deemed amended and Consultant will comply with such federal or state requirements.
21. Assignment. Consultant may not assign or transfer this Agreement, in whole or in part, whether voluntarily, by operation of law or otherwise; provided, however, Consultant may, subject to any required state or federal approval, enter into subcontracts for the portion of the services for which Consultant does not have the facilities to perform so long as Consultant obtains the Department Head's written consent to such subcontracting prior to execution of this Agreement. The Department Head may withhold consent to any proposed subcontract in his or her sole and absolute discretion. Any purported assignment, transfer or subcontract that does not comply with the terms hereof is void.
22. Endorsement on Plans. Consultant shall endorse all plans, specifications, estimates, reports and other items described in Scope of Services prior to delivering them to Agency, and, where appropriate, indicate his or her registration number.
23. Works Made for Hire; Confidentiality. All reports, original drawings, graphics, plans, studies, and other data and documents, in whatever form or format, assembled or prepared by Consultant or Consultant's subcontractors, consultants, and other agents in connection with this Agreement are "works made for hire" (as defined in the Copyright Act, 17 U.S.C.A., Sections 101 *et seq.*, as amended) for Agency, and Consultant unconditionally and irrevocably transfers and assigns to Agency all right, title, and interest, including all copyrights and other intellectual property rights, in or to the works made for hire. If any of the works made for hire is subject to copyright protection, Agency reserves the right to copyright such works and Consultant agrees not to copyright such works. If any works made for hire are copyrighted, Agency reserves a royalty-free, irrevocable license to reproduce, publish, and

**GENERAL CONDITIONS**  
(Consulting Services Agreement)

use the works made for hire, in whole or in part, without restriction or limitation, and to authorize others to do so. Unless required by law, Consultant shall not publish, transfer, discuss, or disclose any of the above-described works made for hire, or any financial, statistical, personal, technical, or other data or information relative to Agency's operations, which are designated confidential by Agency and made available to Consultant in order to carry out Consultant's work under this Agreement, or any information gathered, discovered, or generated in any way through this Agreement, without Agency's prior express written consent. Permission to disclose information on one occasion or public hearing does not constitute authorization to further disclose such information on any other occasion.

24. **Indemnification.** Consistent with California Civil Code section 2782.8, Consultant shall, to the fullest extent permitted by law, indemnify, protect, defend and hold harmless Agency, and its employees, officials, and agents, from any and all demands, losses, claims, costs, liabilities, and expenses for any damage, injury, or death, including any and all administrative fines, penalties or costs imposed as a result of an administrative proceeding, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, its officers, employees, agents, contractors, subconsultants, or any persons under its direction or control. If requested by Agency, Consultant shall defend any such suits at its sole cost and expense. If Agency elects to provide its own defense, Consultant shall reimburse Agency for any expenditures, including reasonable attorneys' fees and costs. Consultant's obligations under this section exist regardless of concurrent negligence or willful misconduct on the part of Agency or any other person; provided, however, that Consultant will not be required to indemnify, including the cost to defend, Agency for the proportion of liability a court determines does not arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, its officers, employees, agents, contractors, subconsultants, or any persons under its direction or control. This indemnification clause will survive the termination or expiration of this Agreement.
25. **Endorsements.** Consultant may not, in its capacity as a Consultant with Agency, (a) publicly endorse or oppose the use of any particular brand name or commercial product without the prior approval of Agency's governing body, (b) publicly attribute qualities or lack of qualities to a particular brand name or commercial product in the absence of a well-established and widely accepted scientific basis for such claims or without the prior approval of Agency's governing body or (c) participate or appear in any commercially-produced advertisements designed to promote a particular brand name or commercial product, even if Consultant is not publicly endorsing a product, as long as Consultant's presence in the advertisement can reasonably be interpreted as an endorsement of the product by or on behalf of Agency. Notwithstanding the foregoing, Consultant may express its views on products to other consultants, to Agency's governing body or its officers, or to others who may be authorized by Agency's governing body or by law to receive such views.
26. **Project Personnel.** In performing the services authorized under this Agreement, Consultant shall use the personnel listed in Appendix B. Consultant may only make changes in project personnel and authorized subconsultants with the Department Head's prior written consent, and Consultant shall notify the Department Head in writing at least thirty (30) days in advance of any proposed change. Any person proposed as a replacement shall possess training, experience, and credentials comparable to those of the person being replaced.
27. **Inspection.** Authorized representatives of Agency, the State of California and the United States Government may monitor, inspect, review and audit Consultant's performance, place of business and records pertaining to this Agreement. Consultant shall make these items available for inspection upon request.
28. **Conflicts of Interest.** Consultant covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Consultant further covenants that in the performance of this Agreement, Consultant will employ no person having any such interest. If requested to do so by Agency, Consultant shall complete a "Statement of Economic Interest" form and deliver it to the Department Head and shall require any other person doing work under this Agreement to complete a "Statement of Economic Interest" form and deliver it to the Department Head. Consultant covenants that Consultant, its employees and officials, are not now employed by Agency and have not been so employed by Agency within 12 months immediately preceding this Agreement; or, if so employed, did not then and do not now occupy a position that would create a conflict of interest under Government Code Section 1090. In addition to any indemnity provided by Consultant in this Agreement, Consultant shall indemnify, defend and hold Agency harmless from any and all claims, investigations, liabilities or damages resulting from or related to any and all alleged conflicts interest.
29. **Nonrenewal.** Consultant understands and agrees that there is no representation, implication, or understanding that the services provided by Consultant under this Agreement will be purchased by Agency under a new contract following expiration or

**GENERAL CONDITIONS**  
(Consulting Services Agreement)

termination of this Agreement, and Consultant waives all rights or claims to notice or hearing respecting any failure to continue purchasing all or any such services from Consultant.

30. Professional Competence; Licensure. Consultant represents and warrants that it is (i) professionally competent and able to provide the professional services described in this Agreement by reason of Consultant's personal knowledge and skill, and (ii) currently licensed by the State of California, and will remain licensed in good standing at all times during the term of this Agreement, as one or more of the following: (a) an architect pursuant to Chapter 3 (commencing with Section 5500) of Division 3 of the California Business and Professions Code; (b) a landscape architect pursuant to Chapter 3.5 (commencing with Section 5615) of Division 3 of the California Business and Professions Code; (c) a professional engineer pursuant to Chapter 7 (commencing with Section 6700) of Division 3 of the California Business and Professions Code; or (d) a professional land surveyor pursuant to Chapter 15 (commencing with Section 8700) of Division 3 of the California Business and Professions Code.
31. Notices. All notices under this Agreement must be in writing, and, except as otherwise provided in the Scope of Services, sent by personal delivery (including overnight courier service) or by certified United States Mail, postage prepaid, to the parties at the addresses designated above, unless changed by written notice to the other party. Consultant shall address all notices to Agency to the Department Head. The effective date of the notice is the date of deposit in the mail or of other delivery, except that the effective date of notice to Agency is the date of receipt by the Department Head.
32. Amendments. This Agreement may be amended only by written agreement signed by both of the parties.
33. Disputes. Disagreements between Agency and Consultant concerning the meaning, requirements or performance of this Agreement are subject to final written determination of the Department Head or in accordance with the applicable procedures (if any) required by state or federal government.
34. Choice of Law and Personal Jurisdiction. This Agreement is made in Contra Costa County and is governed by, and will be construed in accordance with, the laws of the State of California. The parties, to the fullest extent permitted by law, knowingly, intentionally, and voluntarily, with and upon the advice of competent counsel, submit to personal jurisdiction in the State of California over any suit, action or proceeding arising from or relating to the terms of this Agreement.
35. No Implied Waiver. No waiver of any provision of this Agreement by Agency is valid unless it is in writing and signed by Agency. Waiver by Agency at any time of any breach of this Agreement may not be deemed a waiver of or consent to a subsequent breach of the same or any other provision of this Agreement. If Consultant's action requires the consent or approval of Agency, that consent or approval on one occasion may not be deemed a consent to or approval of that action on any later occasion or a consent to or approval of any other action. Subject to Section 33, Disputes, inspections, approvals or statements by any officer, agent or employee of Agency indicating Consultant's performance or any part thereof complies with the requirements of this Agreement, or acceptance of the whole or any part of Consultant's performance, or payments therefor, or any combination of these acts, does not relieve Consultant of its obligation to fulfill this Agreement as prescribed or prevent Agency from bringing an action for damages or enforcement arising from any failure to comply with any of the terms and conditions of this Agreement.
36. Successors and Assigns. Subject to Section 21, Assignment, this Agreement binds Consultant's successors, assigns, heirs, executors and personal representatives.
37. No Third-Party Beneficiaries. This Agreement is intended solely for the benefit of the parties hereto, and no third party has any right or interest in any provision of this Agreement or as a result of any action or inaction of any party in connection therewith.
38. Construction. The section headings and captions of this Agreement are, and the arrangement of this instrument is, for the sole convenience of the parties to this Agreement. The section headings, captions and arrangement of this instrument do not in any way affect, limit, amplify or modify the terms and provisions of this Agreement. This Agreement may not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. The parties to this Agreement and their counsel have read and reviewed this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply to the interpretation of this Agreement.
39. Severability. If any term or provision of this Agreement is, to any extent, held invalid or unenforceable, the remainder of this Agreement will not be affected thereby.

**GENERAL CONDITIONS**  
(Consulting Services Agreement)

40. Entire Agreement. This Agreement, together with all of the attachments listed in Section 6, Attachments, contains all of the terms and conditions agreed upon by the parties regarding the subject matter of this Agreement, and supercedes all previous communications, representations, understandings and agreements, whether verbal, written, express or implied, between the parties.
41. Authorization. Consultant, or the representative(s) signing this Agreement on behalf of Consultant, represents and warrants that Consultant has full power and authority to enter into this Agreement and to perform the obligations set forth herein, and that the representatives signing this Agreement have the authority to execute this Agreement on behalf of Consultant and to bind Consultant to its contractual obligations hereunder.

**The following provisions apply only to projects using US Department of Transportation funds.**

42. Disadvantaged Business Enterprise (DBE) Requirements (Federal aid projects only). Consultant shall comply with all applicable provisions of 49 CFR, Parts 23 and 26, and the Contra Costa County's Disadvantaged Business Enterprise (DBE) Program, which are incorporated into this Agreement by reference. In addition, in performing services under this Agreement, Consultant shall utilize all DBEs listed in Consultant's written response to Agency's request for qualifications or request for proposal and shall pay to the listed DBEs the estimated amounts listed in Appendix B attached to this Agreement. Consultant shall not substitute a listed DBE at any time or decrease the amount to be paid to a listed DBE without the advance, written consent of Agency. If a listed DBE is proposed to be replaced, Consultant shall make a good faith effort to replace the original DBE with another DBE and shall submit to Agency written documentation of such effort.
43. Federal Cost Principles and Procedures (Federal aid projects only). Consultant shall comply with the following provisions, which are incorporated into this Agreement by reference: (a) the cost principles for allowability of individual items of costs set forth in 48 CFR, Chapter 1, Part 31; (b) the administrative procedures set forth in 49 CFR, Part 18; and (c) the administrative procedures for non-profit organizations set forth in OMB Circular A-110, if applicable to Consultant. In the event that payment is made to Consultant for any costs that are determined by subsequent audit to be unallowable under 48 CFR, Chapter 1, Part 31, Consultant shall refund the payment to Agency within 30 days of written request from Agency. Should Consultant fail to do so, and should Agency file legal action to recover the refund, Consultant shall reimburse Agency for all attorneys' fees, costs, and other expenses incurred by Agency in connection with such action.
44. Prohibition of Expending Local Agency State or Federal Funds for Lobbying (Federal aid in excess of \$100,000 only). In executing this Agreement, Consultant makes the following certification, which certification is a material representation of fact relied upon by Agency in entering into this Agreement:
- (a) Certification. To the best of Consultant's knowledge and belief:
- (i) No state, federal or local agency appropriated funds have been paid, or will be paid by or on behalf of Consultant to any person for influencing or attempting to influence an officer or employee of any state or federal agency, a member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a member of the Legislature or Congress, in connection with the awarding of any state or federal contract, the making of any state or federal grant, the making of any state or federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state or federal contract, grant, loan, or cooperative agreement.
- (ii) If any funds other than federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with this federal contract, grant, loan, or cooperative agreement, Consultant shall complete and submit Form – LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (b) Penalty for Failure to File Disclosure Form. Submission of the disclosure form is a prerequisite for making or entering into this Agreement imposed by Title 31 U.S.C. Section 1352. Any person who fails to file the required disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- (c) Applicability to Subconsultants. In executing this Agreement, Consultant also agrees to require that the language of this

**GENERAL CONDITIONS**  
(Consulting Services Agreement)

Section 44 be included in all contracts with subconsultants that exceed \$100,000, and that all such subconsultants shall certify and disclose accordingly.

45. Compliance with American Recovery and Reinvestment Act (“Recovery Act”). Consultant shall comply with the following provisions, which are incorporated into this Agreement by reference: (a) the statutory provisions contained in Chapter 1 of Title 23 of the United States Code; and (b) the reporting requirements, terms and conditions set forth in Sections 1201 and 1512 of the Recovery Act, and as designated by the State of California. Consultant’s failure to comply with these provisions will result in retentions from progress payments due and/or other sanctions.

DRAFT

## **Special Conditions** **(Consulting Services Agreement)**

Consultant and Agency agree that the following Special Conditions are part of this Agreement.

1. No payment will be made prior to Agency's approval of any work, nor will Contractor perform any work prior to Agency's approval of this Agreement.
2. Payment Method. The method of payment for this Agreement is specified hourly rate not to exceed the Payment Limit specified in Section 4 Payment Limit of the Basic Terms without Agency's prior approval.
3. Section 10(b) Certificate of Insurance: of the General Conditions is hereby deleted in its entirety and replaced with the following:

"(b) Certificate of Insurance: Prior to the effective date of this Agreement, Consultant shall furnish to the Contra Costa County Public Works Department (Department) certificates of insurance evidencing the coverage required herein. Additionally, no later than five days after Consultant's receipt of (i) a notice of cancellation or a notice of an intention to cancel any of Consultant's insurance coverage required by this Agreement, or (ii) a notice of a material change to Consultant's insurance coverage required by this Agreement, Consultant will provide Agency a copy of such notice of cancellation, or notice of intention to cancel, or notice of material change. Consultant's failure to provide Department the notice as required by the preceding sentence is a default under this Agreement. If Consultant renews any of the insurance policies or acquires any new insurance policies or amends the coverage through an endorsement to any policy at any time during the term of this Agreement, then Consultant shall provide current certificates to Department."

4. Section 11(f) Payment Retention of the General Conditions is hereby deleted in its entirety and replaced with the following:

“(f) Payment Retention: Agency will not retain any funds.”

5. Section 23 Works Made for Hire; Confidentiality of the General Conditions is hereby amended by adding the following sentence to the end of the section: Notwithstanding the preceding, Consultant shall retain ownership in its pre-existing standard drawing details, designs, specifications, databases, computer software, proprietary information, documents, templates, and any other property owned by Consultant on the date of this Agreement or developed outside of this Agreement.

## **Appendix A to Consulting Services Agreement Scope of Services (On Call Design Professional Services)**

### 1. OVERVIEW AND GENERAL REQUIREMENTS

A. Agency is involved in the review, design, construction, and maintenance of various public works of improvement throughout Contra Costa County. Projects range from simple maintenance-related projects, such as slurry sealing existing road pavements, to more complex capital road, airport, and flood control channel improvement projects. In executing these projects, Agency, at times, requires additional temporary services from persons specially trained, experienced, expert and competent to perform design professional services, including engineering, architectural, landscape architectural, and land surveying services. For that reason, Agency is entering into this Agreement with Consultant. Under this Agreement, Consultant will provide design professional services on an "on call" basis in support of a variety of road, airport and flood control projects throughout Contra Costa County. Examples of typical Agency projects and typical Consultant services covered by this Agreement are listed in Paragraphs 3 and 4 below.

B. As provided in Section 26 of this Agreement, Project Personnel, subconsultants retained by Consultant must be authorized in advance, in writing, by Agency's Department Head. Consultant shall direct the tasks and activities of its authorized subconsultants and ensure that the tasks, activities and/or products required by this Agreement are completed in a timely manner and in accordance with the applicable standard of care for the given subconsultant. Notwithstanding the authorization for work to be performed by a particular subconsultant, Consultant is solely responsible for the performance of all services and delivery of all products under this Agreement.

C. Work shown or specified in reports, drawings, and specifications must comply with all requirements of the Contra Costa County Ordinance Code, all applicable State and Federal codes and regulations, and all applicable requirements of the local fire district and utility companies or districts having jurisdiction over the project or area in which the project is located.

### 2. TASK ORDER PROCEDURES

#### A. TASK ORDERS

During the term of this Agreement, when Agency has a need for Consultant to provide design professional services, Agency will forward a proposed Task Order to Consultant. Within the timeframe requested by Agency, Consultant will provide Agency with a cost proposal for the services and deliverables specified in the Task Order, including a written estimate of the number of hours per staff person, any anticipated reimbursable expenses, and total dollar amount. Once Agency and Consultant agree to a cost breakdown and commencement date for the services and deliverables identified in the Task Order (with a payment limit for the Task Order that does not cause the total payments under this Agreement to exceed the Payment Limit set forth in Section 4 of this Agreement, Payment Limit), Consultant and Agency (through its Department Head) will execute the final version of the Task Order.



**B. AUTHORIZED REPRESENTATIVES**

During the term of this Agreement, the Department Head, on behalf of Agency, and the individuals listed below, on behalf of Consultant, are authorized to execute Task Orders under this Agreement. Consultant may change the individuals authorized to execute Task Orders upon thirty (30) days advance written notice to Agency.

FOR CONSULTANT: Servando Molina  
Hala Titus

***Note: A Task Order is of no force or effect until it is signed by the Department Head. Consultant shall not commence work, and no expenditures are authorized, until the Department Head has executed a Task Order for the particular task and products at issue. Notwithstanding anything to the contrary, the Department Head is not authorized to execute a Task Order that causes the total payments under this Agreement to exceed the Payment Limit set forth in Section 4. Payment Limit of this Agreement.***

**3. TYPICAL AGENCY PROJECTS**

During the term of this Agreement, Agency may call upon Consultant to provide services under this Agreement for the types of projects listed below. The actual project on which Consultant will work will be specified in a separate Task Order.

- Responding to emergency situations requiring engineering services for water treatment facilities.
- Water treatment system analysis and recommendations (including design work necessary to perform the recommended work).
- Obtaining from the State a waiver from the drinking water secondary standards.
- [Reserved]
- [Reserved]
- [Reserved]
- [Reserved]

4. TYPICAL CONSULTANT SERVICES

During the term of this Agreement, Consultant will perform, at Agency's written request, the following types of services as further specified by Task Order:

- Respond to unexpected water treatment system operational issues; investigate, and provide repair recommendation(s);
- Perform an assessment of the current water treatment system condition and recommend improvements;
- Create/update water treatment system operation and maintenance manual(s);
- Analyze and provide engineering report for a waiver of the secondary standards for drinking water;
- Prepare and attend community, interagency, and regulatory meetings;
- Prepare construction plans and special provisions, with the following types of plan sheets, as applicable, and submit them to Agency for review at 35%, 65%, 95% and 100% completion, unless otherwise instructed by Agency. Plans will include one or more of the following types of plan sheets, as specified by Agency: Title Sheet, Typical Cross Sections, Key Map and Line Index, Layout, Profile, Construction Details, Contour Grading Plans, Drainage Plans and Profiles, Construction Staging Plan, Traffic Control Plan, Demolition Plan, and Structure Plans;
- Provide engineering support during project bidding and constructions;
- Perform alternative analysis;
- Perform peer review of plans and calculations;
- Perform quantity calculations, estimate unit bid prices, and prepare list of bid items;
- Prepare Design Exception Fact Sheets when necessary;
- Provide necessary engineering and design information to Agency staff in support of environmental compliance and regulatory permitting;
- Work with Agency staff to develop and adhere to a Task Order schedule that meets the Agency's requirements;
- Provide necessary management oversight and quality assurance to meet Task Order specified end product(s) (deliverables) within agreed schedule and budget;
- Collect and review all relevant data and documents necessary to perform Task order services; and
- Assist the County in obtaining a waiver from the State from the drinking water secondary standards (including completing the waiver application, an engineering report, water quality tests, etc.).

- [Reserved]
- [Reserved]

5. PERFORMANCE STANDARDS

Consultant shall perform services in compliance with the following performance standards:

Consultant shall perform sanitary engineering consulting services in compliance with the latest editions of design standards, including without limitation, California Code of Regulation Tittle 22, Diablo Water District Standard Specifications and Drawings, Diablo Water District Design Requirements, California Department of Transportation (Caltrans) Highway Design Manual, Caltrans Reference Sheets, American Association of State Highway Transportation Officials' (AASHTO) design standards/policies, American Concrete Institute Uniform Building Code, American Institute of Steel Construction design standards, California Building Code, Agency design standards, and any additional standards referenced in the Task Order. Consultant shall comply with Caltrans' format standards for all products, such as preliminary and/or final plans (hardcopy and electronic, CADD files), technical specifications, calculations, and cost estimates as required by each Task Order. Cost considerations will not be deemed justification for breach of sound principles of engineering design. Consultant will remain solely responsible for the adequacy, fitness and correctness of design and all designing work in accordance with sound and accepted engineering principles despite Agency's approval or acceptance of reports, plans, specifications, and any other product prepared by Consultant under this Agreement.

6. PAYMENT DEMANDS

Consultant shall submit a written demand or invoice for the services provided under each Task Order either (i) upon completion of the services described in the Task Order if the services take less than one month to complete; or (ii) monthly, if the services under a Task Order take more than one month to complete. In each case, Consultant shall describe the work performed and list, for each item of services, the employee categories, hours and rates (consistent with the rates shown on Appendix B). All payment demands and payments hereunder are subject to Section 11 of this Agreement, Payment.

7. NON-EXCLUSIVE AGREEMENT

Consultant acknowledges that this Agreement is not exclusive and that Agency may, at any and all times during the term of this Agreement, obtain civil engineering and other types of services from any appropriate source.

8. TIME

Consultant understands and agrees that time is of the essence in this Agreement. Consultant shall perform the services authorized under each Task Order expeditiously and with adequate forces and shall complete the services within the time specified in each Task Order.

## **Appendix B to Consulting Services Agreement Payment Provisions, Project Personnel and Billing Rates**

### **I. PAYMENT PROVISIONS**

A. Payment for services will not exceed the billing rates set forth in this Appendix B and will be based on the actual hours worked (by Consultant and authorized subconsultants) and actual approved Other Direct Costs (described below) subject to the Payment Limit specified in Section 4 of this Agreement, Payment Limit. In addition, payments for services (including payments to Consultant for authorized subconsultants) and Other Direct Costs will not exceed the following amounts for each phase or period indicated below unless approved in advance in writing by the Department Head:

1. Not Applicable: \$ ( % of Payment Limit)
2. Not Applicable: \$ ( % of Payment Limit)
3. Not Applicable: \$ ( % of Payment Limit)
4. Not Applicable: \$ ( % of Payment Limit)

B. Payment to Consultant for subconsultants authorized in advance by Agency in accordance with Section 21 of this Agreement, Assignment, will be the amount equal to Consultant's direct costs, without handling mark ups. Consultant shall submit Subconsultant invoices as part of Consultant's bill for services.

C. Payments for the extra work specified in Section 12 of this Agreement, Extra Work, shall be computed separately and shall not exceed any limits specified in Agency's written amendment describing the extra work and payment terms for the extra work.

D. Subject to the Payment Limit in Section 4 of this Agreement, Payment Limit, Agency will reimburse the actual cost (without mark up) of documented expenditures by Consultant and its employees and authorized subconsultants for the Other Direct Costs listed below to the extent such Other Direct Costs were incurred to perform the services described in this Agreement:

See Attachment 1 to this Appendix B for Consultant's roles and billing rates.

E. All other expenses (*i.e.*, those not listed under Paragraph D above) are not reimbursable and are deemed covered by the hourly billing rates set forth in Section II of this Appendix B. When any of the items listed under Paragraph D above are provided for Consultant's own use and not at Agency's request, expenses therefor are not reimbursable and are deemed covered by the hourly billing rates set forth in Section II of this Appendix B. Agency will not pay for Consultant's and its subconsultants' time and expenses for transportation between Consultant's and its subconsultants' various offices. Costs for such transportation are deemed covered by the hourly billing rates set forth in Section II of this Appendix B.

- F. Notwithstanding anything to the contrary in Section 11 of this Agreement, Payment, these Payment Provisions, including billing rates, are subject to a post award audit by the state and/or federal government. After any post award audit cost adjustments are ordered by the state and/or federal government, these Payment Provisions and the billing rates shall be adjusted by Consultant and approved by Agency's Department Head to conform to the audit cost adjustments. Consultant agrees that the individual items of cost identified in the audit report may be incorporated into the Agreement at Agency's sole discretion. Refusal by Consultant to incorporate the post award audit cost adjustments will be considered a breach of the Agreement terms and cause for termination of the Agreement by Agency. Consultant agrees that all invoices after the post award audit will be based on the adjusted Payment Provisions. Any invoices paid prior to the post award audit will be recalculated by Agency in accordance with the post award audit. Any difference in moneys due Consultant as a result of the post award audit cost adjustments will be added to, or deducted from, moneys due the Consultant on subsequent invoices.

## II. PROJECT PERSONNEL AND BILLING RATES

In accordance with Section 26 of this Agreement, Project Personnel, Consultant's personnel assigned to this project and their roles and billing rates are as follows:

See Attachment 1 to this Appendix B for Consultant's roles and billing rates.

Contractor may request an increase in the hourly rates set forth on Attachment 1 to Appendix B, on an annual basis, in January of each calendar year during the term of this Contract, beginning with January 2022. The proposed increase in hourly rates cannot exceed the actual increase in the hourly rates paid by Contractor to its staff. Contractor shall provide Agency with at least 30 days advance written notice of a proposed increase. Subject to approval by Agency's department head, the proposed increase will be effective 30 days following receipt of Contractor's request. An increase in the hourly rates shall not result in any increase in the Payment Limit specified in Section 4 Payment Limit of this Contract.

Attachment 1 to Appendix B

**CDM Smith, Inc.**

**Hourly Rate**

Vice President/Senior Vice President	\$285 - \$345
Principal, Associate & Engineer/Scientist (Grade 7 & 8)	\$230 - \$315
Senior Engineer/Scientist (Grade 6)	\$170 - \$230
Engineer/Scientist (Grade 4 & 5)	\$125 - \$180
Staff Engineer/Scientist (Grade 1, 2, & 3)	\$100 - \$170
Draftsperson/Designer (DNDF1- DNDF8)	\$100 - \$170
Contract/Project Administrator (FNCA5-8, ASPR8)	\$105 - \$170
Secretary/Word Processor (ASWP1-ASWP5)	\$105 - \$140
Administrative Assistant (ASAD1-ASAD5)	\$85 - \$130

**OTHER DIRECT COSTS:**

Other reimbursable direct costs shall be billed at actual cost (without markup). These reimbursable costs include, but are not limited to:

Travel: air fare (with County's prior approval), auto rental (with County's prior approval), local mileage (current IRS limit)

Subsistence (with County's prior approval): lodging and meals

Communications: long distance and cellular telephone, fax, postage, and courier services

Printing: internal reproduction (\$1.00/sheet color, \$0.10/sheet black and white); outside printing services

Computer and word processing services

Equipment Rental

Subconsultant

**Consulting Services Agreement  
Task Order  
(On Call Architectural, Engineering, or Land Surveying Services)**

Pursuant to Paragraph 2 of Appendix A (Scope of Services) to that certain Consulting Services Agreement entered into as of January, 2021, between Agency and Consultant, and subject to all of the terms and conditions of the Consulting Services Agreement, Agency and Consultant agree as follows:

TASK ORDER NUMBER:

PROJECT NAME, NUMBER, LOCATION:

CONSULTANT'S NAME:

TASK/DELIVERABLES DESCRIPTION:

DETAILED SCOPE OF SERVICES:

COMMENCEMENT DATE FOR SERVICES:

SCHEDULE FOR SERVICES AND DELIVERABLES:

DEADLINE FOR COMPLETION OF TASK SERVICES AND DELIVERABLES:

PAYMENT LIMIT: \$

<p>AGENCY</p> <p>By: _____ Department Head</p> <p>Date: _____</p>	<p>CONSULTANT</p> <p>By: _____ Authorized Representative</p> <p>Date: _____</p>
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Contra  
Costa  
County

To: Board of Supervisors  
From: Matt Slattengren, Ag Commissioner/Weights & Measures Director  
Date: December 15, 2020

Subject: Agreement #20-0709-017SF ACP Winter Detection Trapping

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Agricultural Commissioner, or designee, to execute a contract with the California Department of Food and Agriculture to pay County an amount not to exceed \$68,861 to provide Asian Citrus Psyllid Winter Detection Trapping for the period October 1, 2020 through April 30, 2021.

**FISCAL IMPACT:**

Approval of this agreement will reimburse the county for expenditures in an amount not to exceed \$68,861. 100% State revenue. There is no county match of funds.

**BACKGROUND:**

The county shall provide services for placing and servicing Asian Citrus Psyllid traps for the period October 1, 2020 through April 30, 2021 in conjunction with exotic pest detection trapping services. This agreement includes delimitation work associated with the detection of one or more life stages of the target pests in the county. Exotic insect pests are considered hazardous to agriculture and the economy of California. Payment will be reimbursed on authorized charges matching the financial plan (salaries, benefits, overhead supplies, vehicle mileage and vehicle leasing costs). These expenditures will be itemized on the monthly invoice with documentation to support the charges. This agreement requires the County to indemnify CDFA for property damages.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF  
SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: 608-6600

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

A negative action would result in loss of revenue to the county and a possible threat to our local agriculture and residents of Contra Costa County.



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: Contract Amendment with Environmental Science Associates for Environmental Review for Keller Canyon Landfill Land Use Permit Amendment

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a contract amendment with Environmental Science Associates, Inc., to extend the term from December 31, 2020 through December 31, 2022 with no change to the payment limit of \$402,588, to complete the Environmental Impact Report (EIR) for the Keller Canyon Landfill land use permit amendment.

**FISCAL IMPACT:**

There is no impact to the General Fund. The cost for preparing the EIR is charged to the project applicant (100% land use permit fees).

**BACKGROUND:**

The Department of Conservation and Development (DCD) is the lead agency responsible for conducting the environmental review of the proposed Keller Canyon Landfill (KCL) land use permit amendment. DCD determined that the proposed land use permit amendment (Project) warrants preparation of a Subsequent EIR pursuant to the requirements of the California Environmental Quality Act (CEQA). DCD retained Environmental Science Associates, Inc. (ESA) to prepare the EIR for this Project. The existing contract will expire on December 31, 2020, however it is not possible for the work to be completed within the existing time frame due to: (1) the Applicant's request that work on the EIR be placed on hold pending completion of the on-going land use permit review process, (2) potential changes to the scope of the project being

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: David Brockbank, (925)  
877-8185

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

considered by the landfill operator which, if formally proposed, may necessitate circulation of a new Notice of Preparation, and (3) updated studies potentially being necessary to assess impacts to certain environmental resources. ESA is best suited to complete the EIR for this Project and therefore, DCD is requesting authorization to amend the contract with ESA.

No further changes are proposed to be made to the existing modified indemnification provision of the General Conditions (paragraph 18) applicable to this contract. The contractor will continue to be required to indemnify the County.

CONSEQUENCE OF NEGATIVE ACTION:

DCD will be unable to complete the EIR for the KCL land use permit amendment that has been partially prepared by ESA. The land use permit amendment process would be delayed in order for DCD staff to prepare a new proposal to enlist a consultant to finish the EIR.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: December 15, 2020

Subject: Contra Costa County Office of Education, Workforce Development Board Services to Youth, Amendment

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute an interagency agreement amendment with Contra Costa County Office of Education to increase the payment limit by \$613,573 to a new payment limit of \$1,363,573 to provide Workforce Innovation and Opportunity Act youth services and extend the term through June 30, 2021.

**FISCAL IMPACT:**

This interagency agreement will increase department expenditure by \$613,573 to a total agreement of \$1,363,573 to be funded 100% with federal WIOA Youth Formula funds. CFDA #17.259

**BACKGROUND:**

This agreement was awarded through Request for Proposal (RFP) 1150 for the provision of comprehensive Workforce Innovation and Opportunity Act (WIOA) youth development services to eligible youth ages 16-24 in West county and far East county. Funding for this Agreement will come from WIOA Formula Youth funds.

WIOA defines the nation's job training

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: elaine Burren  
608-4960

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

system and provides guidance for local workforce investment systems designed to increase the employment, retention, and earnings of participants, and to increase occupational skill attainment by participants. The goals of these efforts are to improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the nation. Agency will provide a systematic approach that offers eligible in-school and out-of-school youth a broad range of coordinated services.

This includes assistance in academic and occupational learning; development of leadership skills; and preparation for further education, additional training, and eventual employment. Programs will provide guidance for youth that is balanced with appropriate consideration of each youth's involvement in his or her training and educational plan.

CONSEQUENCE OF NEGATIVE ACTION:

Without this agreement, in-school and out-of-school youth in West county and far East county will not receive assistance in overcoming barriers to employment, job readiness, educational programs, and career building.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Contract #24-681-94(4) with PH Senior Care, LLC (dba Pleasant Hill Manor)

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract #24-681-94(4) with PH Senior Care, LLC (dba Pleasant Hill Manor), a limited liability company, in an amount not to exceed \$803,400, to provide augmented residential board and care services, including room, board, care and supervision for the period December 1, 2020 through November 30, 2021.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$803,400 and will be funded by 88% Mental Health Realignment (\$706,992) and 12% Mental Health Services Act (\$96,408) revenues.

**BACKGROUND:**

This contract meets the social needs of the County's population by augmenting room and board and providing twenty-four hour emergency residential care and supervision to eligible mentally disordered clients, who are specifically referred by the Mental Health Program staff and who are served by the County's Mental Health Services.

The County has contracted for these services at Pleasant Hill Manor since 2011. Most recently, on November 12, 2019, the Board of Supervisors approved Contract #24-681-94(3), with PH Senior Care, LLC (dba Pleasant Hill Manor), for the provision of augmented board and care services for County-referred mentally disordered clients, for the period from December 1, 2019 through November 30, 2020.

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D.,  
925-957-5212

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Alaina Floyd, marcy.wilham





BACKGROUND: (CONT'D)

Approval of Contract #24-681-94(4), will allow the Contractor to continue to provide augmented board and care services through November 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, County's mentally disordered residents will not receive the care and supervision they need which may result in increased hospitalizations.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #74-249-21 with Catholic Charities CYO of the Archdiocese of San Francisco

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Novation Contract #74-249-21 with Catholic Charities CYO of the Archdiocese of San Francisco, a non-profit corporation, in an amount not to exceed \$527,493, to provide Therapeutic Behavioral Services (TBS) for Seriously Emotionally Disturbed (SED) children at its St. Vincent's School for Boys for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$263,747.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$527,493 and will be funded by 50% Federal Medi-Cal (\$263,746.50) and 50% Mental Health Realignment (\$263,746.50) revenues. (Rate increase)

**BACKGROUND:**

This contract meets the social needs of County's population in that it provides day treatment and TBS services to SED children to reduce the need for hospitalization and/or other higher levels of care. Expected program outcomes include an increase in positive social

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, PhD.,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

BACKGROUND: (CONT'D)

and emotional development as measured by the Child and Adolescent Functional Assessment Scale (CAFAS).

The County has contracted with this contractor for such services since 2005. Most recently on August 23, 2019, the Board of Supervisors approved Novation Contract #74-249-17, as amended by Amendment Agreements #74-249-18 through #74-249-20 with Catholic Charities CYO of the Archdiocese of San Francisco, for the provision of day treatment, mental health services, medication support and TBS for SED children at its St. Vincent's School for Boys for the period from July 1, 2019 through June 30, 2020, which included a six-month automatic extension through December 31, 2020.

Approval of Novation Contract #74-249-21 will replace the automatic extension under the prior contract and allow the contractor to continue providing services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, there will be fewer residential facilities to provide residential and outpatient program for seriously emotionally disturbed youth.

CHILDREN'S IMPACT STATEMENT:

The recommendation supports one or more of the following children's outcomes: (1) Children Ready for and Succeeding in School; (4) Families that are Safe, Stable and Nurturing; and (5) Communities that are Safe and Provide a High Quality of Life for Children and Families.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Interagency Agreement #74-371-13 with Mt. Diablo Unified School District

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Novation Interagency Agreement #74-371-13 with Mt. Diablo Unified School District, a government agency, in an amount not to exceed \$6,029,569, to provide school-based mental health services to Seriously Emotionally Disturbed (SED) students in the Mt. Diablo Unified School District for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$2,880,387.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$6,029,569 and will be funded by 48% Federal Medi-Cal (\$2,894,193), 48% Mental Health Realignment (\$2,894,193), and 4% Mt. Diablo Unified School District (\$241,183) revenues. (Rate increase)

**BACKGROUND:**

This contract meets the social needs of County’s population by providing school and community based mental health services, including assessments; individual, group and family therapy; medication support;

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

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ATTESTED: December 15, 2020

Contact: Suzanne Tavano, PhD.,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

BACKGROUND: (CONT'D)

case management; outreach; and crisis intervention services for children at Sunrise School, Fair Oaks Elementary and Olympic and Mt. Diablo High School, and their families. Expected program outcomes include an increase in positive social and emotional development as measured by the Child and Adolescent Functional Assessment Scale (CAFAS). On September 10, 2019, the Board of Supervisors approved Novation Interagency Agreement #74-371-11, as amended by Amendment Agreement #74-371-12, with Mt. Diablo Unified School District for the provision of school-based mental health services to SED students for the period from July 1, 2019 through June 30, 2020, which included a six-month automatic extension through December 31, 2020. Approval of Novation Interagency Agreement #74-371-13 replaces the automatic extension and will allow the contractor to continue providing services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, SED children will have reduced access to treatment services and may require placement at higher level of care, including hospitalization or residential care in the Mt. Diablo Unified School District.

CHILDREN'S IMPACT STATEMENT:

The recommendation supports one or more of the following children's outcomes: (1) Children Ready for and Succeeding in School; (4) Families that are Safe, Stable and Nurturing; and (5) Communities that are Safe and Provide a High Quality of Life for Children and Families.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #74-612-1 with Mental Health Systems, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract #74-612-1 with Mental Health Systems, Inc., a non-profit corporation, in an amount not to exceed \$1,050,375, to provide mental health services including outpatient treatment, assertive community treatment and crisis intervention for eligible adults in central Contra Costa County under the Mental Health Services Act (MHSA) for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$525,188.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$1,050,375 and will be funded by 14% Federal Medi-Cal (\$147,052), 70% MHSA (\$735,263), and 16% Mental Health Realignment (\$168,060) revenues.

**BACKGROUND:**

This contract meets the social needs of the County's population by providing services for the MHSA Community Services and Supports Program component, including providing community-based services, personal services coordination, medication support, crisis intervention, and other mental health services to eligible adult clients in Contra Costa County. The County has contracted with Mental Health Systems since 2015 for such services. Most recently on November 19, 2019, the Board of Supervisors approved

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, PhD.,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

BACKGROUND: (CONT'D)

Contract #74-612 with Mental Health Systems, Inc. for the provision of mental health support services to adults in central Contra Costa County for the period from November 1, 2019 through June 30, 2020, which included a six-month automatic extension through December 31, 2020. Approval of Novation Contract #74-612-1 will replace the automatic extension and allow the contractor to continue providing services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, there will be fewer services provided to eligible adult clients in central Contra Costa County through the MHSA Community Services and Support Program.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #74-358-11 with Contra Costa Crisis Center

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Novation Contract #74-358-11 with Contra Costa Crisis Center, a non-profit corporation, in an amount not to exceed \$330,006, to provide Mental Health Services Act (MHSA) prevention and early intervention services through a twenty-four hour crisis line for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$165,003.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$330,006 and will be funded 100% by Mental Health Services Act revenues. (Rate increase)

**BACKGROUND:**

This contract meets the social needs of County's population by providing a nationally-certified 24-hour suicide prevention hotline that lowers the risk of suicide at a time when people are most vulnerable, enhances safety and connectedness for suicidal individuals, and builds a bridge to community resources for at-risk persons. The County has contracted with this contractor since 2009 for such services. Most recently on September 24, 2019, the Board of Supervisors approved Novation Contract #74-358-10 with

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm



BACKGROUND: (CONT'D)

Contra Costa Crisis Center to provide MHSA prevention and early intervention services for the period from July 1, 2019 through June 30, 2020, which included a six-month automatic extension through December 31, 2020. Approval of Novation Contract #74-358-11 will replace the automatic extension under the prior contract and allow the contractor to continue providing services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, the County's efforts to provide suicide prevention hotline services to at-risk persons will be hindered.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #24-751-91 with Bay Area Community Services, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Novation Contract #24-751-91 with Bay Area Community Services, Inc., a non-profit corporation, in an amount not to exceed \$2,627,206, to provide community services, support programs and residential mental health services to County clients for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$1,313,603.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$2,627,206 and will be funded by 55% Mental Health Realignment (\$1,444,963); 33% Federal Medi-Cal (\$866,978) and 12% Mental Health Services Act (\$315,265) revenues. (Rate increase)

**BACKGROUND:**

This contract meets the social needs of the County's population by providing a continuum of services to residents transitioning from crisis residential care to transitional residential care and keeps these clients out of higher levels of care, including State hospitals.

The County previously contracted with Anka Behavioral Health, Inc. for such services, through May 2019 until it filed for chapter 11 bankruptcy, and the County assigned the contract to Bay Area Community Services, Inc. effective June 1, 2019. On November 5, 2019, the Board of

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

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ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm



BACKGROUND: (CONT'D)

Supervisors approved Novation Contract #24-751-90 with Bay Area Community Services, Inc. to provide community services, support programs and residential mental health services to County clients, for the period from July 1, 2019 through June 30, 2020, which included a six-month automatic extension through December 31, 2020.

Approval of Novation Contract #24-751-91 will replace the automatic extension under the prior contract and allow the contractor to continue providing services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, clients will not receive mental health services provided by this contractor.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Amendment #74-222-9 with J Cole Recovery Homes, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract Amendment Agreement #74-222-9 with J Cole Recovery Homes, Inc., a corporation, effective July 1, 2020, to amend Contract #74-222-8 to modify the rates to continue to provide residential substance abuse use disorder treatment services for male offenders in East Contra Costa County, with no change in the original payment limit of \$935,028, and no change in the original term of July 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

The recommended contract amendment does not change the payment limit, rather recognizes the business interruption issues faced by the Community Based Organizations (CBO's). The rate adjustments will ensure that the CBO's can continue providing needed services to the community. The contracts are partially funded with State "2011 Realignment" dollars. Given the COVID-19 impact on State revenues it is likely that collection of the Realignment funding will be delayed.

**BACKGROUND:**

COVID-19 is causing significant impacts to the community based behavioral health providers in Contra Costa County. Social distancing requirements to prevent disease transmission has made delivery of critical services extremely difficult, impossible or ineffective. Many non-profit organizations have few, if any,

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

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ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D.,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

BACKGROUND: (CONT'D)

financial reserves to sustain themselves. These rate increases are intended to be used by the contractor to retain its providers who deliver direct reimbursable behavioral health services to Contra Costa residents both during and after the current emergency. This action provides changes to the contract payment structure through the end of the fiscal year thereby providing cash flow and budget predictability to the CBO's.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, the residents of Contra Costa County may experience reduced or discontinued behavioral health services.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Amendment #74-610-4 with Westcare California, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract Amendment Agreement #74-610-4 with Westcare California, Inc., a non-profit corporation, effective October 1, 2020, to amend Contract #74-610-3 to modify the rates to continue to provide substance use disorder prevention, treatment, and detoxification services for Contra Costa County residents in West County, with no change in the original payment limit of \$1,521,380, and no change in the original term of October 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

The recommended contract amendment does not change the payment limit, rather recognizes the business interruption issues faced by the Community Based Organizations (CBO's). The rate adjustments will ensure that the CBO's have sufficient cash to continue providing needed services to the community. The contracts are partially funded with State "2011 Realignment" dollars. Given the COVID-19 impact on State revenues it is likely that collection of the Realignment funding will be delayed.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D.,  
925-957-5212

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

**BACKGROUND:**

COVID-19 is causing significant impacts to the community based behavioral health providers in Contra Costa County. Social distancing requirements to prevent disease transmission has made delivery of critical services extremely difficult, impossible or ineffective. Many non-profit organizations have few, if any, financial reserves to sustain themselves. These rate increases are intended to be used by the contractor to retain its providers who deliver direct reimbursable behavioral health services to Contra Costa residents both during and after the current emergency. This action provides changes to the contract payment structure through the end of the fiscal year thereby providing cash flow and budget predictability to the CBO's.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this amendment is not approved, the residents of Contra Costa County may experience reduced or discontinued behavioral health services.





Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Amendment #24-429-71 with Ujima Family Recovery Services

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract Amendment Agreement #24-429-71 with Ujima Family Recovery Services, a non-profit corporation, effective July 1, 2020, to amend Contract #24-429-70 to modify the rates to continue to provide residential and outpatient treatment for pregnant and parenting women and their young children, with no change in the original payment limit of \$3,485,421, and no change in the original term of July 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

The recommended contract amendment does not change the payment limit, rather recognizes the business interruption issues faced by the Community Based Organizations (CBO's). The rate adjustments will ensure that the CBO's have sufficient cash to continue providing needed services to the community. The contracts are partially funded with State "2011 Realignment" dollars. Given the COVID-19 impact on State revenues it is likely that collection of the Realignment funding will be delayed.

**BACKGROUND:**

COVID-19 is causing significant impacts to the community based behavioral health providers in Contra Costa County. Social distancing requirements to prevent disease transmission has made delivery of critical services extremely difficult, impossible or ineffective. Many non-profit organizations have few, if any,

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APPROVE
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 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Clerks Notes:

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ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D.,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

BACKGROUND: (CONT'D)

financial reserves to sustain themselves. These rate increases are intended to be used by the contractor to retain its providers who deliver direct reimbursable behavioral health services to Contra Costa residents both during and after the current emergency. This action provides changes to the contract payment structure through the end of the fiscal year thereby providing cash flow and budget predictability to the CBO's.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, the residents of Contra Costa County may experience reduced or discontinued behavioral health services.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Amendment #74-174-36 with Bi-Bett

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract Amendment Agreement #74-174-36 with Bi-Bett, a non-profit corporation, effective July 1, 2020, to amend Contract #74-174-35 to modify the rates to continue to provide substance use disorder prevention, treatment, and detoxification services, with no change in the original payment limit of \$5,226,426, and no change in the original term of July 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

The recommended contract amendment does not change the payment limit, rather recognizes the business interruption issues faced by the Community Based Organizations (CBO's). The rate adjustments will ensure that the CBO's have sufficient cash to continue providing needed services to the community. The contracts are partially funded with State "2011 Realignment" dollars. Given the COVID-19 impact on State revenues it is likely that collection of the Realignment funding will be delayed.

**BACKGROUND:**

COVID-19 is causing significant impacts to the community based behavioral health providers in Contra Costa County. Social distancing requirements to prevent disease transmission has made delivery of critical services extremely difficult, impossible or ineffective. Many non-profit organizations have few, if any, financial reserves to sustain themselves.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

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ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D.,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

BACKGROUND: (CONT'D)

These rate increases are intended to be used by the contractor to retain its providers who deliver direct reimbursable behavioral health services to Contra Costa residents both during and after the current emergency. This action provides changes to the contract payment structure through the end of the fiscal year thereby providing cash flow and budget predictability to the CBO's.

CONSEQUENCE OF NEGATIVE ACTION:

If this amendment is not approved, the residents of Contra Costa County may experience reduced or discontinued behavioral health services.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #74-378-14 with Contra Costa Interfaith Transitional Housing, Inc. (DBA Hope Solutions)

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Novation Contract #74-378-14 with Contra Costa Interfaith Transitional Housing, Inc. (DBA Hope Solutions), a non-profit corporation, in an amount not to exceed \$385,477, to provide an on-site, on-demand and culturally appropriate Prevention and Early Intervention (PEI) Program to help formerly homeless families, for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$192,738.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$385,477 and will be funded 100% by Mental Health Services Act revenue. (No rate increase)

**BACKGROUND:**

The County has contracted with Contra Costa Interfaith Housing since 2019 for on-site, on-demand and culturally appropriate PEI program to help formerly homeless families, all with special needs to improve parenting skills, child and adult life skills, and family communication skills, including providing

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

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ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

BACKGROUND: (CONT'D)

an after school program at selected low-income housing complexes in East and Central County. Most recently on September 2018, the County Administrator approved and the Purchasing Services Manager executed Novation Contract #74-378-11 (as amended by Amendment Agreement #74-378-12) with Contra Costa Interfaith Housing, Inc., to continue providing such services, for the period July 1, 2019 through June 30, 2020 and included a six-month automatic extension through December 31, 2020.

Approval of Novation Contract #74-378-14 will replace the automatic extension under the prior contract and allow the contractor to continue providing services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, formerly homeless families will not have access to th contractor's on-site, on-demand and culturally appropriate PEI Program.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #24-717-8 with Portia Bell Hume Behavioral Health and Training Center

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Novation Contract #24-717-8 with Portia Bell Hume Behavioral Health and Training Center, a non-profit corporation, in an amount not to exceed \$4,147,691, to provide Mental Health Services Act (MHSA) Full Service Partnership (FSP) Services to adults with serious mental illness who are homeless or at serious risk of homelessness, for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$2,073,845.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$4,147,691 and will be funded by 20% Federal Medi-Cal (\$829,538) and 80% Mental Health Services Act (\$3,318,153) revenues. (No rate increase)

**BACKGROUND:**

This contract meets the social needs of County's population by providing a FSP Program funded by the MHSA, providing a comprehensive range of services and supports in West, Central and East Contra Costa County to adults with serious mental illness who are homeless or at serious risk of homelessness.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

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ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

BACKGROUND: (CONT'D)

The County has worked with this contractor for these services since 2014. Most recently on December 10, 2019, the Board of Supervisors approved Contract #24-717-7 with Portia Bell Hume Behavioral Health and Training Center for the provision of MHSA FSP Program services to adults with serious mental illness who are homeless or at serious risk of homelessness for the period from July 1, 2019 through June 30, 2020, which included a six-month automatic extension through December 31, 2020.

Approval of Novation Contract #24-717-8 will replace the automatic extension under the prior contract and allow the contractor to continue providing services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, mentally ill adults who are homeless will not have access to the contractor's mental health services, leading to reduced levels of service to the community and potential placement in higher levels of care.





**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #74-304-12 with Fred Finch Youth Center

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract #74-304-12 with Fred Finch Youth Center, a non-profit corporation, in an amount not to exceed \$1,503,519, to provide mental health services to County youth under the Mental Health Services Act (MHSA) Community Services and Supports Program for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount no to exceed \$751,759.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of \$1,503,519 and will be funded by 39% Federal Medi-Cal (\$586,372) and 61% Mental Health Services Act (\$917,147) revenues. (No rate increase)

**BACKGROUND:**

This Novation Contract meets the social needs of County's population by providing implementation of MHSA Community Services and Supports Program, including providing community-based services, personal services coordination, medication support, crisis intervention, and other mental health services to eligible youth clients in Contra Costa County. Expected program outcomes include an increase in positive

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: E Suisala , M Wilhelm

BACKGROUND: (CONT'D)

social and emotional development as measured by the Child and Adolescent Functional Assessment Scale (CAFAS). The County has utilized the recommended contractor for over 12 years for the aforementioned services. Most recently on July 9, 2019, the Board of Supervisors approved Novation Contract #74-304-10 (as amended by Amendment Agreement #74-304-11) with Fred Finch Youth Center, to implement the MHSA Community Services and Supports Program for the period from July 1, 2019 through June 30, 2020. Approval of Novation Contract #74-304-12 will replace the automatic extension under the prior contract and allow the contractor to continue providing services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, effective implementation of the MHSA Transitional-aged youth services and support programs will be delayed leading to reduced levels of services for County's mental health clients.

CHILDREN'S IMPACT STATEMENT:

The recommendation supports one or more of the following children's outcomes: (1) Children Ready for and Succeeding in School and (4) Families that are Safe, Stable and Nurturing.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Contract #25-046-21 with Shelter, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract #25-046-21 with Shelter, Inc., a non-profit corporation, in an amount not to exceed \$750,000, to provide support services for County residents in the Supportive Housing Program, for the period from December 1, 2020 through November 30, 2021.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of \$750,000 and will be funded by 42% Federal McKinney-Vento Homeless (\$315,000), 56% Department of Housing and Urban Development (\$420,000), and 2% Mental Health Services Act (\$15,000) revenues. (Rate increase)

**BACKGROUND:**

This contract meets the social needs of County's population by providing support services to County residents that are homeless with a diagnosis of mental illness or a dual-diagnosis of mental illness and substance abuse.

The County has contracted for these services with Shelter, Inc. since 2001. Most recently on December 10, 2019, the Board of Supervisors approved Contract #25-046-20 with Shelter, Inc., to provide support services to County residents in the Supportive Housing Program that are homeless and have a diagnosis of

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Lavonna Martin,  
925-608-6701

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: L Walker, M Wilhelm



BACKGROUND: (CONT'D)

mental illness or dual-diagnosis of mental illness and substance abuse, for the period from December 1, 2019 through November 30, 2020. Approval of Contract #25-046-21 will allow the Contractor to continue to provide support services through November 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, the County's residents who are homeless with a disability and are receiving services in the Support Housing Program will not receive services from this contractor.



Contra  
Costa  
County

To: Board of Supervisors  
From: Karen Caoile, Director of Risk Management  
Date: December 15, 2020

Subject: Contract with Ventiv Technology, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Director of Risk Management to execute a Software and Services Agreement with Ventiv Technology, Inc. in the amount of \$1,176,123 for a hosted workers' compensation and liability claims management software system for the period of December 31, 2020 to December 31, 2023.

**FISCAL IMPACT:**

Costs are supported through Countywide inter-departmental charges to the Internal Service Funds for workers' compensation and general liability.

**BACKGROUND:**

Ventiv Technology, Inc. provides the iVOS claims management system used by Risk Management to process current and historical claims data for administration of claims, premium charges, actuarial analysis and identification of loss trends. The agreement obligates the County to indemnify Ventiv for third party claims arising from County's use of results obtained through use of the System (provided the System has functioned in accordance with the Documentation), and claims the County's Data infringes the rights of a third party.

**CONSEQUENCE OF NEGATIVE ACTION:**

County will not have the licensing for the workers' compensation and liability claims management system software.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Karen Caoile  
925-335-1400

By: , Deputy

cc:





Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Contract #76-575-5 with Signature Parking, LLC

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County, Contract #76-575-5 with Signature Parking, LLC, a limited liability company, in an amount not to exceed \$479,772 to provide parking management services for Contra Costa Regional Medical Center (CCRMC), for the period January 1, 2021 through December 31, 2021.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$479,772 and will be funded 100% by the Hospital Enterprise Fund I. (Rate increase)

**BACKGROUND:**

The County has contracted for parking management services with Signature Parking, LLC since 2017. Most recently on March 10, 2019, the Board of Supervisors approved Contract #76-575-4 with Signature Parking, LLC, to provide parking management services at CCRMC including stack parking and parking management to ease parking and eliminate patients missing appointments due to the lack of parking, for the period from January 1, 2020 through December 31, 2020.

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jaspreet Benepal,  
925-370-5741

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: L Walker, M Wilhelm



BACKGROUND: (CONT'D)

Approval of Contract #76-575-5 will allow the County to continue receiving parking management services for CCRMC from the contractor through December 31, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, patients at CCRMC will continue to miss medical appointments due to lack of parking at the facility.



Contra  
Costa  
County

To: Board of Supervisors  
From: Esa Ehmen-Krause, County Probation Officer  
Date: December 15, 2020

Subject: Contract with Seneca Family of Agencies

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the County Probation Officer, or designee, to execute a contract with the Seneca Family of Agencies in an amount not to exceed \$357,501 to provide Wraparound Services for youth throughout Contra Costa County for the term December 1, 2020 through November 30, 2021.

**FISCAL IMPACT:**

100% Juvenile Justice Crime Prevention Act (JJCPA) revenue.

**BACKGROUND:**

Seneca provides wraparound services for youth transitioning from short-term residential therapeutic programs who are in need of additional support, 18-year-old non-minor dependents who hope to remain with the family, and imminent risk/ placement avoidance youth. Services are provided to the youth and their families to help them develop an individual plan working to gain the ability to manage daily challenges in a healthy way. The Employment and Human Services Department (EHSD) previously provided these services. As a result of COVID-19, EHSD lost the funding available to provide these services to our youths. JJCPA revenue was made available by the Crime Prevention

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APPROVE
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 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Danielle Fokkema,  
925-313-4195

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

Act of 2000 (Chapter 353) to provide a stable funding source for local juvenile justice programs aimed at curbing crime and delinquency among at-risk youth and juvenile offenders. The Probation Department has a small fund balance in our JJCPA revenue and can use these funds to continue to support wraparound services for our youths.

CONSEQUENCE OF NEGATIVE ACTION:

Services will not be available to youth at a difficult time of transition or placement avoidance.

CHILDREN'S IMPACT STATEMENT:

This action supports one of the community outcomes established in the Children's Report Card. 1) "Children and Youth Healthy and Preparing for a Productive Adulthood."



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Contract #27-764-9 with Oliver Wyman Actuarial Consulting, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract #27-764-9, containing mutual indemnification, with Oliver Wyman Actuarial Consulting, Inc., a corporation, in an amount not to exceed \$305,000, to provide actuarial services for Contra Costa Health Plan (CCHP), for the period December 1, 2020 through November 30, 2023.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$305,000 and will be funded 100% by the CCHP Enterprise Fund II.

**BACKGROUND:**

The Health Services Department and CCHP are required by state and federal regulations to provide various certified actuarial documents in order to maintain its authorization to provide health care services to its members and recipients.

This contractor has an established record of providing actuarial expertise and the County has received services from this contractor since 2009. Most recently on December 11, 2018, the Board of Supervisors approved Contract #27-764-8 with Oliver Wyman Actuarial Consulting, Inc., for provision of actuarial services

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Sharron Mackey,  
925-313-6104

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: K Cyr, M Wilhelm

BACKGROUND: (CONT'D)

for CCHP for the period December 1, 2018 through November 30, 2020.

Approval of Contract #27-764-9 will allow the contractor to continue providing services through November 30, 2023. This contract includes mutual indemnification to hold harmless both parties for any claims arising out of the performance of this contract.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, CCHP will need to solicit and engage a new contractor leading to delays and potential failure to comply with state and federal regulations to provide various certified actuarial documents, and would not be able to set rates or offer services for Health Plan's County Employee Plans A, B, A2, and Large Group members.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #74-369-11 with Native American Health Center, Inc.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Novation Contract #74-369-11 with Native American Health Center, Inc., a non-profit corporation, in an amount not to exceed \$250,257, to provide Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) services to families of Native American heritage for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$125,129.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$250,257 and will be funded 100% by MHSA revenue. (No rate increase)

**BACKGROUND:**

This contract meets the social needs of County’s population by conducting community-building activities, including scheduled weekly group sessions and quarterly community events for youth, adults, and elders in Richmond. Expected program outcomes include an increase in positive social and emotional

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano Ph.D.,  
925-957-5212

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: L Walker

BACKGROUND: (CONT'D)

development as measured by the Child and Adolescent Functional Assessment Scale (CAFAS). The County has contracted with Native American Health Center, Inc. for community-building activities since 2009. Most recently on September 24, 2019, the Board of Supervisors approved Novation Contract #74-369-10 with Native American Health Center, Inc., to provide MHSA PEI services for the period from July 1, 2019 through June 30, 2020, which included a six-month automatic extension through December 31, 2020.

Approval of Novation Contract #74-369-11 will replace the automatic extension under the prior contract and allow the contractor to continue providing services, through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, Contra Costa County residents will not continue receiving MHSA assistance provided by the program including prevention and early intervention services.

CHILDREN'S IMPACT STATEMENT:

The recommendation supports one or more of the following children's outcomes: (1) Children Ready for and Succeeding in School; (4) Families that are Safe, Stable and Nurturing; and (5) Communities that are Safe and Provide a High Quality of Life for Children and Families.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #74-503-5 with Mental Health Systems, Inc.

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Novation Contract #74-503-5 with Mental Health Systems, Inc., a non-profit corporation, in an amount not to exceed \$2,136,653, to provide assisted outpatient treatment and assertive community treatment for eligible adults in Contra Costa County under the Mental Health Services Act (MHSA) for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$1,068,327.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$2,136,653 and will be funded by 19% Federal Medi-Cal (\$405,964) and 81% MHSA (\$1,730,689) revenues. (No rate increase)

**BACKGROUND:**

This contract meets the social needs of County’s population by providing MHSA Community Services and Supports Program, including providing community-based services, personal services coordination, medication support, crisis intervention, and other mental health services to eligible adult clients in Contra Costa County. The

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, PhD.,  
925-957-5169

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy



BACKGROUND: (CONT'D)

County has contracted with Mental Health Systems, Inc. since 2015 for MHS Community Services and Support Program services. Most recently on November 19, 2019, the Board of Supervisors approved Novation Contract #74-503-4 with Mental Health Systems, Inc., for the provision of mental health support services to adults in Contra Costa County for the period July 1, 2019 through June 30, 2020, which included a six-month automatic extension through December 31, 2020, for the provision of mental health support services to adults in Contra Costa County. Approval of Novation Contract #74-503-5 will replace the automatic extension under the prior contract and allow the contractor to continue providing mental health services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, there will be fewer services provided to eligible adult clients in Contra Costa County through the MHS Community Services and Support Program.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Novation Contract #24-712-7 with Telecare Corporation

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Novation Contract #24-712-7 with Telecare Corporation, a corporation, in an amount not to exceed \$2,204,053 to provide and manage services for Hope House, a sixteen (16) bed short-term residential facility, for adults with mental illness for the period from July 1, 2020 through June 30, 2021, which includes a six-month automatic extension through December 31, 2021, in an amount not to exceed \$1,102,026.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$2,204,053 and will be funded by 30% Federal Medi-Cal (\$661,216) and 70% Mental Health Services Act (\$1,542,837) revenues. (No rate increase)

**BACKGROUND:**

This contract meets the social needs of County's population by providing a short-term crisis residential facility for adults, age eighteen (18) and older, who require support to avoid hospitalization or are being discharged from the hospital or long-term locked facilities and require step-down care to transition to community living.

The County has contracted with Telecare Corporation since 2014 for short-term crisis facilities. Most

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano Ph.D.,  
925-957-5212

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: L Walker, M Wilhelm

BACKGROUND: (CONT'D)

recently on November 5, 2019, the Board of Supervisors approved Contract #24-712-6 with Telecare Corporation, for the period from July 1, 2019 through June 30, 2020, with a six-month automatic extension through December 31, 2020 to provide and manage services at Hope House, a short-term crisis residential facility.

Approval of Contract #24-712-7 will replace the automatic extension under the prior contract and allow the Contractor to continue providing services through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, County clients in need of crisis residential or step-down care will not have access to the contractor's services possibly resulting in higher levels of placement, including hospitalization.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: December 15, 2020

Subject: Contract Amend/Extend with Aspiranet for Receiving Center Services 20-21

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract amendment and extension with Aspiranet, a non-profit corporation, to increase the payment limit by \$616,150 to a new payment limit of \$2,446,711, for emergency shelter receiving center services to foster children, and extend the term through June 30, 2021. (70% State, 30% County General Funds)

**FISCAL IMPACT:**

This will increase department expenditures by \$616,150 for a total department expenditure of \$2,446,711 of which \$1,730,561 is for the Fiscal 2020-2021 year, and \$716,150 was for the Fiscal 2019-2020 year. The funds allocated for this contract are 70% State 2011 Realignment and 30% County General Funds.

**BACKGROUND:**

As a result of the COVID-19 pandemic, a contract extension of the previous contract through December 31, 2020 was required to ensure critical emergency shelter placement services were being provided while the contract terms and budget were being renegotiated. With the recent budgetary determinations covering July 1, 2020 through June 30, 2021, the Contract terms and budget

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: A. Bailey-Nesbitt, (925)  
608-4942

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

were renegotiated to support continuance of the Aspiranet Receiving Center Contract through June 30, 2021.

The Receiving Centers serve as the hub of the Employment and Human Services Department (EHSD) emergency shelter system. They provide temporary care to children who have been taken into protective custody and children and youth who are transitioning into resource family (foster) placements. The Receiving Centers offer a homelike setting and are designed to promote stability in placement, focus on the needs of the individual child, minimize move, and support permanence at the early stages of EHSD intervention.

Approval of the Contract Extension Agreement will allow the Contractor to provide emergency shelter placement services to youth through June 30, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

Emergency shelter will not be available to temporarily care for children taken into protective custody after December 31, 2020.

CHILDREN'S IMPACT STATEMENT:

This contract supports all five community outcomes established in the Children's Report Card: 1) Children Ready for and Succeeding in School; 2) Children and Youth Healthy and Preparing for Productive Adulthood; 3) Families that are Economically Self Sufficient; 4) Families that are Safe, Stable and Nurture; and 5) Communities that are Safe and Provide a High Quality of Life for Children and Families, by providing a homelike environment for children entering the Child Welfare System.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Kathy Gallagher, Employment & Human Services Director  
Date: December 15, 2020

Subject: Contract with Seneca Family of Agencies for Child Welfare Family Finding Services for Foster Youth

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Employment and Human Services Director, or designee, to execute a contract with Seneca Family of Agencies, a non-profit corporation, in an amount not to exceed \$250,000 to provide family finding services for foster youth for the period of January 1, 2021 through December 31, 2021.

**FISCAL IMPACT:**

This will increase department expenditures by \$250,000 funded by 50% State and 50% Federal funds.

**BACKGROUND:**

Family Finding is an intensive research and engagement process for the Children and Family Services (CFS) youth in support of the California Continuum of Care Reform (AB403). The purpose of the Family Findings is to offer lifelong connections to foster youth by locating the most appropriate stable family or non-related extended family members, supporting the resource family approval process, identifying a placement, or discovering relatives of the children in care. Seneca Family of Agencies (Contractor) was selected from a competitive bid process in Fiscal 2019-2020. The Contractor works closely with CFS staff to deliver Family Finding services to ensure Contra Costa County foster youth reside in a safe and nurturing environment.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: A. Bailey-Nesbitt, (925)  
608-4942

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION:

Contra Costa County foster youth will have less access to family finding and supportive services to locate and transition into appropriate stable permanent placements.

CHILDREN'S IMPACT STATEMENT:

This contract supports four of the five community outcomes established in the Children's Report Card: 1) Children Ready for and Succeeding in School; 2) Children and Youth Healthy and Preparing for Productive Adulthood; 3) Families that are Safe, Stable and Nurturing; and 4) Communities that are Safe and Provide a High Quality of Life for Children and Families by placing foster youth into appropriate, stable and permanent placements.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Cancellation Agreement #27-777-6 and Contract #27-777-7 with Nazak Mozaffarieh, O.D.

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County, as follows:

- (1) Cancellation Agreement #27-777-6 with Mazak Mozaffarieh, O.D. (dba Eyes & Smiles Optometry), a sole-proprietor, effective on the close of business on December 31, 2020; and
- (2) Contract #27-777-7 with Nazak Mozaffarieh, O.D., Inc. (dba Eyes & Smiles Optometry), a corporation, in an amount not to exceed \$300,000, to provide optometry services to Contra Costa Health Plan members, for the period from January 1, 2021 through December 31, 2023.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$300,000 over a three year calendar period and will be funded 100% by Contra Costa Health Plan Enterprise Fund II.

**BACKGROUND:**

Due to the contractor incorporating and in accordance with General Conditions Paragraph 5 (Termination) of the contract, the Department and contractor have agreed to a mutual cancellation of Contract #27-777-5. Approval of Cancellation Agreement #27-777-6 will accomplish this termination.

On February 25, 2020, the Board of Supervisors approved Contract #27-777-5 with Nazak Mozaffarieh, M.D., for the

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APPROVE
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 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Sharron Mackey,  
925-313-6104

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Noel Garcia, Marcy Wilhelm





BACKGROUND: (CONT'D)

provision of optometry services, for the period from April 1, 2020 through March 31, 2022. The Department would like to continue receiving services from this contractor and is therefore requesting approval of Contract #27-777-7 to allow the contractor to continue providing services as a corporation, through December 31, 2023.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, the contractor will not be able to provide services under its new legal capacity and the County will not receive needed optometry services for CCHP members.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Contract #23-698 with CitiGuard, Inc.

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Contract #23-698 with CitiGuard, Inc., a corporation, in an amount not to exceed \$550,000, to provide security guard services at Contra Costa Regional Medical Center (CCRMC), Contra Costa Health Centers and COVID-19 testing and immunization sites, for the period December 1, 2020 through November 30, 2021.

**FISCAL IMPACT:**

This contract will result in expenditures of up to \$550,000 and will be 100% reimbursable by Federal COVID-19 Relief funding sources.

**BACKGROUND:**

The department needs temporary security services to safeguard equipment and property and COVID-19 related testing and immunization sites, including preparing reports, conducting visual checks of specified areas, and monitoring and responding to unauthorized visitors. The Department is requesting the Board approved Contract #23-698 with CitiGuard, Inc., to provide security guard services at CCRMC, Contra Costa Health Centers and COVID-19 testing and immunization sites, for the period December 1, 2020 through November 30, 2021.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this contract is not approved, County facilities requiring security guard services will not have access to

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Anna Roth,  
925-957-2670

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Marcy Wilhelm

the contractor's services.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Purchase Order with Maverick Medical Group, Inc.

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the purchasing agent to execute, on behalf of the Health Services Department, a purchase order with Maverick Medical Group, Inc., in an amount not to exceed \$3,000,000, for the purchase of exam gloves, medical supplies, and other personal protective equipment (PPE) at the Contra Costa Regional Medical Center (CCRMC) and Contra Costa Health Centers, for the period from January 1, 2021 through December 31, 2021.

**FISCAL IMPACT:**

This purchase Order will be 100% funded by applicable federal emergency funding sources including Federal Emergency Management Agency reimbursement.

**BACKGROUND:**

The COVID-19 pandemic has created serious shortages in medical supplies, especially personal protective equipment. This shortage has resulted in a great increase in prices as well. To protect staff and patients during this crisis it is necessary to put into place this purchase order. This vendor has assured CCRMC that it will continue to have access to the necessary supplies in the future.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this purchase order is not approved, CCRMC will be hampered in its ability to obtain crucial medical supplies, possibly resulting in harm to patients or staff.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jaspreet Benepal,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Marcy Wilhelm, Margaret Harris





Contra  
Costa  
County

To: Board of Supervisors  
From: Esa Ehmen-Krause, County Probation Officer  
Date: December 15, 2020

Subject: Purchase Order with Victory Supply Inc

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent, or designee, to execute a purchase order with Victory Supply Inc., on behalf of the Chief Probation Officer, in an amount not to exceed \$350,000 to purchase detention supplies related items as required for detained youth at the county juvenile facilities for the period January 1, 2021 to December 31, 2023.

**FISCAL IMPACT:**

100% General Fund.

**BACKGROUND:**

The Probation Department is required to provide residents detained at the John A. Davis Juvenile Hall and the Orin Allen Youth Rehabilitation Facility with bedding, well-fitting clothing and personal hygiene items in accordance with the Title 15 CCR Minimum Standards for Juvenile Facilities. This purchase order is being requested to provide the required bedding, clothing, hygiene, personal care items and detention facility items.

**CONSEQUENCE OF NEGATIVE ACTION:**

The Probation Department would be out of compliance with the clothing and personal care mandates of Title 15 CCR and subject to sanction by the Board of State & Community Corrections.

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Danielle Fokkema,  
925-313-4195

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

CHILDREN'S IMPACT STATEMENT:

The Probation Department recognizes that clean, well-fitting clothing and bedding in good condition along with access to hygiene and personal care items are an important component in the rehabilitation process.





**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Purchase Order with ASD Specialty Healthcare, LLC

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent, on behalf of the Health Services Department, to execute a purchase order with ASD Specialty Healthcare, LLC, in an amount not to exceed \$295,000 for the purchase of Remdesivir for treatment of COVID-19 patients, for the period from January 1, 2021 through December 31, 2021.

**FISCAL IMPACT:**

This action will result in expenditures of up to \$295,000 and will be funded 100% by the Hospital Enterprise Fund I.

**BACKGROUND:**

Contra Costa Regional Medical Center Pharmacy Department has been purchasing Remdesivir for the treatment of COVID-19 patients at Contra Costa Regional Medical Center from ASD Specialty Healthcare, LLC. ASD Specialty Healthcare LLC is the only Federal Government authorized distributor. Approval of this purchase order will support the County's efforts to provide necessary treatments for COVID-19 patients.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Jaspreet Benepal,  
925-370-5101

By: , Deputy

cc: Irene Segovia, Marcy Wilhelm

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, we will not be able to purchase Remdesivir that is needed for treating our COVID-19 patients, causing a negative impact in the health of our patients at CCRMC.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Gift Cards and Food for the Health Care for the Homeless Program

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent, on behalf of the Health Services Department, to purchase food for the Program Governance Meetings totaling no more than \$300 (15 people at \$20 each for 1 month) and gift card incentives totaling \$500 (100 \$5 gift cards) for the Health Care for the Homeless Program participants, for the period from February 1, 2020 through January 31, 2021.

**FISCAL IMPACT:**

The purchases will result in budgeted expenditures of up to \$800 and are authorized and 100% funded by the U.S. Health Resources and Services Administration (HRSA) Grant and FQHC reimbursement. No County funds required.

**BACKGROUND:**

The Health Care for the Homeless Program received a grant from Health Resources and Services Administration to provide health care for the homeless population in Contra Costa County. A requirement of the grant is to establish and maintain Program Governance through a Co-Application Governing Board for Health Care for the Homeless program evaluation and CEO/Program Director evaluation. Additionally, another component of the grant is to conduct monthly focus groups with participants in the program and to offer

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Daniel Peddycord,  
925-313-6712

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Rachel Birch, Marcy Wilhelm

BACKGROUND: (CONT'D)

incentives to those who participate. Included in the approved grant budget is a line item for food/incentives at an annual amount of \$5,000.

The Health Service Department anticipates purchasing 100 \$5 gift cards as incentives and providing food at the Program Governance meetings. Since COVID-19 in-person meetings have not occurred, therefore the department is only requesting up to \$300 to cover any Program Governance meeting food purchases prior to COVID-19. Approval of these purchases will cover food for the governance meetings and gift cards for the Health Care for the Homeless Program, through January 31, 2021.

CONSEQUENCE OF NEGATIVE ACTION:

If these purchases are not approved, the Health Care for the Homeless Program would not be fulfilling the goals outlined in the HRSA Grant.



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: The Artist Tree V Community Benefit

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a community benefits agreement with The Artist Tree V, LLC, effective upon approval of a use permit, to pay the County amounts based on annual sales and provide specified community benefits in connection with The Artist Tree V's storefront commercial cannabis dispensary, El Sobrante area.

**FISCAL IMPACT:**

Approval of this agreement will allow the County to receive from The Artist Tree V LLC (TAT) on an annual basis an amount equal to the greater of two percent (2%) of the Dispensary's Gross Sales during the Operating Year, or the fixed amount for the Operating Year set forth in the attached Community Benefit Agreement. However, if the fixed amount is greater than three percent (3%) of Gross Sales during the Operating Year, TAT will pay the County a payment for that Operating Year equal to three percent (3%) of Gross Sales during the Operating Year. These payments may be used by the County to fund services and programs and for other purposes that benefit the community.

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jennifer Cruz, (925)  
674-7790

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

### BACKGROUND:

On June 26, 2018, the County Board of Supervisors (Board) adopted Zoning Ordinance Chapter 88-28-Cannabis Regulation. Following that Board action, a request for proposals was issued by County staff seeking qualified applicants. Full proposals were received from 21 prospective applicants. Many proposals, including the proposal from TAT, included voluntary commitments to make community benefit payments or perform other voluntary actions to benefit the community. A multi-departmental team of County staff scored and ranked each proposal. On December 10, 2019, the Board of Supervisors reviewed the results of the scoring and selection process and chose TAT along with three other applicants to have an opportunity to establish storefront retail dispensaries within the County.

In response, TAT submitted the required land use permit application (County File #LP20-2016). This application was subsequently approved at the November 16, 2020, Zoning Administrator public hearing. As part of the TAT application submittal, TAT pledged a voluntary annual monetary payment to the County that the County would use to fund actions to benefit the community. Additionally, to the extent permitted by applicable local, state, and federal laws and regulations, and to the extent practicable, TAT has also pledged to hire locally and establish a business-to-business discount program with other businesses that have principal places of business in Contra Costa County. The proposed community benefits agreement memorializes these commitments.

### CONSEQUENCE OF NEGATIVE ACTION:

If this agreement is not approved, the County will not receive funding for various services and programs and without such an agreement TAT may not be allowed to operate within the County.

### ATTACHMENTS

Community Benefits Agreement

# COMMUNITY BENEFITS AGREEMENT

between

CONTRA COSTA COUNTY

and

THE ARTIST TREE V, LLC

County File LP# \_\_\_\_\_

This Community Benefits Agreement (“Agreement”) is entered into as of \_\_\_\_\_, 2020, (“Effective Date”) by and between Contra Costa County, a political subdivision of the State of California, (“County”) and The Artist Tree V, a California limited liability company (“Artist Tree”).

## Recitals

A. On \_\_\_\_\_, 2020, the County issued Artist Tree a land use permit (the “LUP”) for Artist Tree’s storefront cannabis dispensary (the “Dispensary”), located at 4100-4108 San Pablo Dam Road, in the unincorporated community of El Sobrante, Contra Costa County (County File No. LP# 20-2016).

B. In addition to obtaining the LUP and other discretionary state and local approvals to operate the Dispensary, Artist Tree intends to obtain a County building permit and make improvements to the Dispensary. Once those improvements are complete and have passed all required inspections by the County, Artist Tree will receive a certificate of occupancy from the County (“Occupancy Certificate”).

C. Commercial cannabis storefront dispensaries are a unique land use with unique impacts on the community. When Artist Tree submitted a proposal to apply for one of four storefront dispensary land use permits, it pledged to enter into this Agreement with the County. This Agreement includes voluntary commitments made by Artist Tree when it submitted a proposal to seek an opportunity to apply for one of four land use permits to operate commercial cannabis storefront dispensaries in unincorporated Contra Costa County.

## Agreement

NOW, THEREFORE, the County and Artist Tree agree as follows:

1. **Purpose.** The purpose of this Agreement is to memorialize Artist Tree’s commitment to paying the County a portion of the Dispensary’s Gross Sales, endeavoring to hire residents of the County for 90% of its workforce and implementing a business-to-business discount program to encourage customers to support other local businesses.

2. **Term.** The term (“Term”) of this Agreement begins on the Effective Date, and it expires upon the earliest of any of the following to occur: (a) the expiration of the LUP and any extensions and renewals thereof; (b) the revocation of the LUP; (c) the effective date of any court decision ruling that the LUP is invalid; (d) the effective date of any change in the law that invalidates the LUP or that prohibits sales of all cannabis and cannabis products at the Dispensary.

3. **Community Benefits Payments.**

- a. Artist Tree shall make an annual community benefits payment to the County (each a “Payment”) for each year, or portion thereof, during the Term that the Dispensary operates (each an “Operating Year”). The first Operating Year begins on the date of the first retail sale at the Dispensary, and it ends one year thereafter. Each subsequent Operating Year begins on the anniversary of the date of the first retail sale at the Dispensary, and it ends one year thereafter. Upon commencing retail sales at the Dispensary, the Artist Tree shall provide the Director of Conservation and Development with a letter documenting the date of the first retail sale at the Dispensary.
- b. For each of the first seven Operating Years, Artist Tree shall pay the County a Payment that is equal to the greater of (i) two percent (2%) of the Dispensary’s Gross Sales during the Operating Year, or (ii) the fixed amount for the Operating Year set forth below (each a “Fixed Amount”). However, notwithstanding the previous sentence, if an Operating Year’s Fixed Amount is greater than three percent (3%) of Gross Sales during the Operating Year, Artist Tree shall pay the County a Payment for that Operating Year equal to three percent (3%) of Gross Sales during the Operating Year. For the purposes of this Agreement “Gross Sales” means the total sales of all cannabis, cannabis products, and other products and services sold at the Dispensary before any deductions.

<u>Operating Year</u>	<u>Fixed Amount</u>
Operating Year 1	\$92,583
Operating Year 2	\$112,500
Operating Year 3	\$119,917
Operating Year 4	\$126,000
Operating Year 5	\$132,000
Operating Year 6	\$138,000
Operating Year 7	\$144,000

- c. In addition to the Payment required for Operating Year 7 under Section 3(b), Artist Tree shall pay the County a true-up payment (“True-Up Payment”) equal to



the lesser of Resultant 1 or Resultant 2, calculated as follows. For the purposes of this Section, “Total Fixed Amount” shall mean the amount of \$865,000

- (i) Resultant 1 = (Total Fixed Amount) – (Sum of Payments for Operating Years 1 through 7).
- (ii) Resultant 2 = (3% of Gross Sales during Operating Years 1 through 7) – (Sum Payments for Operating Years 1 through 7).

If either calculation results in zero or a negative number, Artist Tree shall not be required to make a True-Up Payment to the County. In no event shall Artist Tree be entitled to any refund of any Payments made to the County.

- d. For the eighth Operating Year, and for each Operating Year thereafter, Artist Tree shall make a Payment to the County that is the greater of (i) two percent of the Dispensary’s Gross Sales during the Operating Year, or (ii) \$144,000 ( “Later Years Fixed Amount”).
- e. Beginning on January 1, 2028, and on each January 1 thereafter, the Later Years Fixed Amount shall increase based on any increase in the Consumer Price Index for the San Francisco-Oakland-Hayward Combined Statistical Area (U.S. Bureau of Labor Statistics) for the 12-month period ending on the October 31 immediately preceding the January 1 when the increase takes effect.

**4. Timing, Verification, and Use of Payments.**

- a. Timing of Payments. Artist Tree shall make each Payment to the County within 60 days after the end of the Operating Year. Artist Tree shall pay the True-Up Payment to the County within 60 days after the end of Operating Year 7. Artist Tree shall make its final Payment to the County under this Agreement within 60 days after the expiration of this Agreement.
- b. Payment Documentation. When Artist Tree makes a Payment to the County, Artist Tree shall include with the Payment a financial statement showing the Dispensary’s Gross Sales during the Operating Year, or portion thereof, for which the Payment is made, and a written calculation of the Payment required for that Operating Year, or portion thereof. When Artist Tree makes its True-Up Payment to the County, Artist Tree shall include with the True-Up Payment a financial statement showing the Dispensary’s Gross Sales during Operating Years 1 through 7, and a written calculation or determination of the amount of the True-Up Payment required under Section 3(c).
- c. Verification of Gross Sales. During the term of this Agreement and for three years following its expiration, the Director may request copies of Artist Tree’s state and federal tax returns, cash-flow reports, financial statements, income statements, books, journals, and other financial records for the Dispensary (“Financial Records”), to enable the Director to independently verify the Dispensary’s Gross Sales for the Operating Year or Operating Years for which

any Payment is made. Within 30 days after receiving the Director's written request for Financial Records under this section, Artist Tree shall provide the Director copies of all Financial Records requested by the Director. If the Director determines that Artist Tree has underpaid any Payment, Artist Tree shall pay the County the balance owed, as determined by the Director, within 30 days following a written request for payment from the Director.

- d. Deposit and Use of Payments. The Director will ensure that all Payments and any True-Up Payment are deposited in an account administered by the County. The use and allocation of all Payment and True-Up Payment revenues, and any interest that accrues thereon, will be determined by the Board of Supervisors, in its sole discretion. All Payments and any True-Up Payment, and all interest that accrues thereon, shall be the property of the County.
- e. Survival. Artist Tree's obligations under Sections 4(a) and 4(b) shall survive the expiration of this Agreement.

**5. Other Community Benefits.**

- a. Hiring a Local Workforce. To the extent permitted by applicable local, state, and federal laws and regulations, and to the extent practicable, Artist Tree shall ensure that, during any Operating Year, 90% of the Dispensary workforce is composed of Contra Costa County residents.
- b. Business-to-Business Discount Program. To the extent practicable, Artist Tree shall establish a business-to-business discount program with other businesses that have principal places of business in Contra Costa County (collectively, "Local Businesses"), to encourage Dispensary customers to make purchases at Local Businesses on the same day that they make purchases at the Dispensary. The business-to-business discount program shall provide a customer a 10% discount on purchases at the Dispensary if the customer shows a receipt or proof of purchase, dated the same day, from another Local Business participating in the discount program.
- c. Notice to the Director. At the time Artist Tree makes a Payment to the County under Section 4, Artist Tree shall provide a written notice to the Director that includes all of the following for the Operating Year, or portion thereof, for which the Payment is made: (i) the percentage of the Dispensary workforce that resides within Contra Costa County; and (ii) the names of Local Businesses participating in the business-to-business discount program.

- 6. **Notices.** All payments, notices, demands, and other communications made under this Agreement shall be in writing and personally delivered, sent by overnight carrier with delivery charges prepaid for next business day delivery, or sent by First Class U.S. Mail with postage prepaid, and addressed as follows:

To County: Director of Conservation and Development  
30 Muir Road  
Martinez, CA 94553

To Artist Tree: Artist Tree V  
11330 Ventura Blvd.  
Studio City, CA 91604

A payment, notice, demand, or other communication shall be deemed given on the same day it is personally delivered, on the next business day following deposit with and overnight carrier, or on the fifth day after deposit in the U.S. Mail. A party may change its address for delivery of notices under this Agreement by providing written notice of the change in accordance with this section.

- 7. **Assignment.** Artist Tree’s obligations under this Agreement shall be binding upon Artist Tree’s successors and assigns. Artist Tree shall not assign this Agreement, or any of its obligations under this Agreement, to any other person or entity without the advance written approval of the County, which shall be within its sole discretion to provide. If Artist Tree sells, conveys, or otherwise transfers ownership of the Dispensary to a third-party, Artist Tree shall require that third-party to accept an assignment of this Agreement.
- 8. **No Third-Party Beneficiaries.** Nothing in this Agreement confers and rights or obligations on any person or entity that is not a party to this Agreement.
- 9. **Counterparts.** The Agreement may be executed in counterparts.
- 10. **Governing Law.** This Agreement shall be governed by the laws of the State of California.

[Signatures on next page.]

Contra Costa County and The Artist Tree V, LLC, have executed this Agreement as of the Effective Date.

**CONTRA COSTA COUNTY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**THE ARTIST TREE V, LLC**

By: Avi Kahan \_\_\_\_\_

Name: Avi Kahan \_\_\_\_\_

Title: Manager \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

SMS

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**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: Contract with DocuSign

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Chief Information Officer to execute an Agreement with DocuSign in the amount of \$1,099,039 for electronic signature and contract lifecycle management services for a term of one year.

**FISCAL IMPACT:**

100% County General Fund.

**BACKGROUND:**

In an effort to modernize the existing manual service contract process, the County Administrator's Office, along with the Department of Information Technology procured a countywide solution for Electronic Signature and Contract Lifecycle Management (CLM). After thorough research and discussion, the County has elected to enter into a contract with DocuSign. Their software would enable cross-functional collaboration and streamline business process to deliver services faster, conduct business remotely, and securely transfer data.

DocuSign is an industry leader in this field with over 1,500 Federal, City, County and Municipal Organizations already utilizing their services. Moreover, their compliance and security footprint is

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Marc Shorr, Chief Information Officer (925)608-4071

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

### BACKGROUND: (CONT'D)

extremely robust. With eSignature as a foundation of services, DocuSign has been able to further automate paper heavy manual processes with their CLM system. Contracts, agreements and other documents become digitized, and generation, routing, review and approvals become managed in a single repository integrated with eSignature. Additionally, contracts are able to be stored, tagged, and organized in one searchable place with permission controls to help increase oversight and reduce time wasted searching for information. This also helps create a fully auditable and trackable contract lifecycle to leverage business intelligence and identify bottlenecks/issues before they happen.

DocuSign has met with several Departments in the County to better understand and assess the needs of a Countywide solution. Based on these meetings, DocuSign has developed an overall timeline of one year to go live and train staff on the use of their software. The eSignature implementation will run concurrent with the CLM implementation. At the conclusion of the roll out, DocuSign will offer post production support to provide assistance and address any nuances that may arise after initial use.

Under the agreement, the County will defend and indemnify DocuSign against any third party claim to the extent arising from County's use of the DocuSign services in violation of the agreement or applicable law, or the content of the County's data processed by the DocuSign services. DocuSign's liability under the agreement is limited to the amounts paid by County under the agreement for the twelve (12) months preceding the claim, except for third-party claims and damages resulting from death or bodily injury arising from either party's gross negligence or willful misconduct.

### CONSEQUENCE OF NEGATIVE ACTION:

If unapproved, the County will not be able to move forward with a Countywide solution for electronic signature and contract lifecycle management streamlining overall business processes.



Contra  
Costa  
County

To: Board of Supervisors  
From: Karen Caoile, Director of Risk Management  
Date: December 15, 2020

Subject: Contract with Tuell & Associates, Inc.

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Director of Risk Management to execute a contract with Tuell & Associates, Inc. for workers' compensation staffing services for the period from November 1, 2020 through October 31, 2021 in an amount not to exceed \$750,000.

**FISCAL IMPACT:**

Costs for workers' compensation services are funded through the Workers' Compensation Internal Service Fund.

**BACKGROUND:**

Tuell & Associates specializes in providing highly experienced temporary workers' compensation claims adjusters and staff for the County's claims processing. Specialized temporary staff is needed to fill vacant funded positions while we are recruiting to hire permanent staff.

**CONSEQUENCE OF NEGATIVE ACTION:**

Risk Management will not have adequate technical assistance and staff to process workers' compensation claims in the timely manner required to satisfy current regulations.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Karen Caoile  
925-335-1400

By: , Deputy

cc:



Contra  
Costa  
County

To: Board of Supervisors  
From: Matt Slattengren  
Date: December 15, 2020

Subject: Agreement 20-0073 Pest Exclusion - High Risk

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Agricultural Commissioner, or designee, to execute an agreement with the California Department of Food and Agriculture (CDFA) to reimburse the County an amount not to exceed \$155,743 to perform pest exclusion and high-risk pest inspection and enforcement activities for the period July 1, 2020 through June 30, 2021.

**FISCAL IMPACT:**

This agreement will reimburse the County for expenses incurred not to exceed \$155,743. There is no county match of funds nor grant monies involved.

**BACKGROUND:**

Agreement 20-0073 Pest Exclusion High-Risk which sets activity levels for Contra Costa County based on historical workloads and costs negotiated work plan to maintain optimal enforcement of quarantines to keep exotic and invasive pest out of California and Contra Costa County.

This agreement includes a mutual indemnity clause between CDFA and the County.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: 608-6600

By: , Deputy

cc:



CONSEQUENCE OF NEGATIVE ACTION:

A negative action will mean loss of revenue to the county and increased costs to support the inspections and enforcement activities mandated by the CDFA.

ATTACHMENTS



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: Authentic 925 Community Benefit Agreement

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a community benefits agreement with SGI Pacheco, LLC, (dba Authentic 925), effective upon approval of a use permit, to pay the County amounts based on annual sales in connection with SGI Retail's storefront commercial cannabis dispensary, Pacheco area.

**FISCAL IMPACT:**

Approval of this agreement will allow the County to receive on an annual basis, \$150,000 or 1.5 percent of the gross profits, whichever is greater, from Authentic 925 to fund services and programs and for other purposes that benefit the community.

**BACKGROUND:**

On June 26, 2018, the County Board of Supervisors (Board) adopted Zoning Ordinance Chapter 88-28 - Cannabis Regulation. Following that Board action, a request for proposals was issued by County staff seeking qualified applicants. Full proposals were received from 21 prospective applicants. Many proposals, including the proposal from Authentic 925, included voluntary commitments to make community benefit payments or perform other voluntary actions to benefit the community. A multi-departmental team of County staff scored and ranked each proposal. On December 10, 2019, the Board of Supervisors reviewed

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Francisco Avila, (925)  
674-7801

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

the results of the scoring and selection process and chose Authentic 925 along with three other applicants to have an opportunity to establish storefront retail dispensaries within the County.

In response, SGI Pacheco, LLC, (Authentic 925) submitted the required land use permit application (County File #LP20-2003). This application was subsequently approved at the September 21, 2020, Zoning Administrator public hearing. As part of the Authentic 925 application submittal, Authentic 925 pledged a voluntary annual monetary payment to the County that the County would use to fund actions to benefit the community. The proposed community benefits agreement memorializes this commitment.

CONSEQUENCE OF NEGATIVE ACTION:

If this agreement is not approved, the County will not receive funding for various services and programs and without such an agreement Authentic 925 may not be allowed to operate within the County.

ATTACHMENTS

Community Benefit Agreement



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: 2020 Advisory Body Annual Report for the Affordable Housing Finance Committee (AHFC)

---

**RECOMMENDATION(S):**

ACCEPT the 2020 Advisory Body Annual Report for the Affordable Housing Finance Committee (AHFC).

**FISCAL IMPACT:**

The action is accepting a report. There is no fiscal impact.

**BACKGROUND:**

Board policy requires that regular and ongoing boards, commissions, or committees shall annually report on activities, accomplishments, membership attendance, required training/certification, and proposed work plan or objectives for the following year.

**ANNUAL REPORT**

1. Activities: The committee met on April 24, 2020, to consider applications for the Community Development Block Grant (CDBG), HOME Investment Partnerships Act (HOME) funds, and Housing Opportunities for Persons with HIV/AIDS (HOPWA) funds. Final funding recommendations included \$2,850,000 for new construction of 62 affordable apartments located in Concord and 42 units of affordable apartments located in Richmond as well as a Countywide tenant based rental assistance program in

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Kristin Sherk  
925-674-7887

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## BACKGROUND: (CONT'D)

response to the public health order related to the COVID-19 pandemic. The committee also recommended \$1,758,902 in CDBG funds for the rehabilitation of 138 existing affordable housing units in Martinez and Richmond. Additional recommendations were to fund the Neighborhood Preservation Program, which provides rehabilitation loans and grants to low income homeowners.

2. Accomplishments: The AHFC reviewed applications as described above and provided funding recommendations to the Board of Supervisors through the Department of Conservation and Development. Committee members provide a critical review of the projects which ensures substantial leverage of CDBG, HOME, and HOPWA funds.

3. Attendance/Representation: The AHFC committee achieved a quorum at the annual meeting in April. There are five current vacancies: each City Representative, one County Representative and one Community Representative. There are residents from each regional area of the County represented on the committee. The AHFC strives to have a diverse committee. Kristen Lackey/Kristin Sherk staffed the committee.

4. Training/Certification: There has not been any special training in the past year. Staff provides information to committee members on webinars that provide information on related topics.

5. Proposed Work Plan/Objectives for Next Year: In 2021, the AHFC may meet twice. One meeting will be in the spring and additional meetings will be held if applications are received during the year.

## CONSEQUENCE OF NEGATIVE ACTION:

The Board would not have a 2020 report on the Affordable Housing Finance Committee.

## CHILDREN'S IMPACT STATEMENT:

The AHFC reviews and makes recommendations on many types of affordable housing projects, including housing suitable for families with children. The recommendation supports one or more of the following children's outcomes:

- (1) Children Ready for and Succeeding in School;
- (2) Children and Youth Healthy and Preparing for Productive Adulthood;
- (3) Families that are Economically Self Sufficient;
- (4) Families that are Safe, Stable and Nurturing; and
- (5) Communities that are Safe and Provide a High Quality of Life for Children and Families.



Contra  
Costa  
County

To: Board of Supervisors  
From: Brian M. Balbas, Public Works Director/Chief Engineer  
Date: December 15, 2020

Subject: Adopt Resolution and Notice of Completion for the Bisso Data Center Improvements Project (WH527B)

---

**RECOMMENDATION(S):**

ADOPT Resolution No. 2020/332 accepting as complete, the contracted work performed by Aztec Consultants, a California Corporation, for the Bisso Data Center Improvements Project located at 2380 Bisso Lane, Concord, for the Health Services Department ("HSD").

**FISCAL IMPACT:**

No fiscal impact is associated with accepting completion of contracted work.

**BACKGROUND:**

The project consisted of improvements to an existing data center facility. The data center was non-operational. The scope of this project involved electrical upgrades and specialized cooling for the new data center equipment. It included, but was not limited to, installation and anchoring of 25 owner-furnished cabinet assemblies (88.5"x30"x48"), procurement and installation of two (2) redundant, parallel uninterruptible power supplies (150kbs/480V), power distribution units, busways and supporting infrastructure including conduit, conductors and associated structural supports and bracing. Demolition and modification of existing electrical equipment

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Ramesh Kanzaria,  
925-957-2480

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

and circuits were required. In addition, the scope included procurement and installation of row based, air cooled, precision cooling systems.

A construction contract in the amount of \$983,900 for the Bisso Data Center Improvements was awarded on February 25, 2020, to Aztec Consultants of San Ramon. The project has now been completed and the Public Works Director recommends that the Board adopt Resolution No. 2020/332 accepting the contract work as complete.

CONSEQUENCE OF NEGATIVE ACTION:

Acceptance of a contract as complete is standard procedure and allows for proper closeout of the contract. If the contract is not accepted as complete, the period for filing stop payment notices and bond claims may be extended and then Contra Costa County will incur expenses for additional contract administration.

ATTACHMENTS

Resolution No. 2020/332

Recorded at the request of: Will Wahbeh 925-957-2480

Return To: Diana Ternes 925-957-2480

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA  
and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 12/15/2020 by the following vote:

AYE:

NO:

ABSENT:

ABSTAIN:

RECUSE:

---

Resolution No. 2020/332

In the Matter of Accepting and Giving Notice of Completion of Contract for the Construction of Bisso Data Center Improvements, Project #225-1902 (District IV).

Whereas, on February 25, 2020, the County (Owner) Contracted with Aztec Consultants (General Contractor), with Great American Insurance Company for the construction performed on the Bisso Data Center Improvements project, on County property located at 2380 Bisso Lane, Concord, CA, and

Whereas, the Public Works Director reports said work has been inspected and complies with the approved plans, special provisions and standard specifications and recommends its acceptance as complete as of October 30, 2020.

The Board of Supervisors RESOLVES that:

Owner: (sole): Contra Costa County, Health Services Department, 50 Douglas, Martinez, CA 94553

Nature of Stated Owner: Fee and/or Easement

Project No: 225-1902

Project Name: Construct Data Center

Date of Work Completion: October 30, 2020

Description: The project consisted of improvements to an existing data center facility. The data center was non-operational. Scope of this project was primarily electrical upgrades and specialized cooling for the new data center equipment. It included, but was not limited to, installation and anchoring of 25 owner furnished cabinet assemblies (88.5"x30"x48"), procurement and installation of two (2) redundant, parallel uninterrupted power supplies (150kbs/480V), power distribution units, busways and supporting infrastructure including conduit, conductors and associated structural supports and bracing. Demolition and modification of existing electrical equipment and circuits were required. In addition, scope included procurement and installation of row based, air cooled, precision cooling systems.

Identification of real property: 2380 Bisso Lane, Concord, CA 94520

Fees: None



Legal References: None

Now therefore, be it resolved said work is accepted as complete on said date, and the Clerk shall file with the County Recorder a copy of this resolution as a Notice of Completion for said contract.

**Contact: Ramesh Kanzaria, 925-957-2480**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**ATTESTED: December 15, 2020**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

**cc:**



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Rescind Prior Board Action Pertaining to Contracted Services with Apheresis Care Group, Inc., and Approve Corrected Contract Request

---

**RECOMMENDATION(S):**

RESCIND Board action of September 8, 2020 (C.85), which pertained to a contract with Apheresis Care Group, Inc.; and APPROVE and AUTHORIZE the Health Services Director, or designee, to execute a contract with Apheresis Care Group, Inc., a corporation, in an amount not to exceed \$700,000 to provide therapeutic plasmapheresis and hemodialysis services at Contra Costa Regional Medical Center and Health Centers, for the period December 1, 2020 through November 30, 2025.

**FISCAL IMPACT:**

This contract will result in budgeted expenditures of up to \$700,000 and will be funded 100% by Hospital Enterprise Fund I revenues.

**BACKGROUND:**

On September 8, 2020, the Board of Supervisors approved Contract #26-362-13 with Apheresis Care Group, Inc., to provide therapeutic plasmapheresis and hemodialysis services at Contra Costa Regional Medical Center and Health Centers (CCRMC) for the period from July 1, 2020 through June 30, 2025. This request included an incorrect term start date, inconsistent with the term agreed upon by both parties, and therefore needs to be rescinded.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jaspreet Benepal,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Alaina Floyd, marcy.wilham

BACKGROUND: (CONT'D)

Since 1999, the County has contracted with Apheresis Care Group, Inc. for therapeutic plasmapheresis and hemodialysis services at CCRMC. The Department is requesting to continue receiving these services from the contractor for the period of December 1, 2020 through November 30, 2025.

CONSEQUENCE OF NEGATIVE ACTION:

If the recommendation is not approved, the prior incorrect Board action will stand and the department will not have Board authorization for the contractor to provide the aforementioned services and pay Apheresis Care Group, Inc., for the correct term of the contract.



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Unpaid Student Training Agreement #76-717 with Ohlone College

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County Unpaid Student Training Agreement #76-717 with Ohlone College, an educational institution, to provide supervised field instruction at Contra Costa Regional Medical Center and Contra Costa Health Centers for medical residency students, from December 1, 2020 through November 30, 2025.

**FISCAL IMPACT:**

There is no fiscal impact as this is a nonfinancial agreement.

**BACKGROUND:**

The purpose of this agreement is to provide Ohlone College students with the opportunity to integrate academic knowledge with applied skills at progressively higher levels of performance and responsibility. Supervised fieldwork experience for students is considered to be an integral part of both educational and professional preparation. The Health Services Department can provide the requisite field education, while at the same time, benefitting from the students' services to patients.

If Unpaid

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jaspreet Benepal,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Alaina Floyd, marcy.wilham

BACKGROUND: (CONT'D)

Student Training Agreement #76-717, is approved, Ohlone College students will receive supervised fieldwork instruction experience, at Contra Costa Regional Medical Center and Contra Costa Health Centers through November 30, 2025.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, the students will not receive supervised fieldwork instruction experience at Contra Costa Regional Medical Center and Contra Costa Health Centers and the County will not benefit from the students' services to patients.

ATTACHMENTS



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Unpaid Student Training Agreement #26-629-2 with Children's Hospital & Research Center Oakland

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Health Services Director, or designee, to execute on behalf of the County, Unpaid Student Training Agreement #26-629-2 with Children's Hospital and Research Center Oakland, an educational institution, to provide supervised field instruction at Contra Costa Regional Medical Center and Contra Costa Health Centers for medical residency students, from December 31, 2020 through December 30, 2025.

**FISCAL IMPACT:**

There is no fiscal impact as this a nonfinancial agreement.

**BACKGROUND:**

The purpose of this agreement is to provide Children's Hospital and Research Center Oakland residency students with the opportunity to integrate academic knowledge with applied skills at progressively higher levels of performance and responsibility. Supervised fieldwork experience for students is considered to be an integral part of both educational and professional preparation. The Health Services Department can provide the requisite field education, while at the same time, benefiting from the students' services to patients.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jaspreet Benepal,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Alaina Floyd, M Wilhelm

BACKGROUND: (CONT'D)

Approval of Unpaid Student Training Agreement #26-629-2 with Children's Hospital and Research Center Oakland will allow their students to receive supervised fieldwork instruction experience, at Contra Costa Regional Medical Center and Contra Costa Health Centers through December 30, 2025.

CONSEQUENCE OF NEGATIVE ACTION:

If this contract is not approved, the students will not receive supervised fieldwork instruction experience at Contra Costa Regional Medical Center and Contra Costa Health Centers and the County will not benefit from the students' services to patients.

ATTACHMENTS



**Contra  
Costa  
County**

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: Substantial Amendment to the County's FY 2020/21 CDBG Action Plan - Award of Funds for Community Housing Development Corporation of North Richmond

---

**RECOMMENDATION(S):**

APPROVE a Substantial Amendment to the County's FY 2020/21 Community Development Block Grant (CDBG) Program Action Plan, by awarding \$25,000 in CDBG funds to Community Housing Development Corporation of North Richmond (CHDC) for the operation of programs within the Multicultural/Senior Family Community Center, located in North Richmond.

**FISCAL IMPACT:**

CDBG funds are provided to the County on a formula allocation basis by the U.S. Department of Housing and Urban Development (HUD) - CFDA #14.218. Due to the cancellation of other CDBG projects identified in the FY 2020/21 CDBG Action Plan, funding is available for this award. There is no fiscal impact to the County's General Fund.

**BACKGROUND:**

On May 12, 2020, the Board of Supervisors approved the Contra Costa County CDBG Action Plan for FY 2020/21 funds. CHDC did not apply for FY 2020/21 CDBG funds for its Multicultural/Senior Family Community Center during the normal cycle. However, additional CDBG funds have since become available due to the cancellation of other CDBG projects identified in the FY 2020/21 CDBG Action Plan, namely Rising Sun Center for Opportunity's Climate Careers program, and Loaves and Fishes' Culinary Training

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APPROVE  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Daniel Davis, (925)  
674-7886

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



BACKGROUND: (CONT'D)

Program. Meanwhile, CHDC requested the option to apply for any available funds as a midyear application due to needs that have arisen during the shelter in place. Consequently, CDBG staff recommends reallocating \$25,000 in CDBG funds to CHDC for the operation of programs within the Multicultural/Senior Family Community Center, which provides educational, recreational, and nutritional services to residents of North Richmond, with a focus on senior citizens.

CONSEQUENCE OF NEGATIVE ACTION:

Not approving the Substantial Amendment will halt or limit the community center's ability to provide programming to the residents of North Richmond.

CHILDREN'S IMPACT STATEMENT:

Programming at the North Richmond Multicultural/Senior Family Community Center furthers the Children's Report Card outcome of helping families to be safe, stable, and nurturing.



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: FY 2019/20 Year-End Report on the Keller Canyon Mitigation Fund

---

**RECOMMENDATION(S):**

ACCEPT the fiscal year 2019/20 Keller Canyon Mitigation Fund (KCMF) Year-End Report.

**FISCAL IMPACT:**

No fiscal impact. This is an informational report. The fund balance in the KCMF account at the end of FY 2019/20 was \$1,184,951. That amount was carried forward to FY 2020/21.

**BACKGROUND:**

Pursuant to Section II.E. of the Keller Canyon Mitigation Fund (KCMF) Policy, a report on the use of KCMF funds in the previous year shall be presented to the Board of Supervisors each year. At a minimum, the report shall describe the revenue received during the year, the amount allocated and spent by each grantee, and whether or not the grantee achieved the required outcome(s) during the year.

During FY 2019/20, the KCMF received a total of \$1,345,596, which is \$13,594 more than what was anticipated. Additionally, the KCMF account had a fund balance at the end of the previous year (FY 2018/19) of \$771,773 that was available to allocate in FY 2019/20. A total of \$932,418 was expended on 81 programs/projects/initiatives during the year. Revenue and expenses are summarized in the table on page 2.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Daniel Davis (925)  
674-7886

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

**FY 2019/20 Revenue & Expenses**

FY 2018/19 Year End Fund Balance	\$771,773
FY 2019/20 Actual Revenue	<u>1,345,596</u>
Total Available	\$2,117,369
FY 2018/19 Correction	0
FY 2019/20 Actual Expenses	<u>(932,418)</u>
Total Expenditures	\$(932,418)
<b>FY 2019/20 Year End Fund Balance</b>	<b>\$1,184,951</b>

The attached spreadsheet shows the programs/projects/initiatives that were funded in FY 2019/20, the amount allocated, the amount spent, and whether or not the project sponsor met the objective(s).

CONSEQUENCE OF NEGATIVE ACTION:

Staff is required to report on the FY 2019/20 KCMF program at the end of each fiscal year. If the report is not accepted, this programmatic requirement will not be met.

CHILDREN'S IMPACT STATEMENT:

The funded projects support at least one of the five community outcomes established in the Children's Report Card.

ATTACHMENTS

FY 2019-2020 KCMF Summary

# FY 2019/20 KCMF PROGRAM SUMMARY

Organization/Agency	Program/Project	Award Amount	Award Expenditure	Outcome Met?
<b>NON-PROFIT ORGANIZATIONS (ORG 1582)</b>				
ALL STAR CHEER REACTION INC	All Star Cheer Reaction For Kids	\$ 10,000	10,000.00	Y
AMBROSE RECREATION & PARK DISTRICT	Ambrose Teen Center	\$ 4,999	2,525.45	Y
AMBROSE RECREATION & PARK DISTRICT	Fun Starts at 60	\$ 4,999	3,117.49	Y
ANTIOCH ROTARY CLUB	READ: Rotary's Empowerment	\$ 10,000	10,000.00	Y
ANTIOCH ROTARY CLUB	Young Men's Program	\$ 2,700	-	N
BAY POINT COMMUNITY FOUNDATION	Planting Seeds of Health:	\$ 1,500	1,500.00	Y
BE VERY LOVED FOUNDATION	Line Dancing for Life Program	\$ 5,000	3,972.40	Y
BEAT THE STREETS INC	Work Readiness Project	\$ 4,500	4,500.00	Y
CHOICE IN AGING (formerly REHABILITATION SERVICES OF	Bedford Center Participation	\$ 5,000	2,704.00	Y
CITY OF PITTSBURG RECREATION DEPARTMENT	Fun, Food and Fellowship	\$ 2,500	-	Y
CITY OF PITTSBURG RECREATION DEPARTMENT	Community is Key	\$ 5,000	-	Y
CITY OF PITTSBURG RECREATION DEPARTMENT	Senior Center Health Fair/Winter	\$ 5,000	-	Y
COMMUNITY VIOLENCE SOLUTIONS	Violence Prevention	\$ 5,000	-	Y
CONTRA COSTA FAMILY JUSTICE ALLIANCE	East County Family Justice	\$ 10,000	10,000.00	Y
CONTRA COSTA INTERFAITH TRANSITIONAL HOUSING INC	East County Programs for Low-	\$ 8,000	8,000.00	Y
Court Appointed Special Advocate Program, Inc	4th Year Expansion of Services	\$ 10,000	10,000.00	Y
CRAFT COMMUNITY CARE CENTER INC	1-2-3 Tutoring	\$ 5,000	-	N
CRAFT COMMUNITY CARE CENTER INC	World Music and Arts Fair	\$ 5,000	-	N
NATIONAL COUNCIL OF THE UNITED STATES SOCIETY OF	RotaCare Pittsburg Free Medical	\$ 5,000	5,000.00	Y
EAST BAY NSBE JR CHAPTER	Saturday STEM & Robotics	\$ 8,000	7,168.41	Y
EAST COUNTY JR WARRIORS BASKETBALL LEAGUE	East County Junior Warriors	\$ 5,000	5,000.00	Y
EAST COUNTY MIDNIGHT BASKETBALL LEAGUE PROGRAM	2019 Summer E.C. Midnight	\$ 10,000	-	N
EL CAMPANIL THEATRE PRESERVATION FOUNDATION	Safety Improvements - Install	\$ 3,100	3,100.00	Y
FAMILY PURPOSE CORPORATION	Wexcel	\$ 7,900	5,900.00	Y
FIRST A.M.E COMMUNITY CHURCH	WMS Community Breakfast	\$ 2,500	2,500.00	Y
FIRST BAPTIST CHURCH OF PITTSBURG, CALIFORNIA	First Baptist Head Start Alumni	\$ 10,000	10,000.00	Y
FUTURE LEADERS OF AMERICA EAST BAY AREA, INC.	FLA East Bay Area's 2019 Youth	\$ 5,000	-	Y
GIVE ALWAYS TO OTHERS & COMPANY	Arts & Cultural Community	\$ 500	-	N
GRACE BIBLE FELLOWSHIP OF ANTIOCH	Grace After School Tutoring &	\$ 5,000	-	N
GREATER FAITH MISSIONARY BAPTIST CHURCH	Greater Faith Food Pantry	\$ 3,000	3,000.00	Y
HEALTHY HEARTS INSTITUTE	El Pueblo Community Garden	\$ 3,500	3,500.00	Y
LIONS BLIND CENTER OF DIABLO VALLEY	Early Detection	\$ 5,000	5,000.00	Y
LOAVES AND FISHES OF CONTRA COSTA	Nourishing Residents of	\$ 7,500	7,500.00	Y
LOS MEDANOS COLLEGE FOUNDATION	Los Medanos College Food	\$ 4,650	4,390.23	Y
MEALS ON WHEELS AND SENIOR OUTREACH SERVICES	Bay Point C.C. Café	\$ 5,000	4,999.62	Y
MEALS ON WHEELS AND SENIOR OUTREACH SERVICES	Pittsburg C.C. Café	\$ 5,000	4,999.28	Y
MEALS ON WHEELS OF CONTRA COSTA, INC	Meals for Homebound Seniors in	\$ 10,000	10,000.00	Y
NEWBERRY'S BLOCK	Newberry's Block	\$ 5,000	-	Y
OMBUDSMAN SERVICES OF CONTRA COSTA, INC.	Ombudsman Services - Advocati	\$ 2,500	2,500.00	Y
OPPORTUNITY JUNCTION, INC	Job Training and Placement	\$ 7,500	7,500.00	Y
PACIFIC COMMUNITY SERVICES, INC.	Black Diamond Ballet Nutcracker	\$ 5,000	5,000.00	Y
PACIFIC COMMUNITY SERVICES, INC.	Housing Counseling Program	\$ 5,000	5,000.00	Y
PACIFIC COMMUNITY SERVICES, INC.	Kidz on Target	\$ 10,000	10,000.00	Y
PEOPLE WHO CARE CHILDREN ASSOCIATION	The PWC Care Wash Expect	\$ 10,000	9,426.00	Y
PITTSBURG COMMUNITY THEATRE	A Raisin in the Sun - Performanc	\$ 3,000	2,992.00	Y
PITTSBURG ENTERTAINMENT & ARTS HALL OF FAME	PEAHOF Guitar Mentoring Progr	\$ 825	-	N
PITTSBURG FIFTY-PLUS CLUB CORPORATION	Pittsburg Fifty Plus Club	\$ 2,500	-	N
PITTSBURG FIFTY-PLUS CLUB CORPORATION	Pittsburg Fifty Plus Club Website	\$ 1,500	997.35	Y
PITTSBURG SENIOR AND HANDICAPPED RESIDENTIAL	Dinner Meal Program	\$ 10,000	10,000.00	Y
PITTSBURG UNIFIED SCHOOL DISTRICT: HILLVIEW JR. HIGH	Honor Group Fee Assistance	\$ 2,700	-	Y
PRESBYTERIAN CHURCH USA	East County Shared Ministry	\$ 913	913.00	Y
RAINBOW COMMUNITY CENTER OF CONTRA COSTA	Transitional Youth Housing	\$ 2,500	2,500.00	Y
ROTARY INTERNATIONAL DISTRICT 5160 (Pittsburg)	Encourage Love of Learning &	\$ 10,000	10,000.00	Y
SACRAMENTO VALLEY SYMPHONIC BAND ASSOCIATION	Keller Canyon Mitigation Funds	\$ 4,875	4,637.92	Y

# FY 2019/20 KCMF PROGRAM SUMMARY

SHELTER INC. OF CONTRA COSTA COUNTY	Homeless Prevention Program	\$ 5,000	-	Y
SINGING EAGLE FOUNDATION	Read to Live	\$ 5,000	-	Y
THE NETWORK OF CARE	Feeding families in crisis when	\$ 3,862	3,417.00	Y
VETERANS ACCESSION HOUSE	Case Management Services	\$ 4,000	4,000.00	Y
FY 2018/19 RECONCILIATION			19,502.81	N/A
		<b>Subtotal</b>	<b>\$ 311,523.00</b>	<b>246,762.96</b>

# FY 2019/20 KCMF PROGRAM SUMMARY

Organization/Agency	Program/Project	Award Amount	Award Expenditure	Outcome Met?
<b>COUNTY DEPARTMENTS (ORG 1581)</b>				
Contra Costa County Department of Conservation & Development	KCMF Administration	\$ 60,000	60,000.00	Y
Contra Costa County District V Staff	KCMF Staff Services	\$ 100,000	100,000.00	Y
Contra Costa County EHSD Bay Point Works - SparkPoint Contra	Bay Point Works Community	\$ 5,000	5,000.00	Y
Contra Costa County Library - Antioch Branch	Replacement shelves	\$ 2,500	2,500.00	Y
Contra Costa County Library - Bay Point Branch	Virtual Reality kits	\$ 10,000	6,978.89	Y
Contra Costa County Library - Pittsburg Branch	Replacement shelves	\$ 5,000	5,000.00	Y
Contra Costa County, County Counsel	Code Development &	\$ 95,000	95,000.00	Y
Contra Costa County Office of the Sheriff	Office of the Sheriff's Annual Bay	\$ 5,000	5,000.00	Y
Contra Costa County Office of the Sheriff	Office of the Sheriff's Annual	\$ 8,000	8,000.00	Y
Contra Costa County Office of the Sheriff	Bay Point Blight Program	\$ 5,000	5,000.00	Y
Contra Costa County Office of the Sheriff	Bay Point Gang Prevention	\$ 5,000	5,000.00	Y
Contra Costa County Office of the Sheriff	Bay Point School Resource	\$ 200,000	200,000.00	Y
Contra Costa County Public Works Department	Bay Point Crossing Guard	\$ 90,000	82,331.26	Y
Contra Costa Health Services, Health, Housing and Homeless	Calli House Youth Shelter	\$ 10,000	10,000.00	Y
Contra Costa Workforce Development Board of Contra Costa	Small Business Development	\$ 15,000	8,264.12	Y
Keller Canyon Landfill Testing	Contract No. 72-118, CCC		57,868.74	Y
	<b>Subtotal</b>	<b>\$ 615,500.00</b>	<b>\$ 655,943.01</b>	

# FY 2019/20 KCMF PROGRAM SUMMARY

Organization/Agency	Program/Project	Award Amount	Award Expenditure	Outcome Met?
<b>DISTRICT V INITIATIVES (ORG 1580)</b>				
District V	Bay Point Holiday Dinner and	\$ 2,000	81.00	Y
Homeless Outreach	Sleeping Bags	\$ 5,000	-	N/A*
District V Interns	Internships	\$ 20,000	8,000.00	Y
Development of KCMF On-Line Application/Reporting System	Benevity	\$ 25,000	-	Y
Bay Point MAC	Municipal Advisor Committee	\$ 2,500	572.00	Y
KCMF Review Committee/Keller Reception	Network Event	\$ 3,000	2,069.89	Y
Peace in the Streets/Youth Summit/NonProfit Development	Seminars/Summits	\$ 60,000	16,232.75	Y
District V Technology Upgrades	Computer and Presentation	\$ 15,000	2,756.67	Y
	<b>Subtotal:</b>	<b>\$ 132,500.00</b>	<b>\$ 29,712.31</b>	
	<b>TOTAL:</b>	<b>\$ 1,059,523.00</b>	<b>\$ 932,418.28</b>	

\*Project has not been initiated as of November 30, 2020



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: Fish and Wildlife Committee 2020 Annual Report

---

**RECOMMENDATION(S):**

ACCEPT the Contra Costa County Fish and Wildlife Committee 2020 Annual Report, as recommended by the Fish and Wildlife Committee.

**FISCAL IMPACT:**

None

**BACKGROUND:**

On June 18, 2002, the Board of Supervisors adopted Resolution No. 2002/377, which requires that each regular and ongoing board, commission, or committee report annually to the Board of Supervisors. The attached report presented for Board consideration was approved by the Fish and Wildlife Committee on November 18, 2020.

**CONSEQUENCE OF NEGATIVE ACTION:**

The annual reporting requirement to the Board of Supervisors would not be fulfilled.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Maureen Parkes (925)  
674-7831

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



ATTACHMENTS

FWC 2020 Annual Report

**Advisory Body Name:** Contra Costa County Fish and Wildlife Committee

**Advisory Body Meeting Time/Location:** 3rd Wednesday of the month, 6 meetings per year, 3 – 5 pm  
2475 Waterbird Way, County Public Works Department Road Maintenance Division lunchroom

**Chair:** Daniel Pellegrini

**Staff:** Maureen Parkes

**Reporting Period:** January 2020 – December 2020

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**1. Activities and Accomplishments** The Fish and Wildlife Committee met four times to discuss matters related to fish and wildlife issues in Contra Costa County (CCC). The Committee administered a grant program that expends the Fish and Wildlife Propagation Funds (funds that are collected by the CA Department of Fish and Wildlife for code violations). Additional details on these activities are provided below.

**Grant Program:** The Committee received 23 proposals which included two out-of-cycle grant requests for Fish and Wildlife Propagation Fund grant funds. The Committee reviewed the proposals, interviewed applicants and selected 17 proposals for full or partial funding totaling \$112,914.00 to recommend to the Board of Supervisors.

Grant awards ranged from \$611.00 – \$18,500.00. The Committee reviewed progress and final reports from previous grant cycles and extended invitations to grantees to give presentations.

**Outreach:** 1) Distributed Wildlife in Your Backyard brochure. 2) Updated website.

**Volunteer Activities:** Several members volunteered in the community with other organizations that are interested in fish and wildlife issues. Rhonda Gehlke – California Water Environment Association (CWEA) - State Division Chair of the Community Engagement and Outreach Committee, CWEA - San Francisco Bay Section Communications Committee; Susan Heckly - Lindsay Wildlife Experience, CCC Master Gardener, International Wildlife Rehabilitation Council and the FWC representative on the CCC Integrated Pest Management Advisory Committee; Kathleen Jennings - Co-chair of the Peyton Slough Wetlands Advisory Committee; Danny Pellegrini - Contra Costa Mosquito and Vector Control District Board of Trustees - Secretary, Sheriff's Posse of CCC (Barbeque Captain) and the Martinez Sportsmen's Club; Heather Rosmarin – Friends of Pleasant Hill Creeks.

Committee members were regularly updated on activities related to fish and wildlife in CCC which included an update by a guest speaker and a presentation by a grant recipient. The update and presentation are listed below:

- Update on the Lower Walnut Creek Restoration Project (Paul Detjens, Public Works)
- Presentation on Arundo (Bob Simmons, Walnut Creek Watershed Council)

**2. Attendance/Representation** The FWC is composed of ten members. Each County Supervisor appoints a member and the Internal Operations Committee appoints four At-large members and one At-large Alternate. The FWC met four times at which a quorum was always present. The members were: Judy Bendix (D-1), Susan Heckly (D-II), Clark Dawson (D-III), Brett Morris (D-IV), Daniel Pellegrini (D-V), Rhonda Gehlke (At-large), Kathleen Jennings (At-large), Jeff Skinner (At-large), Heather Rosmarin (At-large), and Nicole Kozicki (At-large Alternate).

**3. Training/Certification** All members have viewed the required videos: “The Brown Act and Better Government Ordinance – What You Need to Know as a Commission, Board or Committee Member” and “Ethics Orientation for County Officials.” Certifications are on file for all of the members.

#### **4. Proposed Work Plan/Objectives for Next Year**

##### **(a) FWC Operations:**

- Develop and refine Work Plan (working document).
- Maintain FWC membership by advertising vacancies and forwarding applications to the Internal Operations Committee.
- Seek to coordinate with other Fish and Wildlife Committees on regional matters.
- Coordinate with the Contra Costa Watershed Forum.

##### **(b) Make recommendations to the Board of Supervisors via the Internal Operations Committee for the appropriation of funds from the Fish and Wildlife Propagation Fund to support fish and wildlife projects in the community:**

- Conduct grant program to solicit proposals, evaluate their relative merits, and recommend funding for projects which will contribute most to the fish and wildlife resources of the County.
- Develop and advertise FWC grant program by: 1) Reviewing past Request for Proposals (RFP), funding

applications; and 2) Developing new RFP, funding application deadline, and funding priorities; and 3) posting to the County website, distributing these materials to the media, the FWC mailing list and RFP mailing list, and to anyone who requests them.

- Work with agencies, organizations, and individuals to help them plan and develop projects suitable for support from the Fish and Wildlife Propagation Fund.
- Monitor the efficiency and effectiveness of the grant disbursement process.
- Review funding applications received. Make recommendations to the Board of Supervisors via the Internal Operations Committee for the awarding of grants.
- Follow-up on projects that receive funding to assure that projects proceed as proposed. One way the FWC will do this is to extend invitations to prior Fish and Wildlife Propagation Fund Grant recipients to future meetings to give status reports, outcomes and presentations regarding their projects.
- Send out a letter to grant recipients requesting project status reports.

**(c) FWC priorities for 2020/2021:**

- Make recommendations to the Board to approve Fish and Wildlife Propagation Fund grant applications for projects that increase collaboration with law enforcement agencies, the court, and community cultural organizations on enforcement issues and increase education focusing on communities that may be unaware of local fish and game laws.
- Provide public forum opportunities for open discussion on wildlife issues that affect CCC residents and impact natural resources in our County, increase outreach efforts and provide advisory updates to Board of Supervisors as needed.
- Disseminate “Wildlife in Your Backyard” booklet and develop other projects for involvement of the FWC and the community in CCC.
- Develop a resource document regarding invasive species.
- Update website with information on invasive species and a list of awarded Fish and Wildlife Propagation Fund grants.

**(d) FWC projects (develop and prioritize a list of projects for potential FWC involvement; select projects for FWC involvement and provide appropriate support, including: initiation, planning, consultation, and/or funding):**

- Make recommendations to the Board on awarding Certificates of Appreciation for significant contributions to the fish and wildlife resources of the County.
- Consider hosting a forum about wildlife.

**(e) Improve enforcement of fish and game laws and regulations; increase flow of money into the Fish and Wildlife Propagation Fund:**

- Help assure that, when appropriate, a portion of fines from violations of laws designed to protect fish and wildlife resources is deposited in the Fish and Wildlife Propagation Fund. Promote awareness of the harm caused by violation of fish and wildlife regulations and the value of enforcement.
- Host a Fall Forum with law enforcement officials (CA Dept. of Fish and Wildlife, Sheriff’s Dept., District Attorney’s Office, Superior Court, Public Defender’s Office, the East Bay Regional Park District Police) to discuss fish and wildlife issues and enforcement (subject to County Health Officer’s Shelter Order to slow the spread of Covid-19).

**(f) Monitor and advise the Board on projects that may affect fish and wildlife resources in the County:**

- Attend field trips to see major restoration projects and prior Fish and Wildlife Propagation Fund Grant recipients’ projects in the County.
- Consider tours of East CCC Habitat Conservancy properties, Marsh Creek Fish Ladder, Walnut Creek Drop Structure, Dow Wetlands and Chelsea Wetlands at Pinole.

**(g) Develop policy recommendations (“white papers”) on fish and wildlife issues:**

- Discuss impacts of invasive species.
- Discuss wildlife and human interaction / interface.
- Discuss public education on reducing the impact of free-roaming cats on wildlife.
- Discuss the Delta Conveyance Project.



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: Historical Landmarks Advisory Committee (HLAC) 2020 Advisory Body Annual Report

---

**RECOMMENDATION(S):**

ACCEPT the Contra Costa County Historical Landmarks Advisory Committee (HLAC) 2020 Annual Report.

**FISCAL IMPACT:**

Approval of the Historical Landmarks Advisory Committee (HLAC) 2020 Annual Report will not have a fiscal impact. However, HLAC is an unfunded committee and the cost of providing staff support is absorbed by the Department of Conservation and Development.

**BACKGROUND:**

On January 7, 2020, the Board of Supervisors adopted Resolution No. 2020/1, which requires that each regular and ongoing board, commission, or committee annually report to the Board of Supervisors on its activities, accomplishments, membership attendance, required training/certification (if any), and proposed work plan or objectives for the following year. Attached, please find the HLAC's annual report for 2020.

**CONSEQUENCE OF NEGATIVE ACTION:**

If unapproved, HLAC will not be in compliance with Resolution No. 2020/1.

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Dominique Vogelpohl,  
(925) 674-7888

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS  
HLAC 2020 Annual  
Report



## ADVISORY BODY ANNUAL REPORT

Advisory Body Name: Historical Landmarks Advisory Committee (HLAC)  
Advisory Body Meeting Time/Location: Quarterly - 2nd Thurs of the month located at 30 Muir Road, Martinez, CA 94553  
Chair (during the reporting period): Carol Jensen  
Staff Person (during the reporting period): Stanley Muraoka and Dominique Vogelpohl  
Reporting Period: January 2020 - December 2020

### I. Activities

(estimated response length: 1/2 page)

*Describe the activities for the past year including areas of study, work, special events, collaborations, etc.*

HLAC has continued efforts in updating the Historic Resources Inventory (HRI).

HLAC continues to draft a potential County Historic Preservation Ordinance to be included with the in-progress County Zoning Ordinance update.

HLAC received active attendance and participation by members of the public at both the special and regularly scheduled meetings, and received useful feedback for the Historic Preservation Ordinance draft.

HLAC continues to stay involved in the in-progress County Envision 2040 General Plan update, and will review the draft new General Plan when available to verify HLAC recommendations have been integrated into the historical and cultural resources portions.

HLAC vice chair, Melissa Jacobson, allocated a significant amount of time in correspondence with the Contra Costa County Historical Society in an ongoing effort to receive assistance in updating the HRI.

HLAC chair, Carol Jensen, paid for a Survey Monkey subscription to create a survey (that took approximately 40 hours to draft and vet) to give the public a platform to provide information on potential historical resources within the County. The survey was offered to the Contra Costa County Historical Society to be added to their website, but they declined.

HLAC chair, Carol Jensen, attended the Delta Heritage Forum as representative of the HLAC. The Forum featured three panel sessions on the Sacramento-San Joaquin Delta National Heritage Area and other National Heritage Areas, virtual museums and pandemic resources for museums and historical societies, and indigenous voices of the Delta, a workshop on Delta and Carquinez Strait road trips, and three lightning talks.

### II. Accomplishments

(estimated response length: 1/2 page)

*Describe the accomplishments for the past year, particularly in reference to your work plan and objectives.*

HLAC's recommendation to the Board of Supervisors to reduce the application fees to nominate potential resources for designation to the County HRI was accepted and is present in the current Conservation and Development Fee Schedule.

Each HLAC member received a copy of the Diablo Historic Preservation Committee's latest book, Diablo's Treasures.

HLAC chair, Carol Jensen, was appointed to the Delta National Heritage Area Management Plan Advisory Committee.

HLAC contacted the Boards of Realty urging them to include in their local disclosure statements references to local city historic ordinances. This was a result of the Diablo Historic Preservation Committee bringing their concerns to the HLAC that new homeowners are unknowingly purchasing contributor properties to the Diablo Historic District with the intent of demolishing the original residence and replacing with new construction. The Boards of Realty said they will forward this to their attorneys for further consideration.

III. Attendance/Representation

(estimated response length: 1/4 page)

*Describe your membership in terms of seat vacancies, diversity, level of participation, and frequency of achieving a quorum at meetings.*

The five-member HLAC is comprised of four Contra Costa County Historical Society (CCCHS) members and the Deputy Director of the Department of Conservation and Development, Community Development Division.

Meetings held in 2020: February 13, May 14 (cancelled), July 16 (special meeting), August 13, November 12

Melissa Jacobson, Seat 1: Present, - , Present, Present, Present  
Melinda McCrary, Seat 2: Present, - , Present, Present, Present  
Raymond O'Brien, Seat 3: Present, - , Present, Present, Present  
Carol Jensen, Seat 4: Present, - , Present, Present, Present  
Aruna Bhat, Deputy Director: Absent, - , Present, Present, Present

IV. Training/Certification

(estimated response length: 1/4 page)

*Describe any training that was provided or conducted, and any certifications received, either as a requirement or done on an elective basis by members. NOTE: Please forward copies of any training certifications to the Clerk of the Board.*

All HLAC members are up to date with their Training Certification for Member of County Advisory Body and Public Service Ethics Education Certification.

V. Proposed Work Plan/Objectives for Next Year

(estimated response length: 1/2 page)

*Describe the advisory body's workplan, including specific objectives to be achieved in the upcoming year.*

Continue participating in the in-progress County Envision 2040 General Plan update with respect to the already provided recommendations for policies/goals/implementation measures, and also view the new General Plan draft in its entirety to verify historic preservation is woven throughout the overall document.

Request direction from the Board of Supervisors with respect to including a County Historic Preservation Ordinance with the in-progress County Zoning Ordinance update.

Continue to appeal to the Contra Costa County Historical Society and other County Historical Societies for assistance in creating an inventory list of potential historical resources within unincorporated Contra Costa County.

Continue to appeal to the Contra Costa County Historical Society and CDD staff for assistance in updating the County Historic Resources Inventory to include each resources' correct address, Assessor Parcel Number, GPS coordinates, whether it is located within unincorporated County or a City jurisdiction, photographs of each resource in its current condition, and correct any and all spelling/grammatical errors.

Continued participation in the Delta National Heritage Area Management Plan Advisory Committee as Contra Costa County holds the largest amount of shoreline in the Delta National Heritage area. HLAC will also be integrating reference of the Delta National Heritage area into Envision 2040 General Plan update and the draft Historic Preservation Ordinance.

Continue education and training in historical and cultural resources related topics as it pertains to public policy and development/restoration of historical resources etc. The HLAC wishes to explore utilizing the seminars and workshops provided by such organizations like the Conference of California Historical Societies and SPUR.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Payments for Services Provided by John Muir Behavioral Health Center

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Auditor-Controller, or designee, to pay \$2,895 to John Muir Behavioral Health Center for the provision of inpatient psychiatric treatment services including diagnostic and therapeutic services and mental health treatment, for the period July 1, 2019 through February 29, 2020.

**FISCAL IMPACT:**

Approval of this action will result in an expenditure of \$2,895 and will be funded 100% by Mental Health Realignment revenues.

**BACKGROUND:**

On June 11, 2019, the Board of Supervisors approved Contract #24-794-8(22), as amended by Contract Amendment Agreements #24-794-8(23) and #24-794-8(25) with John Muir Behavioral Health Center for the period from July 1, 2019 through June 30, 2020, which included a six-month automatic extension through December 31, 2020, for the provision of inpatient psychiatric treatment services including diagnostic and therapeutic services and mental health treatment.

Contra Costa Regional Medical Center (CCRMC) referred patients to John Muir Behavioral Health Center when CCRMC inpatient psychiatric units became full. There was an unanticipated increase in the need for psychiatric services during the contract term and the contract payment limit was exceeded.

---

APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Suzanne Tavano, Ph.D.,  
925-957-5212

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: L Walker, M Wilhelm



BACKGROUND: (CONT'D)

As requested by the County, John Muir Behavioral Health Center provided additional inpatient psychiatric treatment services in good faith. Behavioral Health Services Division Administration has therefore determined that John Muir Behavioral Health Center is entitled to payment for the reasonable value of their services under the equitable relief theory of quantum meruit. That theory provides that where a person has been asked to provide services without a valid contract, and the provider does so to the benefit of the recipient, the provider is entitled to recover reasonable value of those services.

CONSEQUENCE OF NEGATIVE ACTION:

John Muir Behavioral Health Center will not be paid for psychiatric treatment services rendered in good faith.

ATTACHMENTS



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Integrated Pest Management Advisory Committee 2020 Annual Report and 2021 Work Plan

---

**RECOMMENDATION(S):**

ACCEPT the Contra Costa County Integrated Pest Management (IPM) Advisory Committee 2020 Annual Report and 2021 Work Plan.

**FISCAL IMPACT:**

There is no fiscal impact for this action.

**BACKGROUND:**

On January 7, 2020, the Board of Supervisors adopted Resolution No. 2020/1, which requires that each advisory board, commission, or committee report annually to the Board on its activities, accomplishments, membership attendance, required training/certification, and proposed work plan or objectives for the following year. The attached report fulfills this requirement and was unanimously approved by the IPM Advisory Committee on November 19, 2020.

**CONSEQUENCE OF NEGATIVE ACTION:**

If the report is not accepted, the IPM Advisory Committee would not be in compliance with Resolution No. 2020/1.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jocelyn Stortz,  
925-692-2540

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Marcy Wilhelm, Wade Finlinson

ATTACHMENTS

2020 Annual  
Report

# Integrated Pest Management 2020 Annual Report



Carlos Agurto (left) from Pestec and Assistant Facilities Maintenance Manager Dave Lavelle (right) review floor plans of the new County Administration Building prior to conducting a preventative inspection of the facility to document potential access points for common pests.

## 2020 Committee Roster

### Jim Donnelly, Chair

Public Member #3 Seat  
Resident of Danville

### Susan Captain, Vice Chair

Public member #1 Seat  
Resident of Moraga

### Carlos Agurto, Secretary

Pest Management Contractor Seat  
Resident of Antioch

### Stephen Prée

Public Member #2 Seat  
Resident of Richmond

### Andrew Sutherland

Environmental Organization Representative  
University of California Cooperative Extension  
Resident of Martinez

### Susan Heckly

Fish & Wildlife Commission Representative  
Resident of Pleasant Hill

### Kimberly Hazard

Sustainability Commission Representative  
Resident of El Sobrante

### Amy Budahn

Public Member Alternate Seat  
Resident of Lafayette

### Michele Mancuso

County Stormwater Program Representative  
County Staff

### Michael Kent

Health Services Department Representative  
County Staff

### Dave Lavelle

Public Works Facilities Designee  
County Staff

### Chris Lau

Public Works Deputy Director Designee  
County Staff

### Larry Yost

Agriculture Commissioner Designee  
County Staff

### Wade Finlinson

IPM Coordinator  
Staff to Committee

Camino Diablo Near Brentwood



Kubicek Detention Basin

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## Executive Summary

### Work of the IPM Advisory Committee

The IPM Committee approved revisions to the [Pesticide Use Posting and Notification Policy with revised signage](#), and furthered initiatives that seek ways to better classify risks associated with pest management practices. An exploration of which pilot projects and external funding programs would best support the County IPM Policy was also commenced during the year.

The Committee developed decision documentation regarding vegetation management at the [West County](#) and [Marsh Creek](#) Detention Facilities. A 2019 review of glyphosate use on County-owned land revealed that the two properties accounted for 56% of total usage among all County operations. The IPM Committee initiated the process in January and approved final versions of the documents in November.

That collaboration between the Office of the Sheriff, Public Works, and the IPM Committee yielded recommendations featured on the next page. These present potential starting points for a broader dialog on how to maximize the use of natural assets at both facilities in a way that supplements the training and rehabilitative function of the programs housed in each location and in similar sites throughout the County.

### Pesticide Use Reduction by County Operations

Since 2000, County operations have reduced pesticide use by 95%. The use of “Bad Actor” pesticides have decreased by 88% in that time. The Maintenance Division will soon resume herbicide applications. They suspended the program in November 2018, which is the main cause for the recent reduction. The entire [Pesticide Use Summary](#) can be found at the IPM Program website. Pages 16-18 of this document contain graphs depicting historic pesticide use.

### Departmental IPM Programs

The COVID-19 Pandemic added a layer of complexity to a system already ridden with obstacles relating to the balance of natural phenomena and operational needs. IPM highlights from each department is listed below:

#### Agriculture

- purchased Trimble GPS units to map the invasive weeds they are tracking

#### Public Works

- [Airports](#): acquired a new boom sprayer to be more efficient in the infield areas
- [Maintenance Division](#): retained a consultant for herbicide recommendations in place of the cancelled Vegetation Management Supervisor position
- [Grounds/Special Districts](#): completed two landscape renovation projects
- [Facilities](#): performed pest prevention inspections at the new Administration Building and Emergency Operations Center

## 2020 Recommendations from the IPM Advisory Committee

*Note: Unless otherwise indicated, these pertain to both the West County & Marsh Creek properties.*

1. Redefine vegetation management practices that promote proactive strategies and clarify accountability as it pertains to each site's natural resources. Efforts should include:
  - a. Adjusting how funds pertaining to grounds maintenance are allocated. Proactive and regenerative maintenance practices should be prioritized over corrective maintenance requests. Personnel from the Office of the Sheriff and the Public Works Department should engage in a dialog with the IPM Coordinator to determine what alterations could be immediately implemented that would refine the business relationship as it pertains to vegetation management.
  - b. Incorporating a vegetation monitoring protocol that documents periodic status updates from onsite personnel to the Grounds Division. This may include sharing still photographs and/or video from the security system on a routine basis that keeps applicable County staff aware of current vegetation conditions.
  - c. Provision of supplemental training modules for all personnel, inmates, or volunteers who may be involved with vegetation management decisions that cover the County Integrated Pest Management Policy, these recommendations, and general safety guidelines.
2. Initiate a dialog with adjacent property owners such as East Bay Regional Parks regarding both properties and Save Mount Diablo at the Marsh Creek property to explore formal partnerships that strengthen the mission of each agency. Also consider contracting for vegetation management services in a manner consistent with the County IPM Policy.
3. Where chemical controls are required to maintain bare-earth objectives, prioritize applications to reduce glyphosate dependence and continue to explore the feasibility of implementing alternative tactics such as steam weeding, mulching, and competitive planting.
4. Foster mutually beneficial community partnerships that:
  - a. Allow County personnel to provide a higher level of service by focusing on core tasks, and
  - b. Maximize balanced cooperation between organized labor, community-based organizations, and employment training enterprises, and
  - c. Build on regional models that are financially sustainable and ecologically regenerative.
  - d. Facilitate collaborative landscape programming that allows every County-owned acre to be a shining example of a restorative community asset.
5. The IPM Coordinator is encouraged to play an active role continuing this dialog with other stakeholders in the County. These findings and additional site stewardship revelations at similar rehabilitation properties in the County should be presented to the appropriate body or program for further consideration. That may include the Office of Reentry and Justice, The Public Protection Committee, The Community Corrections Partnership and its associated committees, the Juvenile Justice Coordinating Council, or other relevant programs.
6. At the Marsh Creek Property, consider establishing a site stewardship fund that receives a portion of fees charged to agencies for range usage or consider supporting the development of a partner foundation to solicit supplemental vegetation management funding and to coordinate volunteer efforts.
7. The Marsh Creek facility is encouraged to work with the IPM Coordinator to set up product demonstrations of steam weeding systems, remote control slope mowers, and other related machinery to prioritize which equipment procurements would be appropriate to incorporate into the existing operation.

## IPM Advisory Committee Update

The Committee and its subcommittees did not hold meetings between March 4th and July 15th. All meetings since July 16th have been held virtually. Despite these challenges, the Committee still had a productive year. The full Committee met 4 times, the Decision-Making Subcommittee had 5 meetings, the Subcommittee on Grants & Pilots met twice, as did the Posting Task Force.

Three new members joined the Committee in 2020 and three members were reappointed. Susan Captain began her second term of service the Public Member #1 Seat in January. Andrew Sutherland, who previously served a term in the Public Member #2 Seat, was appointed to fill the Environmental Organization Representative Seat representing the University of California Cooperative Extension. Susan Heckly was reappointed to her third term representing the Fish and Wildlife Committee. Stephen Prée began his first term in the Public Member #2 Seat in January as well. Amy Budahn was appointed to the Public Member Alternate Seat in July and Michele Mancuso assumed the County Stormwater Program Representative Seat which was previously occupied by Teri Rie.

During the meeting of the IPM Advisory Committee on January 16, 2020, the Committee chose to temporarily reconvene the Posting Task Force to incorporate TWIC observations and to clarify other components of the policy in order to promote uniformity between the policy, posting signage, and the IPM Program website. The Task Force met on March 3rd and August 25th to discuss the proposed revisions and voted to approve the revised posting policy. The full IPM Advisory Committee unanimously approved the policy on September 17th.



Near Marsh Creek Detention Facility



During a planning meeting for the year, the Committee expressed an interest in reviewing what pesticide classification systems are in place in neighboring public agencies. While there was not enough interest to form a subcommittee on the topic, the Committee continues to pursue further insight at their regular meetings.

In July, the IPM Coordinator gave an overview of the systems used by other jurisdictions in the Bay Area. That discussion led to a presentation of a new visualization tool for pesticide risk assessment in the September meeting. Dr. Andrew Sutherland and Dr. Paul Jepson introduced the tool that may help better understand chronic risks associated with pesticide use and increase the transparency of the process for selecting pest management tactics.

This year, the Committee also received presentations from regional IPM partners. The Santa Clara County IPM Program gave an overview of their Landscape Inventory and Operational Needs Assessment in the July meeting. In September, the Committee heard from the East Bay Regional Parks IPM Coordinator on several pursuits of common interest.

Marsh Creek Shooting Range

## Report of the IPM Decision-Making Subcommittee

### Activities

- Held five Subcommittee meetings during the year
- Had at least four of the six total Subcommittee members at each meeting
- Conducted research into alternative vegetation management tactics
- Received public input at each meeting

### Accomplishments

- [Decision Documentation for Vegetation Management at West County Detention Facility.](#)
- [Decision Documentation for Vegetation Management at Marsh Creek Range & Detention Facility.](#)
- Referred further investigation and implementation of the ground squirrel pilot project involving carbon monoxide and carbon dioxide injection to the IPM Subcommittee on Grants & Pilots.
- Initiated the development of decision documents for managing vegetation at the Juvenile Detention Center, Orin Allen Youth Rehabilitation Facility, and the County Airports.
- County staff have been more involved than previous years due to remote meetings being more accessible. The Subcommittee also successfully engaged with Departments that have not traditionally been associated with the IPM Program, such as the Office of the Sheriff and Probation Department

### Challenges

- No meetings were held from March through July due to the COVID-19 Pandemic.
- The remote meeting format implemented since August limits the full engagement of Subcommittee members and public attendees.
- Pandemic restrictions of County operations have dramatically reduced the amount of information typically gathered from site visits and interactions with staff members.

## Report of the IPM Grants & Pilots Subcommittee

### Activities

- Held two Subcommittee meetings during the year
- At least five of the six Subcommittee members attended each meeting.
- Researched existing grant programs to determine potential fit

### Accomplishments

- Hosted several subject matter experts who provided useful insights pertaining to ground squirrels and setting up valid case studies to help monitor and manage them in an integrated program
- Worked to refine the scopes of potential pilot research projects
- Gained a better understanding of the County's process for applying for and receiving grant funding and identified multiple external funding sources
- Engaged regional experts from UC and other public agencies to collaborate on IPM pursuits

### Challenges

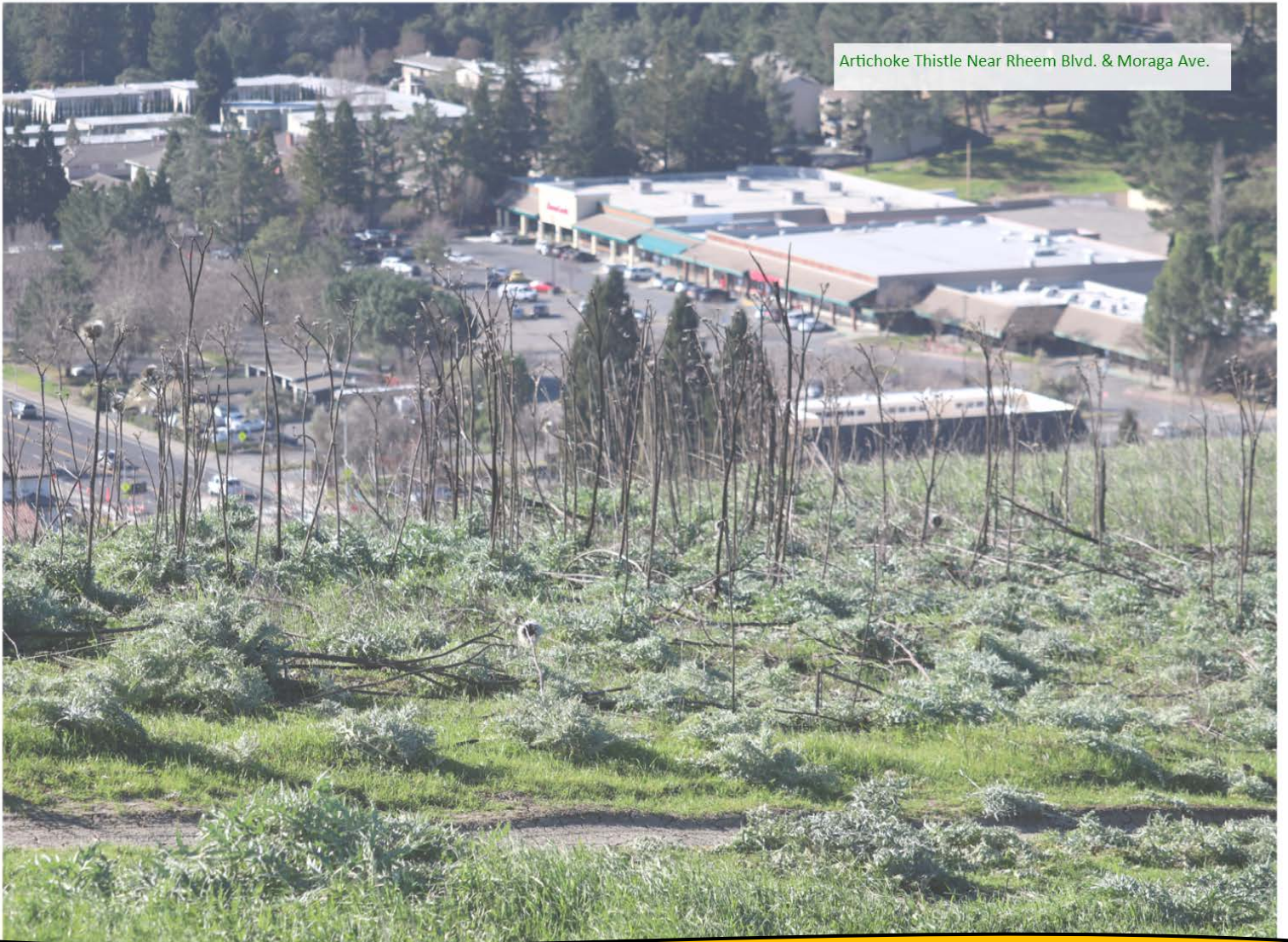
- The first meeting was not held until August due to factors relating to the COVID-19 Pandemic.
- The remote meeting format limited the full engagement of Subcommittee members and public attendees.
- With seven months passing between the original formation of the Subcommittee and its first meetings, it was difficult to clearly define the broader objectives of the body
- County staff is spread thin, and it's difficult to take on new IPM pilots and programs in the context of backlogs in the delivery of other important services

2020 IPM Advisory Committee Member Engagement

	1/16	3/19	5/21	7/16	9/17	11/21	Total Absences	Total Meetings Attended (Including Subcommittees)
Larry Yost	P			P	P	P	0	10
Dave Lavelle				P	P	P	1	6
Chris Lau				P	P		2	8
Carlos Agurto	P			P	P	P	0	11
Michael Kent^	P			^	P		2	3
Teri Rie/Michele Mancuso*	P			P	P	P	0	4
Kimberly Hazard	P			P	P	P	0	8
Susan Heckly	P				P	P	1	5
Susan Captain	P			P	P	P	0	8
Andrew Sutherland	P			P	P	P	0	10
James Donnelly	P			P	P	P	0	12
Stephen Prée	P			P	P	P	0	5
Amy Budahn**					P	P	0	4
<b>Total Present</b>	10			10	13	11		
<b>Voting Members Present</b>	8			6	8	6		
<b>Total Members of the Public attending</b>	7	3/19 Meetings Cancelled Due to COVID-19 Pandemic	5/21 Meetings Cancelled Due to COVID-19 Pandemic	3	6	4		

Marsh Creek Dam

P=Present  
 \*filled seat September 2020  
 \*\*filled seat August 2020  
 ^Designated Disaster Service Worker Doing Contact Tracing



## Department Update—Agriculture

The Agriculture Department office has been closed to the public since the middle of March. They were still able to continue with their weed abatement efforts for the season. The Department contracted a few new properties this year. John Muir Land Trust and the Geological Abatement Hazard District parcels in Moraga are heavily infested with Artichoke thistle. The Department was able to obtain noxious weed grants from the state. This funding allowed them to hire two new weed and vertebrate technicians. The Department also purchased Trimble GPS units to map the invasive weeds they are tracking. Weed and vertebrate technicians started about a month later than planned because of COVID-19. This affected how much they were able to accomplish in regards to invasive weed abatement.

The Department's pest detection staff was most impacted by COVID-19 in their day-to-day activities. Pest detection personnel are required to place traps in fruit trees usually in the backyards of private residences. Shelter-in-place restrictions severely limited that option. The pest detection staff staggered work hours to adjust to the reduced workload and allow for greater social distancing. The season was started late and will end early because of the financial impact of COVID-19.

## Department Update—Public Works: Airports

The Airport Operations Division completed their second year of managing vegetation without the assistance of the Public Works Maintenance Division. Airport personnel now conduct all herbicide applications at the Byron and Concord properties. Enhanced aviation protocols at each airport site necessitate uninterrupted action to combat vegetal pest pressures. Problematic vegetation at these unique locations can increase hazards associated with fires, visual obstructions, and incongruous wildlife habitation. The IPM Coordinator will continue to work with Airport Operations to ensure all training, application, and reporting protocols are refined to fit within the parameters of the County IPM Policy.

The Division acquired a new boom sprayer this year in order to be more efficient in the infield areas. They report that this equipment has helped reduce the amount of invasive growth in these sensitive locations. Airport Safety Officers also rely on wide area mowers, brush cutters, flail mowers in addition to string trimmers and other hand tools to abate weeds. One challenge faced this year was trying to keep up on vegetation management while allocating staff to a major runway project.



Byron Airport



Planting Project Completed at the Probation Training Center

## Department Update—Public Works: Grounds/Special Districts

The Grounds Division was restricted to essential weed abatement during the earlier stages of the pandemic. While this allowed them to catch up at many sites, other details like litter collection and irrigation repairs were not completed during that time. Ongoing staffing shortages are exacerbated by the hiring freeze.

Grounds has had to increasingly rely on contracted service providers and overtime labor to keep sites from becoming unsafe. With the new Administration Building and Emergency Operations Center (EOC) coming online, gardeners are concerned about not having the bandwidth to absorb the new installations.

The Probation Department requested a landscape enhancement project earlier in the year at their Training Center located behind Juvenile Hall. Grounds employees removed dead and overgrown vegetation, updated the irrigation system, and incorporated new mulch and plant material to beautify the site. From an IPM standpoint, the project incorporated cultural practices of mulching, competitive planting, and irrigation precision intended to only water desirable species.

The Grounds Division completed a project funded by Benefit Zone 18 of the Countywide Landscaping District on Pacheco Boulevard near Pacheco Manor. Large pine trees not suitable for such a narrow planting strip and shrubs requiring regular shearing were replaced by Crepe myrtle trees and low-

growing vegetation that is more conducive to the type of maintenance currently available. The trees were threatening the structural integrity of the soundwall and cluttered the sidewalk, gutter, and street with pine needles. The removed trees were chipped and used as weed prevention and soil building elsewhere.

Regarding the District's vertebrate pest program, their contracted trapper caught 4 voles and 30 gophers in various parks and common areas. No rodenticides are used on District property. Annual herbicide use on these parcels are captured in the reports submitted by Grounds.



Before

Planter Strip on Pacheco Boulevard Near Pacheco Manor



After

The innovative new landscape installation surrounding 1025 Escobar demonstrates a commitment to green infrastructure. It will be critical to provide appropriate operation and maintenance training for personnel responsible for the ongoing health of the system. Given current staffing constraints, options involving contracted service providers may be warranted. Many public agencies as well as commercial property managers have struggled to maintain these facilities as required by regulators.



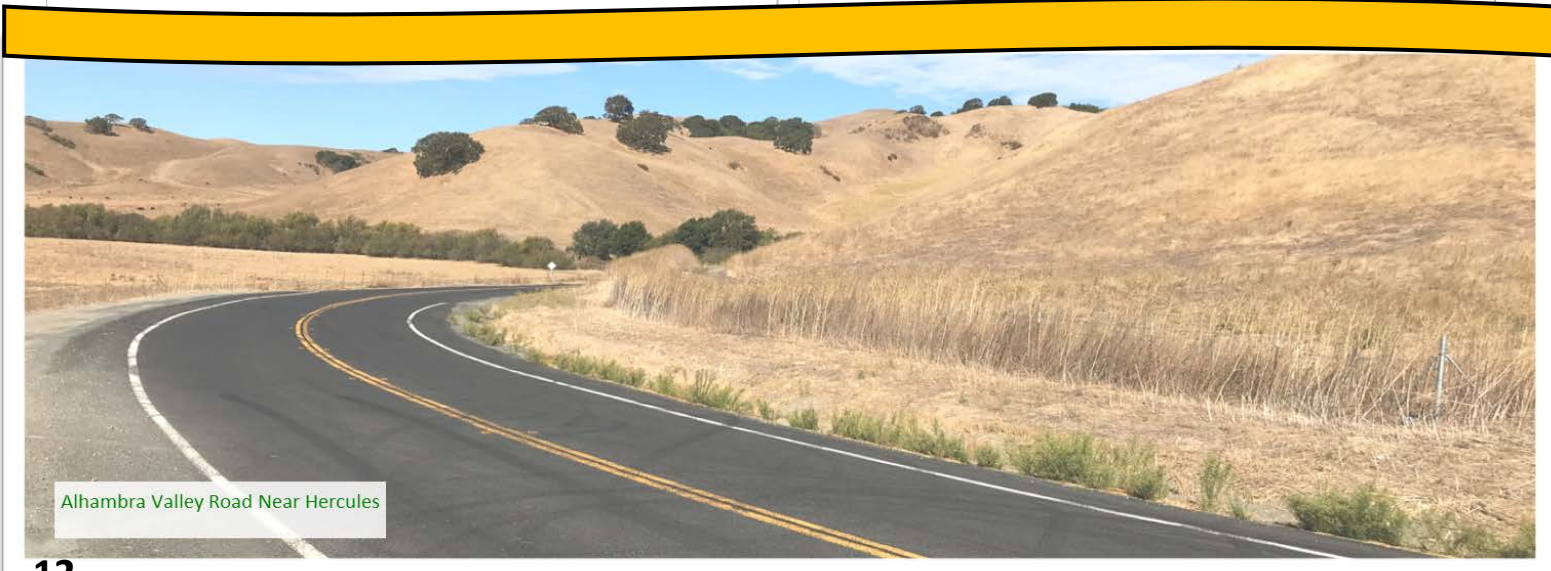
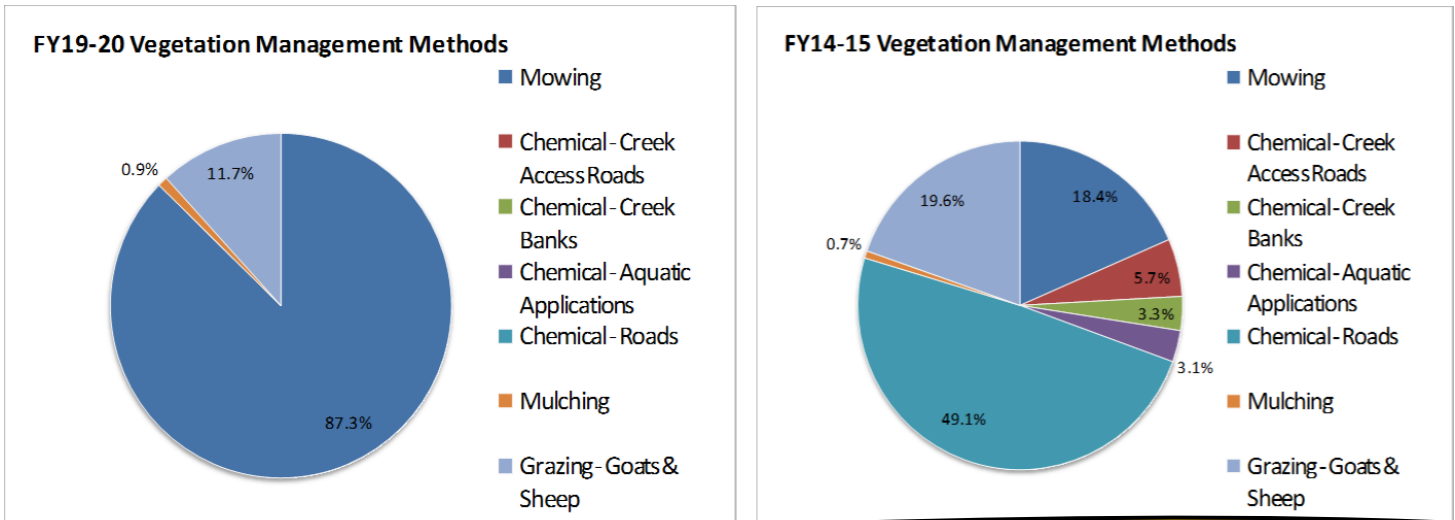
Stormwater Biofiltration System at New County Administration Building

## Department Update—Public Works: Maintenance Division

The Maintenance Division continues to provide essential services to customers. COVID-19 has impacted the efficiency and the cost of how these services are delivered, and staff has adapted to the changes. In addition to taking precautions such as wearing face coverings, social distancing, and proper hygiene. Each staff member travels to work sites in separate vehicles unless a vehicle is large enough to allow for proper social distancing. Training programs have also required adjustments.

Division personnel have provided COVID-19-related response, such as receiving/distribution of emergency PPE supplies, making COVID-19 testing site signage, assisted in the setup of testing and shelter sites, and assisted with the closing of parks and recreation facilities.

Mowing and grazing are the two primary methods currently being used to manage vegetation. It has been two years since the Division has had qualified staff in place to use herbicides on roadsides and flood control channels. They have retained a consultant to provide herbicide recommendations and are in the process of filling vacant Vegetation Management Technician positions. The suspension of herbicide use has created a backlog of work and an increased effort will be necessary to address vegetation management needs. The charts below depict the percentage of which methods were used. The one on the left is from the fiscal year that ended on June 30th of this year while the chart on the right compares methods used five years earlier. It is important to note that while the change appears to be good news from the standpoint of herbicide reduction, 500 fewer acres were treated in 2020 than in 2015. Hazards associated with visual obstructions and wildfire risks have likely increased on unmanaged properties throughout the County.



Alhambra Valley Road Near Hercules



## Department Update—Public Works: Facilities Services (Pestec)

Pandemic restrictions limited access to most of the County sites that Pestec services. Efforts have focused primarily on the management of outdoor pests such as rodents, cockroaches, ants, and stinging pests. Services have included IPM inspections, recommendations, insect bait & rodent trapping station maintenance, and spot treatments for ants and stinging pests when necessary.

Contra Costa County Regional Medical Center also had restricted access. Entrances to the hospital premises are only permitted when pest sightings are reported by staff. Pestec technicians are escorted and required to wear eye protection and face masks.

Entrance to County detention facilities has been limited since early in the pandemic to reduce risk to inmates. Currently, Pestec is restricted from entering dorms and has only been permitted entry to address reported pest sightings. Eye protection and face masks are required to enter dorms. Exterior services for inspection, monitoring, treatment, and reporting continue.

Pestec has reported 120 conditions conducive to pests between January and October of this year. Last year, 175 conditions were reported. Recommendations for repair are submitted to Facilities Services for correction. In some cases, the County contracts with Pestec for additional source controls including pigeon and rodent exclusion. This year, Pestec installed pigeon exclusion netting at the San Pablo Health Center and eliminated access points for rodents at Juvenile Hall in Martinez.

In early August, Pestec performed a detailed inspection of the new Administration Building during its final stage of construction. Pest prevention recommendations were entered into a field punch list report and submitted to Facilities Services. Follow up inspections during regular IPM service visits will observe the status of the corrective recommendations.



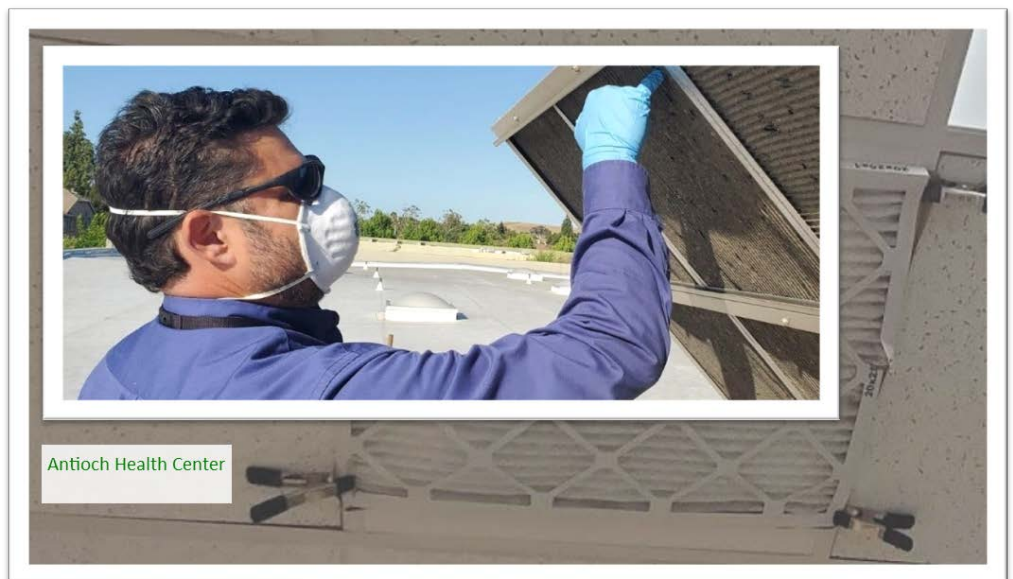
A similar inspection was completed at the new Emergency Operations Center. This proactive approach encourages relatively simple strategies to ideally be implemented during the design and construction process to limit the access of unwelcome invaders during the life of the facility. Inspired by a project lead by the San Francisco Department of the Environment, Contra Costa County is encouraged to incorporate as many concepts contained in [Pest Prevention by Design](#) as possible in all future building projects and renovations.



This year, Pestec installed approximately 100 Bluetooth-enabled rodent management station trays around various County facilities. These trays were incorporated into devices that Pestec has retrofitted to serve as rodent trapping and insect baiting stations. The smart trays are designed to connect to an application that the service technician uses to determine if a station needs service. These are being tested to determine potential labor costs savings and monitor pest activity with more precision. While this remote monitoring technology seems promising, further evaluation is needed to determine if the practical benefit is worth the additional material cost. Additionally, the quality of the device and specifically the single use battery may not be suitable for Countywide deployment.

Another highlight from the year includes the discovery of a point of access for various insects. Staff at the Antioch Health Center noticed increasing signs of bugs in a conference room at the facility. The Pestec team believed that

insects were coming from the air vents above the tables. A temporary air filter was placed over the vents to monitor for insect intrusion. The paper filter was checked a week later, and numerous insect parts were found embedded into the filter fibers. An inspection of the air handler on the roof found cracks in the main air intake unit with additional signs of insects noticed in the damaged filters.



## IPM Coordinator Update

The IPM Coordinator was designated as a Disaster Service Worker assigned to the virtual COVID-19 call center from March 15th to June 15th. He also worked with personnel from the Office of the Sheriff and Public Works to gain a fuller understanding of the critical vegetation management function of the detention facilities in West County and Marsh Creek in order to represent pertinent details to members of the Committee and citizen advocates. Other highlights include coordinating the logistics of virtual meetings and conducting outreach to relevant partners in moving closer to full Healthy Schools Act compliance at Juvenile Hall and at the Orin Allen Youth Rehabilitation Facility (OAYRF).



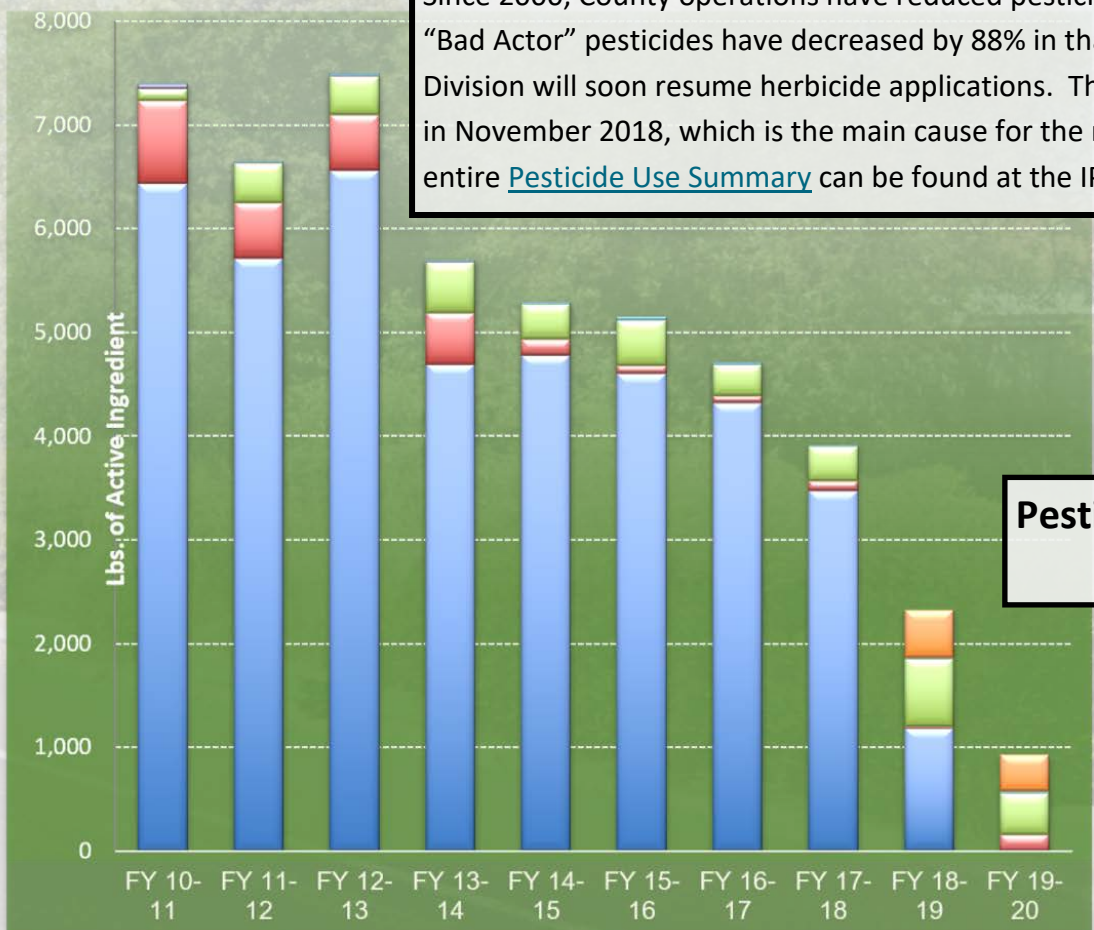
Camino Diablo Near Brentwood

### Other Notable Activities:

- Met with the County Fish & Wildlife Committee to discuss the development of an invasive species brochure
- Assisted Health, Housing and Homeless Services with their point-in-time count in January
- Attended the Sustainability Exchange Steering Committee meeting on January 21<sup>st</sup>
- Organized a Healthy Schools Act training and a product demonstration for a carbon dioxide injection device at OAYRF on February 6<sup>th</sup>
- Presented the 2019 Annual Report to TWIC on February 10<sup>th</sup>
- Participated in the Contra Costa County Environmental Justice, Community Health, and Sustainability Virtual Collaboration on June 3<sup>rd</sup>
- Coordinated a Pest Prevention by Design inspection of the new Administration Building and Emergency Operations Center on August 10<sup>th</sup>
- Presented as part of an online [Brown Bag Lunch Series](#) sponsored by the California Department of Pesticide Regulation on August 26<sup>th</sup>
- Participated in a meeting of IPM coordinators from the other public agencies in the region as well as other western states on October 16<sup>th</sup>
- Helped organize and host a virtual field trip for nursing students enrolled in a community engagement class at Cal State East Bay on October 22<sup>nd</sup>. Arranged presentations by the HazMat, Green Business, and Childhood Lead Poisoning Prevention Programs, and the Contra Costa Mosquito & Vector Control Services District.
- Participated in the Health and Nutrition Services Advisory Committee Meeting on October 27<sup>th</sup>.
- Collaborated with Eden Housing, UC's IPM Program, and Regional Asthma Management and Prevention (RAMP) to initiate an IPM project targeting bed bugs and cockroaches at a Property in Martinez
- Assembled and met virtually with a tentative project team to pursue a research grant to improve ground squirrel monitoring and treatment near critical infrastructure. The team consists of County staff, UC academics, and representatives from other public and private agencies.

## Pesticide Use Summary

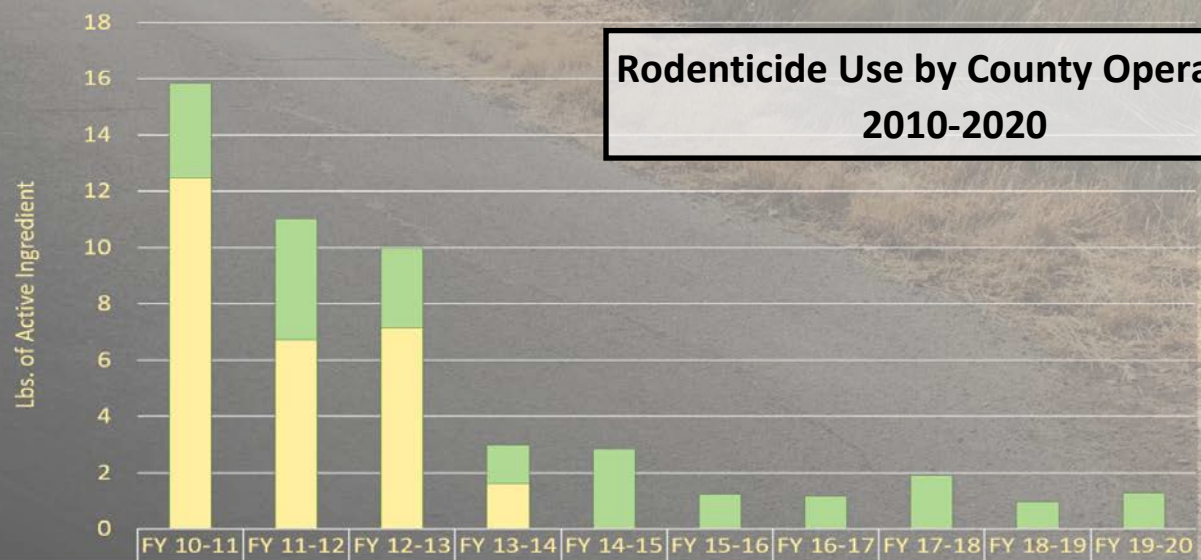
Since 2000, County operations have reduced pesticide use by 95%. The use of “Bad Actor” pesticides have decreased by 88% in that time. The Maintenance Division will soon resume herbicide applications. They suspended the program in November 2018, which is the main cause for the recent reduction. The entire [Pesticide Use Summary](#) can be found at the IPM Program website.



**Pesticide Use by Program  
2010-2020**

- Airports
- Facilities
- Special Dist.
- Grounds
- Agriculture
- Roads/Creeks

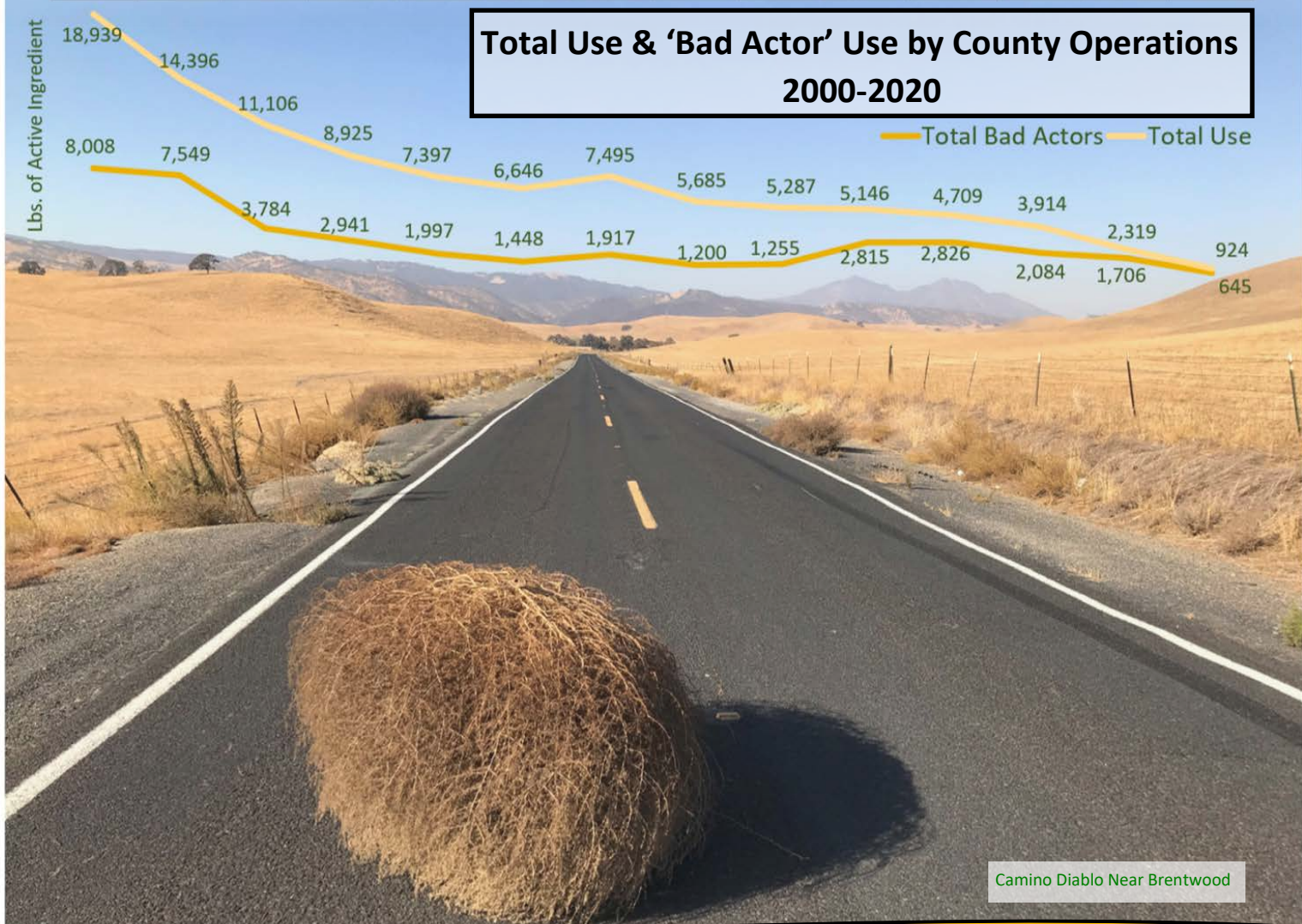
## Rodenticide Use by County Operation 2010-2020



■	Agriculture Dept.	3	4	3	1	3	1.230	1.150	1.900	0.960	1.300
■	PW Special Dist.	12	7	7	2	0.003	0.001	0.001	0.000	0.000	0.000

Ground Squirrel Damage on Trails End Path  
Near Kubicek Detention Basin

## Total Use & 'Bad Actor' Use by County Operations 2000-2020

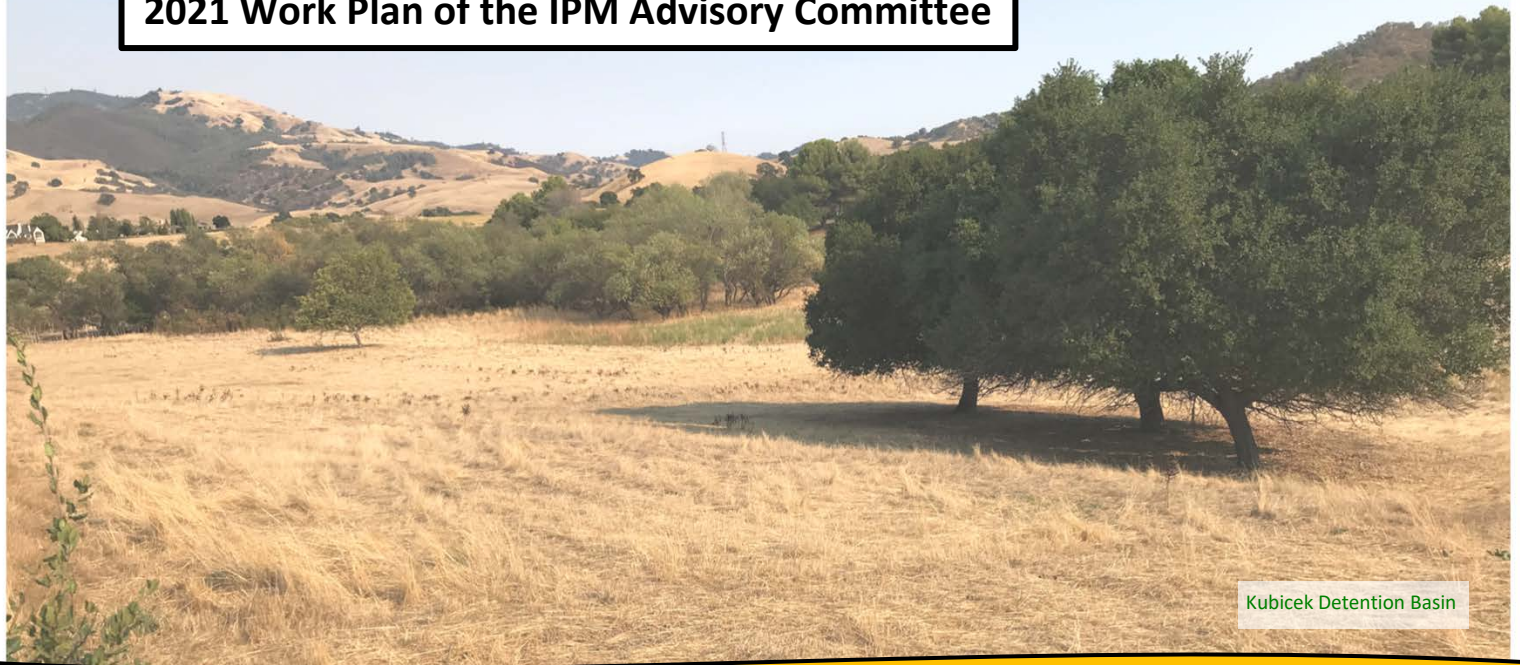


### Record of Training

*This is a partial list of trainings coordinated or attended by Committee members and County staff in 2020:*

- Covid-19 safety protocol and reporting
- Covid-19 disinfecting services training
- Bell labs IQ rodent monitoring system
- Rodent management station installation & management procedures
- Cockroach IPM in complex environments
- Bayer Technical trainer for ants and cockroaches
- UC IPM Pest insight webinar for ants, wasps, outdoor cockroaches, insecticide resistance for German cockroach
- Purdue Advanced Urban IPM, group study
- Inert Gas Injection (IGI) demonstration at Orin Allen Youth Rehabilitation facility & Healthy Schools Act overview
- Injury illness Prevention Program training
- Pestwest fly control with Dr. Stewart Miller
- EPA—Bed bugs in Multi-Family Housing and Dorms (90-minute webinar) 1/14
- Child Care IPM Train-the-Trainer Workshop sponsored by the UCSF School of Nursing and the CA Dept. of Pesticide Regulation
- Cal-IPC Non-chemical weed control techniques
- Integrated Germ Management training
- 211 Resource Database training
- From Integrated Pest Management to Integrated Pest and Pollinator Management Webinar
- Contra Costa County's Environmental Justice, Community Health, and Sustainability Virtual Collaboration
- Society for Range Management CAL-PAC Region Spring Meeting
- CDFA Webinar for National Pollinator Week: California's Efforts to Restore and Enhance Their Populations
- Weed management online training for volunteer programs
- State Water Board's stakeholder meeting on Statewide Grazing Guidance
- California Native Grassland Association's 13th Annual and 1st Online Field Day at Hedgerow Farms
- EPA—Addressing Disease Mitigation in Schools, Daycare Centers and Universities with Sanitizers and Disinfectants
- 40th Annual E.F. Schumacher Lectures: Land as a Commons: Building the New Economy
- Sustainable Management of California's Fire Prone Landscapes: Using Grazing to Help Keep Communities Safe
- Pestec presented the structural pest management portion of a Healthy Schools Act training and utilized a 360 camera to generate a virtual tour of [George Miller Head Start](#) in Concord.
- California Fire Science Research Series

## 2021 Work Plan of the IPM Advisory Committee



Kubicek Detention Basin

### **2021 Work Plan—IPM Coordinator Initiatives**

*The IPM Coordinator received input from the Committee regarding the prioritization of the following initiatives listed in order of import:*

1. Actively solicit grants that further the goals of the IPM Policy and seek to for the inclusion of appropriate County properties and programs to be included in IPM research.
2. Help refine departmental IPM training to increase awareness to the County IPM Policy, departmental and facility IPM plans, and help coordinate annual worker safety training, annual Healthy Schools Act (HSA) training, and continuing education for licensed applicators.
3. Develop IPM Plans for all sites subject to the HSA.
4. Interagency coordination of targeted grazing services.
5. Implement IPM Program website updates.
6. Identify ways to incorporate geographic information system (GIS) technology into existing IPM programs and to improve the collection and analysis of IPM data in decision-making and reporting.
7. Assess the capacity of adjacent public agencies, community-based organizations, and IPM-related contracted service providers in the region to identify potential contract piggybacking arrangements or joint use agreements that would increase the level of service of underserved County-owned parcels.
8. Develop unified messaging protocols between applicable public and private entities as a resource for citizens calling regarding pest concerns on private property or in public housing that include but is not limited to bed bugs, cockroaches, ticks, and unwelcome interactions with wildlife.
9. Exploration of the County procurement process as it pertains to IPM-related services, equipment, and supplies in order to identify opportunities that better support the implementation of the County IPM Policy.
10. Assess the current versions of Administrative Bulletin 542, the County IPM Policy, and the IPM Advisory Committee Bylaws to determine if revisions are needed.
11. Identify potential IPM-uses for unmanned aerial vehicles (UAV) in monitoring, mapping, and possibly controlling problematic pests where it is safe and ethical to do so.

## **2021 Work Plan—IPM Advisory Committee Goals, Objectives, and Activities**

The proposed work plan for 2021 is rooted in the County IPM Policy. The Policy's four goals are listed below and on the next page. The Committee has identified six related objectives to accomplish. The IPM Coordinator will support and track these efforts while pursuing eleven congruent initiatives found on page 18 as prioritized by the Committee. The 2021 objectives and strategic activities for each goal are as follows:

### **Goal 1: Minimize risks to the general public, staff & the environment as a result of pest control activities conducted by County staff & contractors.**

**Objective 1:** Review which components of existing risk assessment systems and tools could be incorporated into the County's process for evaluating risks associated with pest management tactics.

**Strategic Activities:** On January 21<sup>st</sup>, the full Committee will continue to discuss the new visualization tool for pesticide risk assessment that was introduced in the September meeting. Next steps will be determined then, but it is anticipated that this exploration will be central to most of the meetings of the full Committee during 2021. The ongoing endeavors of the Decision-Making and Grants & Pilots Subcommittees will likely overlap with themes pertaining to risk evaluation. Likewise, initiatives 1-4 and 5-8 have direct ties to the topic and will further inform the dialog.

### **Goal 2: Create, implement and periodically review written IPM plans in the Agriculture, Health, and Public Works Departments specific to their operational needs and consistent with the UC IPM definition and this policy.**

**Objective 2.1:** Review existing departmental IPM plans and make revision requests and/or recommendations.

**Objective 2.2:** Identify operational linkages between certain County parcels and the work of other County bodies to promote regenerative partnerships that may include jobs training, wildfire fuel load reduction, public protection, climate action planning, etc.

### **Strategic Activities:**

**2.1:** The Committee will review and discuss all current or in progress department IPM plans during the March 18th meeting and suggest potential areas for revision. Any recommendations will be voted on and department heads or their designee will be requested to either respond to the recommendations in writing by 5:00 PM on Friday, July 9th, so it can be included in the agenda packet for the meeting scheduled on July 15th, or otherwise plan to respond in person (or virtually) at that meeting. The IPM Coordinator will also provide periodic updates on initiative #3 to help identify practices that could be implemented beyond juvenile rehabilitation and childcare sites.

**2.2:** The Decision-Making Subcommittee will receive regular updates on the implementation status of recently completed documents for vegetation management at two large properties. Many of the recommendations that stemmed from that are closely tied to this objective. Two juvenile rehabilitation sites will be studied in early 2021. That research may similarly reveal nexuses between land stewardship needs and service capacity in the community. Concurrent work on initiatives 1, 4, 7, and 9 may further uncover mutually beneficial partnerships.



Clayton Valley Drain

## **2021 Work Plan—IPM Advisory Committee Goals, Objectives, and Activities (cont.)**

### **Goal 3: Promote availability, public awareness and public input into written county pest management plans and records.**

**Objective 3.1:** Investigate the feasibility of standardizing pest management recordkeeping across County Departments and centralizing reporting protocols.

**Objective 3.2:** Assemble a geographic information system (GIS) technical advisory committee (TAC) to explore the possibilities of improving site-specific pest management data compilation and increasing the transparency of pest management decisions.

#### **Strategic Activities:**

- 3.1:** During the March 18, 2021 discussion regarding IPM plans with department heads or their designees, plan elements involving record keeping, reporting, and training will also be reviewed. Time will be set aside to receive feedback concerning the IPM Program website. Attendees will also be encouraged to share their vision for what the ideal recordkeeping system would look like.
- 3.2:** Once organized, the GIS-TAC will schedule a kickoff meeting in January or February. The initial focus will be to assess existing applications being used within the County and conduct a preliminary review of pertinent systems used in the broader industry. The TAC will tentatively plan for two or three meetings during the year and be comprised of one or more Committee members, County staff (PW, Ag, & DOIT), and other community members familiar with the subject matter.

### **Goal 4: Create public awareness of IPM through education.**

**Objective 4:** Review the previous work of the IPM Outreach Subcommittee (2017-2018) to help form a broader public awareness strategy.

**Strategic Activities:** The IPM Coordinator and any willing Committee members who served on the Outreach Subcommittee will present in the meeting scheduled for May 20th. The subsequent discussion may yield additional items to be considered on future agendas. Progress reports for initiatives 5 and 6 will be given in the full Committee meeting in September. Depending on the success of those endeavors, additional outreach tools may be available at that point.



Goat & Sheep Grazing at Grayson Creek



Contra  
Costa  
County

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: Approval of Keller Canyon Mitigation Fund Allocation of \$50,000 for COVID-19 Community Outreach

---

**RECOMMENDATION(S):**

APPROVE an additional Keller Canyon Mitigation Fund (KCMF) allocation for the current fiscal year of \$50,000 for COVID-19 community outreach in the KCMF target area.

**FISCAL IMPACT:**

100% Keller Canyon Landfill Mitigation Fund, no General Fund monies.

**BACKGROUND:**

In 1990, the Board of Supervisors (Board) approved the Keller Canyon Landfill land use permit and franchise agreement which included the establishment of three fees to mitigate the following impacts of the landfill: traffic generated on the County's road system, the impacts of the landfill on open space, existing and proposed recreational facilities and agricultural land, and general impacts of the landfill upon the surrounding community. The KCMF process was approved and first awards made in 1992. In 1994, the Board amended the land use permit and the franchise agreement to combine the mitigation fees, as well as to provide additional flexibility in the use of funds, specifying that they shall be used by the Board in its sole discretion. The current program/project/service categories considered for funding include: youth services, code enforcement, public safety, community beautification, and community services. The Department of Conservation and Development is the administrative manager for the Fund.

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Daniel E. Davis,  
925-674-7886

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



BACKGROUND: (CONT'D)

On August 11, 2020, the Board approved the FY 2020/21 KCMF plan in the amount of \$1,413,870 for specified programs/projects recommended by the KCMF Review Committee (Committee). Due to the COVID-19 pandemic, the committee opted to work with the prior year's grantees for FY 2020-21, since many of these grantees were unable to complete their programs/projects due to shelter-in-place orders. Moreover, budget uncertainties and the precarious nature of the pandemic encouraged the committee to take a conservative approach to the FY 2020/21 recommendations. The KCMF program currently has \$828,588 in FY 2020/21 unallocated funds, about \$700,000 more than in FY 2019/20.

The Committee will reconvene to discuss the possibility of additional recommendations in the coming weeks. In the meantime, due to the ongoing pandemic, and in acknowledgement of the FY 2020/21 KCMF budget surplus, the Committee is proposing an allocation of \$50,000 for COVID-19 outreach to the KCMF target area. The purpose of this outreach would be to inform residents and businesses in the community of the importance of following the health order, programs and resources available to help address economic impacts, the availability of no-cost testing and other information helpful to the community. This project would be carried out by the Board of Supervisors District V office to combat a spike in COVID-19 cases within the KCMF target communities.

Any additional allocation recommendations will be brought to the Board for its review at an upcoming meeting.

CONSEQUENCE OF NEGATIVE ACTION:

Not approving the \$50,000 COVID-19 outreach allocation may hinder public health efforts to mitigate the pandemic in an area that has seen a dramatic increase in COVID-19 cases.

CHILDREN'S IMPACT STATEMENT:

The recommended project will support at least one of the five community outcomes established in the Children's Report Card.



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Approve New and Recredentialing Providers & New and Recredentialing Organizational Providers in Contra Costa Health Plan's Community Provider Network

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**RECOMMENDATION(S):**

APPROVE the list of providers recommended by Contra Costa Health Plan's Peer Review and Credentialing Committee and by the Medical Director on November 10, 2020 and by the Health Services Director, as required by the State Departments of Health Care Services and Managed Health Care, and the Centers for Medicare and Medicaid Services.

**FISCAL IMPACT:**

There is no fiscal impact for this action.

**BACKGROUND:**

The National Committee on Quality Assurance (NCQA) requires that evidence of Board of Supervisors approval must be contained within each CCHP provider's credentials file. Approval of this list of providers as recommended by the CCHP Medical Director will enable the Contra Costa Health Plan to comply with this requirement.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this action is not approved, Contra Costa Health Plan's Providers would not be appropriately credentialed and not be in compliance with the NCQA.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Sharron Mackey,  
925-313-6004

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Terri Bostick, Marcy Wilhelm

ATTACHMENTS

Provider List

**Contra Costa Health Plan  
 Providers Approved by Medical Director  
 November 10, 2020**

<b>CREDENTIALING PROVIDERS NOVEMBER 2020</b>	
<b>Name</b>	<b>Specialty</b>
Bell, Brianna, BCBA	Qualified Autism Provider
Casaretto, Kevin, BCBA	Qualified Autism Provider
Chen, Sophia, MD	Ophthalmology
Citron, Rebecca, MD	Primary Care Family Medicine
Clark, Tracy, RBT	Qualified Autism Paraprofessional
Dudoroff, Kathryn, PA	Mid- Level Surgery – General
Hall, Michael, MD	Otolaryngology
Ibarra, Jesika, BCBA, M. Ed	Qualified Autism Provider
Jensen, Anna Franchesca, NP	Mid – Level Orthopedic Surgery Assistant
McGraw, Jason, HAD	Hearing Aid Dispensing
Miller, Daphne, MD	Primary Care Family Medicine
Ngo, Carol, DC	Chiropractic Medicine
Pessoa, Cornelia, MD	Dermatology
Rivera, Veronica, BCBA	Qualified Autism Provider
Roundtree, Tabitha, BCBA, M.Ed	Qualified Autism Provider
Sanchez, Viridiana, BCBA M.Ed	Qualified Autism Provider
Schmidt, Timothy, MD	Dermatology

Contra Costa Health Plan  
 Providers Approved by PRCC and Medical Director  
 November 10, 2020

<b>CREDENTIALING PROVIDERS NOVEMBER 2020</b>	
<b>Name</b>	<b>Specialty</b>
Scrubb, Adia, MD	Primary Care Family Medicine
Sohn, Grace, MD	Dermatology
Sung, Michael, MD	Surgery – General
Sweeney, Patricia, NP	Mid-Level Family Planning
Tenorio, Dinelo, BS	Qualified Autism Professional
Toy, Garrett, DPT	Spine and Sports Physical Therapy
Valdez, Jillian, TBT, BS	Qualified Autism Professional
Wei, David, MD	Wound Care
Zaman, Warda, DO	Nephrology
Ziaee, Saba, MD	Rheumatology

<b>CREDENTIALING ORGANIZATIONAL PROVIDERS NOVEMBER 2020</b>		
<b>Provider Name</b>	<b>Provide the Following Services</b>	<b>Location</b>
DaVita – Alvarado Park Home Training	Dialysis	San Pablo
Premier Healthcare Services	Private Duty Nursing	San Jose

Contra Costa Health Plan  
 Providers Approved by PRCC & Medical Director  
 November 10, 2020

<b>RECREREDENTIALING PROVIDERS NOVEMBER 2020</b>	
<b>Name</b>	<b>Specialty</b>
Broderick-Villa, Gregory, MD	Surgery-General/Bariatric
Bry, John, MD	Surgery - Vascular
Cheifetz, Karrin, LAC	Acupuncture
Chung, Christine, MD	Radiation Oncology
Connelly, Rachel, MFT	Mental Health Services
Crow, Emily, PA	Mid-Level Orthopedic Surgery Assistant
Drucker, Mark, MD	Ophthalmology
Edmunds, Magdalen, MD	Primary Care Family Medicine
Eloe, Natalie, BCBA	Qualified Autism Provider
Espinoza, Desiree, NP	Primary Care Pediatrics
Flanagan, Catherine, NP	Primary Care Family Medicine
Furer, Jessica, MD	Primary Care Internal Medicine

Contra Costa Health Plan  
 Providers Approved by PRCC and Medical Director  
 November 10, 2020

<b>RECREREDENTIALING PROVIDERS NOVEMBER 2020</b>	
Name	Specialty
Garlin, Amy, MD	HIV/AIDS
Ingersoll, Otis, NP	Primary Care Family Medicine
Jumig, Elmer, MD	Primary Care Pediatrician
Kapoor, Kathryn, LCSW	Mental Health Services
Kirkham, Margaret, NP	Primary Care Family Medicine
Kirman, Christian, MD	Surgery – Plastic and Reconstructive
Longton, William, MD	Pain Medicine
Lui, Rock, MD	Surgery-General
Mattingly, Kristin, DC	Chiropractic Medicine
McGrael-Souders, Adrienne, MD	Primary Care Family Medicine
Miller, Alexandria, BCBA	Qualified Autism Provider
Milnes, Elizabeth, PsyD	Mental Health Services
Morgan-Thompson, Joyce, NP	Primary Care Internal Medicine
Omotoso, Omoniyi, MD	Primary Care Pediatrician
Ortiz Soto, Xaviera, MD	Primary Care Internal Medicine/HIV/AIDS
Pair, Michelle, MFT	Mental Health Services

Contra Costa Health Plan  
 Providers Approved by PRCC & Medical Director  
 November 10, 2020

<b>RECREREDENTIALING PROVIDERS NOVEMBER 2020</b>	
<b>Name</b>	<b>Specialty</b>
Parma, Carolyn, MD	Surgery General/Oncology
Patterson, Anna-Mary, NP	Mid-Level Family Planning
Penney, Jennifer, PsyD	Mental Health Services
Ro, Ashley, NP	Primary Care Family Medicine
Rodriguez, Yolanda, RD	Dietitian
Schwarzman, Megan, MD	Family Planning
Shah, Saurin, MD	Surgery – Thoracic
Shinaman, Richard, MD	Physical Therapy
Smith, Jonathan, LCSW	Mental Health Services
Williams, Sean, MD	Primary Care Pediatrician

<b>RECREREDENTIALING ORGANIZATIONAL PROVIDERS NOVEMBER 2020</b>		
<b>Provider Name</b>	<b>Provide the Following Services</b>	<b>Location</b>
Tranquility Inc. dba: San Miguel Villa	Skilled Nursing Facility	Concord





Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: December 15, 2020

Subject: Medical Staff Appointments and Reappointments – November 16, 2020

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**RECOMMENDATION(S):**

APPROVE the medical staff appointments and reappointments, additional privileges, advancement, and voluntary resignations as recommend by the Medical Staff Executive Committee, at their November 16, 2020 meeting, and by the Health Services Director.

**FISCAL IMPACT:**

There is no fiscal impact for this action.

**BACKGROUND:**

The Joint Commission on Accreditation of Healthcare Organizations has requested that evidence of Board of Supervisors approval for each Medical Staff member will be placed in his or her Credentials File. The above recommendations for appointment/reappointment were reviewed by the Credentials Committee and approved by the Medical Executive Committee.

**CONSEQUENCE OF NEGATIVE ACTION:**

If this action is not approved, the Contra Costa Regional Medical and Contra Costa Health Centers' medical staff would not be appropriately credentialed and not be in compliance with The Joint Commission on Accreditation of Healthcare Organizations.

- 
- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Jaspreet Benepal,  
925-370-5101

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: James Ham, Marcy Wilhelm

ATTACHMENTS

November List

Hospital Medicine Core Privileges

Pediatric Clinical Privileges

Podiatry Clinical Privileges



**A. New Medical Staff Members**

None

**B. Application for Staff Affiliation**

lkpatt, Efe, NP DFAM

**C. 1<sup>st</sup> year Resident**

**D. Advance to Non-Provisional**

Falkenstein, Iryna, MD Surgery  
Kelley, Haruka, NP DFAM  
Peterson, Wendy, NP Internal Medicine

**E. Biennial Reappointments**

Beadles, Kevin, MD	Surgery	A
Bliss, Judith, MD	OB/GYN	A
Boutros, Shadi, DDS	Dental	A
Castillo, Peter, MD	OB/GYN	A
Chu Fantini, Eveline, MD	DFAM	A
Das, Shweta, MD	Pathology	A
Della Selva, Megan, MD	Psychiatry/Psychology	A
Gynn, Michael, MD	Surgery	A
Hiner, Sharon, MD	Internal Medicine	A
Keating, Liam, MD	Surgery	A
Legha, Rupinder, MD	Psychiatry/Psychology	A
Miller, Margaret, MD	Psychiatry/Psychology	A
Okoye, Uchenna, MD	Psychiatry/Psychology	A
Schwartz, David, MD	Psychiatry/Psychology	C
Styles, Sara, DO	Pediatrics	C
Tang, Edward, MD	Surgery	A
Van Handle, Mark, MD	Internal Medicine	A
Wang, Lili, MD	Internal Medicine	A



**F. Biennial Renewal of Privileges**

Longoria, Anthony, NP	DFAM	AFF
Murguia, Sandra, FNP	OB/GYN	AFF
Pak, Lauren, NP	Pediatrics	AFF

**G. Teleradiologist (VRAD) Reappointments**

Donohoo, Jay, MD	Diagnostic Imaging
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**H. UCSF Teleneurologist Reappointments**

None

**I. Voluntary Resignations**

Berry, Sharon, Psy.D.	Psychiatry/Psychology
Chaudhary, Neha, MD	Psychiatry/Psychology
Ciranni, Michael, MD	Psychiatry/Psychology
Cruz, Richelle, MD	DFAM
Dushkin, Elliott, DDS	Dental
Hamilton, Gwendolyn, MD	Pediatrics
Huie, Fredric, MD	DFAM
Madlock, Michelle, CNM	DFAM
Patberg, Jonathan, MD	Emergency Medicine
Sarai, Paul, MD	Diagnostic Imaging
Shidara, Chiyo, DDS	Dental
Stromberg, Lynette, MD	DFAM
Sun, Hank, MD	Anesthesia
Swarzenski, Barbara, MD	Psychiatry/Psychology
Tung, Chiu, MD	Anesthesia
Yang, Patrice, MD	DFAM

**J. Attachments**

Hospital Medicine Core Privileges  
Pediatrics Core Privileges  
Podiatry Core Privileges

## CONTRA COSTA REGIONAL MEDICAL CENTER

**HOSPITAL MEDICINE (“HOSPITALIST”) CLINICAL PRIVILEGES**

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

All new applicants must meet the following requirements as approved by the governing body.

**Effective:** \_\_\_\_/\_\_\_\_/\_\_\_\_.

**Initial Privileges (Initial Appointment)**

**Renewal of Privileges (Reappointment)**

**Applicant:** Please check the **“Requested”** box for each privilege requested.

Applicants have the burden of producing information and documentation deemed adequate by the hospital for a proper evaluation of current competence, current clinical activity, and other qualifications, and for resolving any doubts related to qualifications for requested privileges.

**Department Chair:** Check the appropriate box for recommendation on the last page of this form. If not recommended, provide the condition or explanation on the last page of this form.

**Other Requirements**

- This document is focused on defining qualifications related to competency to exercise clinical privileges. The applicant must also adhere to any additional organizational, regulatory, or accreditation requirements that the organization is obligated to meet.
- Note that privileges granted may only be exercised at the site(s) designated by CCRMC and/or setting(s) that have sufficient space, equipment, staffing, and other resources required to support the privilege.

**QUALIFICATIONS FOR HOSPITAL MEDICINE**

**Initial applicants:** To be eligible to apply for privileges in Hospital Medicine, the applicant must

HOSPITAL MEDICINE CLINICAL PRIVILEGES

<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

meet the following criteria:

1. Successful completion of an Accreditation Council for Graduate Medical Education (ACGME)– or American Osteopathic Association (AOA)–accredited residency in Family Medicine or Internal medicine

**AND**

2. Documentation of current certification or Board eligibility (with achievement of certification within the required time frame set forth by the respective Boards) leading to certification in Family Medicine by the American Board of Family Medicine or Family Practice and Osteopathic Manipulative Treatment by the American Osteopathic Board of Family Physicians

or

Documentation of current certification or Board eligibility (with achievement of certification within the required time frame set forth by the respective Boards) leading to certification in Internal Medicine by the American Board of Internal Medicine or by the American Osteopathic Board of Internal Medicine.

**AND**

3. ***Required current experience:*** Provision of care, reflective of the scope of privileges requested, for at least 100 inpatients as the attending physician during the past 24 months, or successful completion of an ACGME– or AOA–accredited residency within the past 24 months. Please provide clinical activity/procedure log.

***Renewal of privileges:*** To be eligible to renew privileges in Hospital Medicine, the applicant must meet the following criteria:

1. Maintenance of Certification or Osteopathic Continuous Certification is required.

**AND**

2/20

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

2. Current documented competence and an adequate volume of experience (100 inpatients) with acceptable results, reflective of the scope of privileges requested, for the past 24 months based on results of ongoing professional practice evaluation and outcomes.

## Core privileges: Hospital medicine - Inpatient

- Requested** Admit, evaluate, diagnose, treat, and provide consultation to adolescent ( $\geq 14$  y/o) and adult patients with common and complex illnesses, diseases and functional disorders of the circulatory, respiratory, endocrine, metabolic, musculoskeletal, hematopoietic, gastroenteric, integumentary, nervous, alcohol or other substance use disorders, reproductive, and genitourinary systems. May provide care to patients in the intensive care setting. Assess, stabilize, and determine disposition of patients with emergent conditions regarding emergency and consultative call services.

The core privileges in this specialty include the procedures on the attached procedures list and such other procedures that are extensions of the same techniques and skills, as determined by the department chair.

### CORE PROCEDURES/TREATMENT LIST

This is not intended to be an all-encompassing procedures list. It defines the types of activities/procedures/privileges that the majority of practitioners in this specialty perform at this organization and inherent activities/procedures/privileges requiring similar skill sets and techniques, as determined by the department chair.

**To the applicant:** If you wish to exclude any procedures, due to lack of current competency, please strike through the procedures that you do not wish to request, and then initial and date.

#### Hospital Medicine - Inpatient

- Arthrocentesis and Joint injection

Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

- Assistance at surgery
- Breast cyst aspiration
- Continuous renal replacement therapy
- Drawing of arterial blood
- Excision of cutaneous and subcutaneous lesions, tumors, and nodules
- Incision and drainage of abscesses
- Interpretation of EKGs at bedside
- Intraosseous line placement
- Management of burns, superficial and partial thickness
- Management of uncomplicated, minor, closed fractures and uncomplicated dislocations
- Monitoring of patient undergoing chemotherapy under the direction of oncology
- Paracentesis
- Performance of history and physical exam
- Performance of local anesthetic techniques
- Performance of simple skin biopsy
- Peripheral nerve blocks
- Placement of anterior nasal hemostatic packing
- Suprapubic bladder aspiration or catheter replacement
- Suturing of uncomplicated lacerations
- Wound care

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## Core privileges: Hospital medicine – Ambulatory

**PLEASE NOTE: THIS APPLIES ONLY TO OUTPATIENT HOSPITAL FOLLOW-UP CLINICS AND SHORT NOTICE/URGENT CARE CLINICS FOR PATIENTS  $\geq$  14 Y/O. IF YOU WISH TO REQUEST REGULAR PRIMARY CARE OUTPATIENT PRIVILEGES YOU MUST USE THE DFAM (DEPARTMENT OF FAMILY AND ADULT MEDICINE) FORM**

- Requested** Admit, evaluate, diagnose, treat, and provide consultation to adolescent ( $\geq$  14 y/o) and adult patients, with a wide variety of illnesses, diseases, injuries, and functional disorders of the circulatory, respiratory, endocrine, metabolic, musculoskeletal, hematopoietic, gastroenteric, integumentary, nervous, reproductive, and genitourinary systems. Assess, stabilize, and determine disposition of patients with emergent conditions regarding emergency

4/20



Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

and consultative call services.

The core privileges in this specialty include the procedures on the attached procedures list and such other procedures that are extensions of the same techniques and skills.

### CORE PROCEDURES/TREATMENT LIST

This is not intended to be an all-encompassing procedures list. It defines the types of activities/procedures/privileges that the majority of practitioners in this specialty perform at this organization and inherent activities/procedures/privileges requiring similar skill sets and techniques, as determined by the department chair.

**To the applicant:** If you wish to exclude any procedures, due to lack of current competency, please strike through the procedures that you do not wish to request, and then initial and date.

#### **Hospital Medicine – Ambulatory (ONLY HOSPITAL FOLLOW-UP AND SHORT NOTICE/URGENT CARE CLINCS, PATIENTS ≥ 14 Y/O)**

- Arthrocentesis and Joint Injections
- Cryotherapy (removal of warts)
- Excision of cutaneous and subcutaneous lesions, tumors, and nodules
- Incision and drainage of abscesses
- Management of burns, superficial and partial thickness
- Management of uncomplicated, minor, closed fractures and uncomplicated dislocations
- Paracentesis
- Performance of history and physical exam
- Performance of local anesthetic techniques
- Performance of PAP Smear
- Performance of simple skin biopsy
- Peripheral nerve blocks
- Placement of anterior nasal hemostatic packing
- Removal of a nonpenetrating foreign body from the eye, nose, or ear
- Subcutaneous, Intradermal and Intramuscular Injections
- Suturing of uncomplicated lacerations
- Toenail trephination and removal

<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

**Special Non-Core Privileges (See Specific Criteria)**  
Non-core privileges are requested individually in addition to requesting the core. Everyone requesting non-core privileges must meet the specific threshold criteria as applicable to the applicant.

**Non-core privilege: Lumbar Puncture**

**Requested**

***Criteria for Initial Request:***

1. Successful completion of an accredited ACGME or AOA accredited postgraduate training program in Internal Medicine or Family Medicine which included training in lumbar puncture, or completion of a hands-on training in lumbar puncture under the supervision of a qualified physician preceptor.

**AND**

2. Demonstrated current competence and evidence of the performance of at least 5 lumbar punctures in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

1. Demonstrated current competence and evidence of the performance of at least 5 lumbar punctures in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

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**Non-core privileges: Thoracentesis**

**Requested**

***Criteria for Initial Request:***

1. Successful completion of an ACGME–or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine which included training in thoracentesis, or completion of a hands-on training in thoracentesis under the supervision of a qualified physician preceptor

<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

**AND**

2. Demonstrated current competence and evidence of the performance of at least 5 thoracentesis procedures, or completion of training or department-approved in-service in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

1. Demonstrated current competence and evidence of the performance of at least 5 thoracentesis procedures or department-approved in-service in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

---

**Non-core privileges: Insertion and Management of Central Venous Catheters, Arterial Lines and Placement of Temporary Hemodialysis Line**

**Requested**

***Criteria for Initial Request:***

1. Successful completion of an ACGME– or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine which included training in insertion and management of central venous catheters, arterial lines, and placement of temporary hemodialysis lines, or completion of a hands-on training in insertion and management of central venous catheters under the supervision of a qualified physician preceptor

**AND**

2. Documented current competence and evidence of the insertion and management of at least 5 central venous catheters, arterial lines, or temporary hemodialysis lines in the past 24 months, or completion of training or completion of training, or department-approved in-service in the past 24 months. Please provide clinical activity/procedure log.

***Renewal of privileges:***

1. Documented current competence and evidence of the insertion and management of at least 5 central venous catheters, arterial lines, or temporary hemodialysis lines or completion of training, or department-approved in-service in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

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**Non-core privileges: EKG Interpretation (official)**

***Criteria for Initial Request:***

1. Successful completion of an ACGME– or AOA–accredited postgraduate training program in Internal Medicine or Family Medicine, or documentation of EKG interpretation skills by successful completion of EKG exams, such as the American Board of Internal Medicine EKG exam or equivalent

**AND**

2. Documented current competence and evidence of accurate interpretation of at least 200 EKGs during the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

1. Documented current competence and evidence of accurate interpretation of at least 200 EKGs in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

---

**Non-core privileges: Exercise Testing—Treadmill**

**Requested**

***Criteria for Initial Request:***

1. Successful completion of an ACGME– or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine that included a minimum of four weeks, or the department-approved equivalent of training in the supervision and interpretation of exercise testing, and evidence that the training included participation in at least 50 exercise procedures

**AND**

<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

2. Documented current competence and evidence of the performance of at least 25 exercise tests in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

1. Documented current competence and evidence of the performance of at least 25 exercise tests in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

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**Non-core privileges: Ventilator Management, including Endotracheal Intubation and Tracheostomy Management**

**Requested**

***Criteria for Initial Request:***

1. Documentation of successful completion of an ACGME– or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine that provided the necessary cognitive and technical skills for ventilator management

**AND**

2. Documented current competence and evidence of the management of at least 5 mechanical ventilator cases in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

1. Documented current competence and evidence of the management of at least 5 mechanical ventilator cases in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

---

**Non-core privileges: Elective Cardioversion**

**Requested**

9/20

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

***Criteria for Initial Request:***

1. Documentation of successful completion of an ACGME– or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine that provided the necessary cognitive and technical skills for elective cardioversion, or department-approved extra training and experience

**AND**

2. Documented current competence and evidence of the management of at least 5 elective cardioversions in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

2. Documented current competence and evidence of the management of at least 5 elective cardioversions in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

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**Non-core privileges: Thoracostomy and Thoracic Vent/ Chest Tube Placement**

**Requested**

***Criteria for Initial Request:***

1. Documentation of successful completion of an ACGME– or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine that provided the necessary cognitive and technical skills for thoracostomy and thoracic vent/ chest tube placement, or department-approved extra training and experience

**AND**

2. Documented current competence and evidence of the management of at least 5 cases of thoracostomy and thoracic vent/chest tube placement, in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

**Criteria for Renewal of Privileges:**

3. Documented current competence and evidence of the management of at least 5 cases of thoracostomy and thoracic vent/chest tube placement, in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

**Non-core privileges: Point of Care Ultrasound (POCUS)**

**Requested**

*To the Applicant: If you wish to exclude any procedures, due to lack of current competency, please strike through the procedures that you do not wish to request and then initial and date.*

**Initial Request for Point of Care Ultrasound (POCUS):**

1. Documentation of successful completion of an ACGME– accredited postgraduate training program in Internal Medicine or Family Medicine that included formal hands on ultrasound instruction and experience

**OR**

Documentation demonstrating satisfactory completion of twenty (20) hours of Point of Care Ultrasound CME with at least six (6) hours of hands on ultrasound scanning and has completed five (5) proctored limited cardiac ultrasound cases (as part of CME)

**AND**

**Cardiac:** Provide documentation of having performed 20 cases of limited cardiac ultrasound (includes all five views) within the last 24 months

**AND/OR**

**Invasive Procedures:** Provide documentation of having performed 5 cases of procedural/ invasive ultrasound (can be any combination of procedures) within the last 24 months.

**AND/OR**

**Non-Invasive Procedures:** Provide documentation of having performed 5 cases of each type of non-invasive ultrasound for which privileges are requested within the last 24 months.

Please provide clinical activity/procedure log. Any complications/ poor outcomes should be delineated and accompanied by an explanation.

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

Practitioner agrees to limit the use of ultrasound to exams performed at the bedside for the purposes of a rapid evaluation to help establish a diagnosis in situations which applicant has privileges to practice.

**Renewal of Privileges:** To be eligible to renew privileges in Point of Care Ultrasound, the applicant must meet the following criteria:

1. Cardiac: Perform 20 cases of limited cardiac ultrasound (tailored to answer clinical question) within the past 24 months and provide documentation upon request.  

AND/OR
2. Invasive Procedures: Perform 10 cases total of procedural/ invasive ultrasound (can be any combination of procedures) within the past 24 months and provide documentation upon request.  

AND/OR
3. Non-Invasive Procedures: Perform 20 cases total of non-invasive ultrasound within the past 24 months and provide documentation upon request.

**Non-core privileges: LIMITED Bronchoscopy**

**Requested**

**Criteria for Initial Request:**

1. Documentation of successful completion of an ACGME– or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine that provided the necessary cognitive and technical skills for bronchoscopy (limited), or department-approved extra training and experience  

AND
2. Documented current competence and evidence of the management of at least 5 cases of bronchoscopy (limited), in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

**Criteria for Renewal of Privileges:**

4. Documented current competence and evidence of the management of at least 5 cases of



<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

bronchoscopy (limited), in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

**Non-core privileges: FNA/Core needle biopsy**

**Requested**

***Criteria for Initial Request:***

1. Documentation of successful completion of an ACGME– or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine that provided the necessary cognitive and technical skills for FNA/Core needle biopsy or department-approved extra training and experience

**AND**

2. Documented current competence and evidence of the management of at least 5 cases of FNA/Core needle biopsy in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

5. Documented current competence and evidence of the management of at least 5 cases of FNA/Core needle biopsy in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

**Non-core privileges: Insertion and Management of Pulmonary Artery Catheters (PAC)**

**Requested**

***Criteria for Initial Request:***

1. Successful completion of an ACGME– or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine that included training in pulmonary artery catheter placement, or completion of a hands-on CME course

<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

**AND**

2. Documented current competence and evidence of the performance (as the primary operator) of at least 5 PACs during the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

1. Documented current competence and evidence of the performance (as the primary operator) of at least 5 PACs in the past 24 months based on results of ongoing professional practice evaluation and outcomes.



**Non-core privilege: Temporary pacemaker placement**

**Requested**

***Criteria for Initial Request:***

1. Successful completion of an accredited ACGME or AOA accredited postgraduate training program in Internal Medicine or Family Medicine which included training in temporary pacemaker placement, or completion of a hands-on training in temporary pacemaker placement under the supervision of a qualified physician preceptor

**AND**

2. Demonstrated current competence and evidence of the performance of at least 5 temporary pacemaker placements in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

2. Demonstrated current competence and evidence of the performance of at least 5 temporary pacemaker placements in the past 24 months based on results of ongoing professional practice evaluation and outcomes.



**Non-core privileges: Pericardiocentesis**

<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

**Requested**

***Criteria for Initial Request:***

1. Successful completion of an ACGME–or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine which included training in pericardiocentesis, or completion of a hands-on training in pericardiocentesis under the supervision of a qualified physician preceptor

**AND**

2. Demonstrated current competence and evidence of the performance of at least 3 pericardiocentesis procedures or department-approved in-service in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

1. Demonstrated current competence and evidence of the performance of at least 3 pericardiocentesis procedures or department-approved in-service in the past 24 months based on results of ongoing professional practice evaluation and outcomes.

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**Non-core privileges: HIV/AIDS care**

Requested

***Requirement:*** requirements of AB 2168 (see attached) must be met.

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**Non-Core Privilege: Insertion and Removal of IUD**

***Requested***

***Criteria for Initial Request:***

1. Successful completion of an ACGME–or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine which included training in IUD

15/20

<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

Insertion and Removal, or completion of a hands-on training under the supervision of a qualified physician preceptor.

**AND**

2. Evidence of the performance of at least 5 IUD Insertions or Removals in the past 24 months.

***Criteria for Renewal of Privileges:***

Evidence of the performance of at least 5 IUD Insertions or Removals in the past 24 months.

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**Non-Core Privilege: Implantable Contraception Insertion and Removal**

***Requested***

***Criteria for Initial Request and Renewal:*** Completion of the Nexplanon training program. Please submit Training Certification.

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**Non-core privileges: Endometrial biopsy (EMB)**

**Requested**

***Criteria for Initial Request:***

1. Successful completion of an ACGME–or AOA– accredited postgraduate training program in Internal Medicine or Family Medicine which included training in endometrial biopsy (EMB), or completion of a hands-on training in endometrial biopsy under the supervision of a qualified physician preceptor.

**AND**

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

2. Demonstrated current competence and evidence of the performance of at least 5 EMB procedures in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

Demonstrated current competence and evidence of the performance of at least 5 EMB procedures in the past 24 months

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**Non-core privileges: Administration of Sedation and Analgesia:**

- Conscious Sedation** (e.g. versed, morphine, fentanyl) – DOES NOT INCLUDE USE OF KETAMINE OR PROPOFOL
- Ketamine** (test required every 2 years)
- Propofol** (test required every 2 years)

***Criteria for Initial Request:***

1. Successful completion of an ACGME– or AOA–accredited post graduate training program which included training in administration of sedation and analgesia, including the necessary airway management skills, or department-approved extra training and experience.

**AND**

2. Documented current competence and evidence of the performance of at least 5 cases (can be any combination) in the past 24 months, or completion of training in the past 24 months. Please provide clinical activity/procedure log.

***Criteria for Renewal of Privileges:***

1. Documented current competence and evidence of the performance of at least 5 cases (can be any combination) in the past 24 months.

<b>Name:</b> _____
Effective from _____ / _____ / _____ to _____ / _____ / _____ (for MSO staff use only)

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**FOCUSED PROFESSIONAL PRACTICE EVALUATION (FPPE) FOR INITIAL APPLICANTS**

1. Retrospective or concurrent proctoring (chart review or direct observation) of at least 9 patients in the care of whom the applicant significantly participated. FPPE/proctoring must be representative of the provider’s scope of practice.
2. Concurrent proctoring (direct observation) of at least 3 different procedures that are representative of procedures regularly performed in the department. FPPE/proctoring must be representative of the provider’s scope of practice.
3. FPPE/Proctoring is also required for at least one (1) procedure/case of each of the requested “non-core” privileges.
4. If the provider does in and outpatient work, he/she needs to be proctored in both.
5. FPPE should be concluded as soon as possible (i.e. within the first 3-4 months after starting work at CCRMC).
6. Completed FPPE forms must be submitted to the Credentialing Office.
7. It is the applicant’s ultimate responsibility to make sure that FPPE and submission of all required paperwork to the Credentialing Office takes place in a timely manner. Failure to do so may result in loss or limitation of privileges.
8. **For low volume providers: please see separate FPPE/proctoring guidelines.**
9. **For more detailed information, please see separate FPPE/proctoring guidelines.**

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

**ACKNOWLEDGMENT OF PRACTITIONER**

I have requested only those privileges for which by education, training, current experience, and documented performance I am qualified to perform and for which I wish to exercise at Contra Costa Regional Medical Center, and I understand that:

- a. In exercising any clinical privileges granted, I will adhere by hospital and medical staff policies and rules applicable generally and any applicable to the particular situation.
- b. Any restriction on the clinical privileges granted to me is waived in an emergency situation, and in such situation my actions are governed by the applicable section of the medical staff bylaws or related documents.

**Signed** \_\_\_\_\_ **Date** \_\_\_\_\_

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

**DEPARTMENT / DIVISION CHAIR'S RECOMMENDATION**

I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and:

- Recommend All Requested Privileges**
- Recommend Privileges with the Following Conditions/Modifications:**
- Do Not Recommend the Following Requested Privileges:**

Privilege	Condition/Modification/Explanation

*Notes:*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Department Chair Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**FOR MEDICAL STAFF SERVICES DEPARTMENT USE ONLY**

<b>Credentials Committee Approval</b>	<b>Date:</b> _____
<b>Temporary Privileges</b>	<b>Date:</b> _____
<b>Medical Executive Committee Approval</b>	<b>Date:</b> _____
<b>Board of Supervisors Approval</b>	<b>Date:</b> _____



**Name:** \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

**PEDIATRIC CLINICAL PRIVILEGES**

<b>Name :</b> _____
Effective from _____/_____/_____ to _____/_____/_____ (for MSO staff use only)

All new applicants must meet the following requirements as approved by the governing body.

**Effective:**

**Initial Privileges (Initial Appointment)**

**Renewal of Privileges (Reappointment)**

**Applicant:** Please check the **“Requested”** box for each privilege requested.

Applicants have the burden of producing information and documentation deemed adequate by the hospital for a proper evaluation of current competence, current clinical activity, and other qualifications, and for resolving any doubts related to qualifications for requested privileges.

**Department Chair:** Check the appropriate box for recommendation on the last page of this form. If not recommended, provide the condition or explanation on the last page of this form.

**Other Requirements**

- This document is focused on defining qualifications related to competency to exercise clinical privileges. The applicant must also adhere to any additional organizational, regulatory, or accreditation requirements that the organization is obligated to meet.
- Note that privileges granted may only be exercised at the site(s) designated by CCRMC and/or setting(s) that have sufficient space, equipment, staffing, and other resources required to support the privilege.

Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

## QUALIFICATIONS FOR PEDIATRICS

***Initial Applicants:*** To be eligible to apply for privileges in pediatrics, the applicant must meet the following criteria:

1. Successful completion of an Accreditation Council for Graduate Medical Education (ACGME) or American Osteopathic Association (AOA) accredited residency in pediatrics.

**AND**

2. Current certification, or Board eligibility leading to certification in pediatrics, by the American Board of Pediatrics or the American Osteopathic Board of Pediatrics. Board certification must be achieved within 7 years (ABP) or 6 years (AOBP) from graduation from a pediatric residency.

**AND**

3. Documentation of required current experience:  
Provision of care, reflective of the scope of privileges requested, for at least 100 newborns (if working in the level II nursery/postpartum/perinatal), and/or 500 outpatients (if working in the ambulatory setting), within the past 24 months ***or*** successful completion of an ACGME– or AOA–accredited residency within the past 24 months. Please provide a clinical activity/procedure log.

**\*For inpatient work, a valid NRP, and PALS or APLS certification is required.**

***Renewal of Privileges:*** To be eligible to renew privileges in pediatrics, the applicant must meet the following criteria:

1. Documentation of Maintenance of Certification (ABMS) or OCC (Osteopathic Continuous Certification) is required.

**AND**

2. Current documented competence and an adequate volume of experience (100 newborns in level II nursery and/or 500 pediatric outpatients) with acceptable results, reflective of the scope of privileges requested, for the past 24 months, based on results of Ongoing Professional Practice Evaluation (OPPE) and outcomes.

**\*For inpatient work, a valid NRP, and PALS or APLS certification is required.**

Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

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### ***Core Privileges: Pediatrics— Ambulatory Care***

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- Requested:** Admit, evaluate, diagnose, treat, and provide consultation to patients from birth to young adulthood (21 years of age) concerning their physical, emotional, and social health as well as treating acute and chronic disease, including major complicated illnesses. Assess, stabilize, and determine the disposition of patients with emergent conditions. The core privileges in this specialty include the procedures listed below and such other procedures that are extensions of the same techniques and skills as determined by the pediatrics department chair.

#### **CORE TREATMENT/PROCEDURE LIST**

This is not intended to be an all-encompassing list of treatments. It defines the types of activities/procedures/privileges that most practitioners in this specialty perform at this organization and inherent activities/procedures/privileges requiring similar skill sets and techniques as determined by the pediatrics department chair.

**To the Applicant:** If you wish to exclude any procedures, due to lack of current competency, please strike through the procedures that you do not wish to request and then initial and date.

#### **Pediatrics— Ambulatory Care**

- Performance of history and physical exam
- Bladder catheterization
- Incision and drainage of abscesses
- Local anesthetic techniques
- Management of burns, superficial and partial thickness
- Peripheral nerve blocks
- Placement of anterior nasal hemostatic packing
- Placement of IV lines
- Placement of intraosseous lines
- Care of simple fractures and dislocations
- Removal of non-penetrating foreign bodies from the eye, nose, or ear
- Subcutaneous, intradermal, and intramuscular injections
- Wound care and suture of uncomplicated lacerations

Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

- Frenulotomy
- Removal of cerumen
- Cryotherapy (e.g. removal of warts)

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***Core Privileges: Pediatrics— Hospital***

***(Level II Nursery/Postpartum/Emergency Room)***

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- Requested:*** Admit, evaluate, diagnose, treat and determine disposition of newborn patients (birth to 30 days of age) in the level II nursery and/or postpartum. This includes providing comprehensive care to critically ill newborns in the level II nursery. Assess, stabilize, and determine the disposition of patients with emergent conditions in the emergency room and other areas of the hospital from birth to 21 years of age.
- The core privileges in this specialty include the procedures listed below and such other procedures that are extensions of the same techniques and skills as determined by the department chair.

**CORE TREATMENT/PROCEDURE LIST**

This is not intended to be an all-encompassing list of treatments. It defines the types of activities/procedures/privileges that most practitioners in this specialty perform at this organization and inherent activities/procedures/privileges requiring similar skill sets and techniques as determined by the department chair.

***To the Applicant:*** If you wish to exclude any procedures, due to lack of current competency, please strike through the procedures that you do not wish to request and then initial and date.

**Pediatrics— Hospital**

- Performance of history and physical exam
- Attendance at delivery to assume care of normal and sick newborns
- Arterial puncture
- Bladder catheterization
- Endotracheal intubation, including administration of medication for rapid sequence intubation
- Management of pain/agitation e.g. intubated patients, patients with neonatal

Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

abstinence syndrome, etc. (administration of opioids, benzodiazepines)

- Incision and drainage of abscesses
- Local anesthetic techniques
- Lumbar puncture
- Performance of simple skin biopsy or excision
- Placement of IV lines
- Placement of intraosseous lines
- Subcutaneous, intradermal, and intramuscular injections
- Umbilical artery and vein catheterization
- Wound care and suture of uncomplicated lacerations
- Frenulotomy

#### **Special Non-Core Privileges (See Specific Criteria Below)**

Non-core privileges are requested individually in addition to requesting the core. Each practitioner requesting non-core privileges must meet the specific threshold criteria as applicable to the applicant or re-applicant.

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#### ***Non-Core Privilege: Thoracentesis***

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***Requested***

***Initial Applicants:*** To be eligible to apply for the Thoracentesis non-core privilege, the applicant must meet the following criteria:

1. Successful completion of an ACGME– or AOA–accredited post graduate training program which included training in thoracentesis or documentation of completion of a hands-on training in thoracentesis under the supervision of a qualified physician preceptor.

**AND**

2. Documented current competence and evidence of the performance of at least 1 thoracentesis procedure in the past 24 months (please provide a clinical activity/procedure log) or documentation of completion of relevant training/in-service in the past 24 months.

Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

**Renewal of Privileges** To be eligible to renew the Thoracentesis privilege, the applicant must meet the following criteria:

Documented current competence and evidence of the performance of at least 1 thoracentesis procedure in the past 24 months, or documentation of completion of relevant training/in-service in the past 24 months.

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***Non-Core Privilege: Evaluation and Treatment of Victims of Sexual Abuse***

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***Requested***

**Initial Applicants:** To be eligible to apply for the Evaluation and Treatment of Victims of Sexual Abuse non-core privilege, the applicant must meet the following criteria:

1. Successful completion of an ACGME– or AOA–accredited residency in pediatrics, which included this training, or completion of fellowship training in Child Abuse Pediatrics, or documented completion of a recognized relevant course or training under the supervision of a qualified provider

**AND**

2. Documented current competence and evidence of evaluation and treatment of at least 2 sexual abuse cases in the past 24 months (please provide a clinical activity/procedure log) or documented completion of relevant training/in-service in the past 24 months.

**Renewal of Privilege:** To be eligible to renew the Evaluation and Treatment of Victims of Sexual Abuse non-core privilege, the applicant must meet the following criteria:

Documented current competence and evidence of attendance at evaluation and treatment of at least 2 sexual abuse cases in the past 24 months or documented completion of relevant training/in-service in the past 24 months.

Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

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***Non-Core Privilege: Insertion and Removal of IUD***

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***Requested***

***Criteria for Initial Request:***

1. Successful completion of an ACGME–or AOA– accredited postgraduate training program which included training in IUD Insertion and Removal, or completion of a hands-on training under the supervision of a qualified physician preceptor.

**AND**

2. Evidence of the performance of at least 5 IUD Insertions or Removals in the past 24 months.

***Criteria for Renewal of Privileges:***

Evidence of the performance of at least 5 IUD Insertions or Removals in the past 24 months.

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***Non-Core Privilege: Implantable Contraception Insertion and Removal***

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***Requested***

***Criteria for Initial Request and Renewal:*** Completion of the Nexplanon training program. Please submit Training Certification.



Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

**FOCUSED PROFESSIONAL PRACTICE EVALUATION (FPPE)  
for initial applicants**

**Inpatient**

1. Retrospective or concurrent proctoring (chart review or direct observation) of at least 9 hospitalized patients. FPPE/proctoring must be representative of the provider's scope of practice.
2. Concurrent proctoring (direct observation) of at least three (3) procedures (procedures must be representative of what is usually performed on the unit). FPPE/proctoring must be representative of the provider's scope of practice.

**Outpatient**

3. Chart review ("retrospective proctoring") of at least 3 charts from 3 different clinic days (totaling a minimum of 9 charts). FPPE/proctoring must be representative of the provider's scope of practice.
4. FPPE/Proctoring is also required for at least one (1) procedure/case of each of the requested "non-core" privileges.
5. FPPE should be concluded as soon as possible (i.e. within the first 3-4 months after starting work at CCRMC).
6. Completed FPPE forms must be submitted to the Credentialing Office.
7. It is the applicant's ultimate responsibility to make sure that FPPE and submission of all required paperwork to the Credentialing Office takes place in a timely manner. Failure to do so may result in loss or limitation of privileges.
8. **For low volume providers: please see separate FPPE/proctoring guidelines.**
9. **For more detailed information, please see separate FPPE/proctoring guidelines.**

**Name:** \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

**ACKNOWLEDGMENT OF PRACTITIONER**

I have requested only those privileges for which by education, training, current experience, and documented performance I am qualified to perform and for which I wish to exercise at Contra Costa Regional Medical Center, and I understand that:

- a. In exercising any clinical privileges granted, I will adhere by hospital and medical staff policies and rules applicable generally and any applicable to the particular situation.
- b. Any restriction on the clinical privileges granted to me is waived in an emergency situation, and in such situation my actions are governed by the applicable section of the medical staff bylaws or related documents.

**Signed** \_\_\_\_\_ **Date** \_\_\_\_\_

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

**DEPARTMENT CHAIR’S RECOMMENDATION**

I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and:

- Recommend All Requested Privileges**
- Recommend Privileges with the Following Conditions/Modifications:**
- Do Not Recommend the Following Requested Privileges:**

Privilege	Condition/Modification/Explanation

*Notes:*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Department Chair Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**FOR MEDICAL STAFF SERVICES DEPARTMENT USE ONLY**

- Credentials Committee Approval** **Date:** \_\_\_\_\_
- Temporary Privileges** **Date:** \_\_\_\_\_
- Medical Executive Committee Approval** **Date:** \_\_\_\_\_
- Board of Supervisors Approval** **Date:** \_\_\_\_\_

**PODIATRY CLINICAL PRIVILEGES**

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

All new applicants must meet the following requirements as approved by the governing body.

**Effective:** \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_.

**Initial Privileges (Initial Appointment)**

**Renewal of Privileges (Reappointment)**

**Applicant:** Please check the “*Requested*” box for each privilege requested.

Applicants have the burden of producing information and documentation deemed adequate by the hospital for a proper evaluation of current competence, current clinical activity, and other qualifications, and for resolving any doubts related to qualifications for requested privileges.

**Department Chair:** Check the appropriate box for recommendation on the last page of this form. If not recommended, provide the condition or explanation on the last page of this form.

**Other Requirements**

- This document is focused on defining qualifications related to competency to exercise clinical privileges. The applicant must also adhere to any additional organizational, regulatory, or accreditation requirements that the organization is obligated to meet.
- Note that privileges granted may only be exercised at the site(s) designated by CCRMC and/or setting(s) that have sufficient space, equipment, staffing, and other resources required to support the privilege.

Name: _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

**QUALIFICATIONS FOR PODIATRY (TYPE 1)**

**Initial Applicants:** To be eligible to apply for privileges in Podiatry (type I), the applicant must meet the following criteria:

1. Documentation of successful completion of at least a 24-month (PSR-24) podiatric surgical residency accredited by the Council on Podiatric Medical Education (CPME).

AND

2. Current board certification or board eligibility (leading to board certification within 5 years) in foot surgery by the American Board of Foot and Ankle Surgery (ABFAS) OR current Board certification in the American Board of Podiatric Medicine.

AND

3. Documented current experience: Documentation of at least 50 type I podiatric procedures, reflective of the scope of privileges requested, within the past 24 months, or successful completion of a CPME–accredited podiatric surgery residency within the past 24 months. Please provide clinical activity/procedure log.

**Renewal of Privileges:** To be eligible to renew privileges in podiatry (type I), the applicant must meet the following criteria:

1. Recertification is required

AND

2. Current documented competence and an adequate volume of experience (50 type I podiatric procedures) with acceptable results, reflective of the scope of privileges requested, within the past 24 months, based on results of ongoing professional practice evaluation and outcomes.

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

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***Core Privileges: Podiatry (Type 1)***

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- Requested:*** Co-admit, evaluate, and treat patients of all ages with podiatric problems/conditions of the forefoot, midfoot, and non-reconstructive hindfoot. The core privileges in this specialty include the procedures on the attached procedures list and such other procedures that are extensions of the same techniques and skills.
- The core privileges in this specialty include the procedures on the attached procedures list and such other procedures that are extensions of the same techniques and skills, as determined by the department chair.

**CORE PROCEDURE/TREATMENT LIST**

This is not intended to be an all-encompassing procedures list. It defines the types of activities/procedures/privileges that the majority of practitioners in this specialty perform at this organization and inherent activities/procedures/privileges requiring similar skill sets and techniques, as determined by the department chair.

***To the Applicant:*** If you wish to exclude any procedures, due to lack of current competency, please strike through the procedures that you do not wish to request and then initial and date.

**Type I—Podiatry**

- Anesthesia (topical, local, and regional blocks)
- Debridement of superficial ulcer or wound
- Excision of skin lesion of the foot and ankle
- Incision and drainage/wide debridement of soft tissue infection
- Soft-tissue surgery involving a nail or plantar wart excision, avulsion of toenail, excision or destruction of nail matrix or skin lesion, removal of superficial foreign body, and treatment of corns and calluses
- Tenotomy/capsulotomy, digit, metatarsal and phalangeal joint
- Treatment of deep-wound infections, osteomyelitis of the foot and ankle

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

**QUALIFICATIONS FOR PODIATRY (TYPE II)**

***Initial Applicants:*** To be eligible to apply for privileges in podiatry (type II), the applicant must meet the following criteria:

1. The applicant must document successful completion of at least a 36-month (PSR-36) podiatric surgical residency accredited by the CPME.

AND

2. Current board certification or board eligible leading to certification in foot surgery (and reconstructive rearfoot and ankle surgery) by the ABFAS OR current Board certification by the American Board of Podiatric Medicine.

AND

3. Required documented experience: At least 10 type II podiatric procedures reflective of the scope of privileges requested within the past 24 months, or successful completion of a CPME-accredited podiatric surgery residency within the past 24 months. Please provide clinical activity/procedure log.

***Renewal of Privileges:*** To be eligible to renew privileges in podiatry (type II), the applicant must meet the following criteria:

1. Recertification is required

AND

2. Current documented competence and an adequate volume of experience (10 type II podiatric procedures), reflective of the scope of privileges requested, with acceptable results within the past 24 months based on results of ongoing professional practice evaluation and outcomes.

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***Core Privileges: Podiatric (Type II)***

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***Requested:*** Co-admit, evaluate, diagnose, provide consultation to, and order diagnostic studies for patients of all ages and treat the forefoot, midfoot, rearfoot, reconstructive and non-reconstructive hindfoot, and related structures by medical or surgical means. Includes podiatric problems/conditions of the ankle to include procedures involving osteotomies, arthrodesis, and open repair of fractures of the ankle joint.

The core privileges in this specialty include the type I podiatric privileges and procedures on

Name: \_\_\_\_\_

Effective from \_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_ (for MSO staff use only)

the attached procedures list and such other procedures that are extensions of the same techniques and skills.

## CORE PROCEDURE/TREATMENT LIST

This is not intended to be an all-encompassing procedures list. It defines the types of activities/procedures/privileges that the majority of practitioners in this specialty perform at this organization and inherent activities/procedures/privileges requiring similar skill sets and techniques, as determined by the department chair.

*To the Applicant:* If you wish to exclude any procedures, due to lack of current competency, please strike through the procedures that you do not wish to request and then initial and date.

### Type II—Podiatry

- Digital exostectomy
- Digital fusions, arthroplasty, hammertoe repair
- Digital tendon transfers, lengthening, and repair
- Digital/ray amputation
- Excision of sesamoids
- Excision of soft tissue mass (neuroma, ganglion, and fibroma)
- External neurolysis/decompression (including tarsal tunnel)
- Hallux valgus repair with or without metatarsal osteotomy (including the first metatarsal cuneiform joint)
- Metatarsal exostectomy, resection, osteotomy.
- Midtarsal and tarsal exostectomy (including posterior calc spur)
- Osteotomies of the midfoot and rearfoot
- Open/closed reduction with internal fixation, digital and metatarsal fractures
- Open/closed reduction with internal fixation of midfoot and rearfoot fractures
- Plantar fasciotomy with or without excision of calc spur
- Removal of foreign body
- Syndactylization of digits
- Tendon lengthening, rupture repair, transfers (nondigital)
- Plastic surgery techniques involving midfoot, rearfoot, or ankle
- Excision of soft tissue tumor or cyst of ankle
- Major tendon surgery of the foot and ankle, such as tendon transpositions, recessions, suspensions, and release
- Ankle arthroscopy



<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

- Ankle stabilization procedures
- Arthrodesis tarsal and ankle joints
- Arthroplasty, with or without implants, tarsal and ankle joints (e.g., subtalar joint arthrodesis)

**Special Non-Core Privileges (See Specific Criteria)**  
 Non-core privileges are requested individually in addition to requesting the core. Each practitioner requesting non-core privileges must meet the specific threshold criteria as applicable to the applicant.

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***Non-Core Privileges: Fluoroscopy***

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**Fluoroscopy**

Privilege to operate and/or supervise operation of fluoroscopy equipment.

**Requirement:** Current Fluoroscopy or Radiology X-Ray Supervisor and Operator Permit from CDPH.

**FOCUSED PROFESSIONAL PRACTICE EVALUATION (FPPE)  
for initial applicants**

1. Retrospective or concurrent proctoring (chart review or direct observation) of at least 9 podiatry patients in the care of whom the applicant significantly participated. FPPE/proctoring must be representative of the provider’s scope of practice.
2. Concurrent proctoring (direct observation) of at least 3 different procedures that are representative of procedures regularly performed in the department. FPPE/proctoring must be representative of the provider’s scope of practice.
3. FPPE should be concluded as soon as possible (i.e. within the first 3-4 months after starting work at CCRMC).
4. Completed FPPE forms must be submitted to the Credentialing Office.
5. It is the applicant’s ultimate responsibility to make sure that FPPE and submission of all required paperwork to the Credentialing Office takes place in a timely manner. Failure to

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

do so may result in loss or limitation of privileges.

- 6. **For low volume providers: please see separate FPPE/proctoring guidelines.**
- 7. **For more detailed information, please see separate FPPE/proctoring guidelines.**

**ACKNOWLEDGMENT OF PRACTITIONER**

I have requested only those privileges for which by education, training, current experience, and documented performance I am qualified to perform and for which I wish to exercise at Contra Costa Regional Medical Center and I understand that:

- a. In exercising any clinical privileges granted, I will adhere by hospital and medical staff policies and rules applicable generally and any applicable to the particular situation.
- b. Any restriction on the clinical privileges granted to me is waived in an emergency situation, and in such situation my actions are governed by the applicable section of the medical staff bylaws or related documents.

**Signed** \_\_\_\_\_ **Date** \_\_\_\_\_

<b>Name:</b> _____
Effective from ____/____/____ to ____/____/____ (for MSO staff use only)

**DEPARTMENT / DIVISION CHAIR'S RECOMMENDATION**

I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and:

- Recommend All Requested Privileges**
- Recommend Privileges with the Following Conditions/Modifications:**
- Do Not Recommend the Following Requested Privileges:**

Privilege	Condition/Modification/Explanation

*Notes:*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**[Department Chair] Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**FOR MEDICAL STAFF SERVICES DEPARTMENT USE ONLY**

<b>Credentials Committee Approval</b>	<b>Date</b> _____
<b>Temporary Privileges</b>	<b>Date</b> _____
<b>Medical Executive Committee Approval</b>	<b>Date</b> _____
<b>Board of Supervisors Approval</b>	<b>Date</b> _____



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: December 15, 2020

Subject: Transfer of Crockett Co-Generation Plant Property Taxes to Various Crockett Community Projects

---

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the allocation of \$123,637 from the Crockett Co-Generation Property Tax Allocation for four projects, as recommended by the Crockett Community Foundation and Supervisor Glover.

**FISCAL IMPACT:**

100% General Fund.

**BACKGROUND:**

In September 1995, the Board of Supervisors appointed the Crockett Community Foundation as the advisory council to the Board regarding expenditures from the Community Benefits Program funded from property tax assessments on the Crockett Co-Generation Plant.

On November 5, 2020, by the attached Resolution 2020-1, the Crockett Community Foundation recommended that \$123,637 in property taxes obtained from the Crockett Co-Generation Plant be allocated to the Crockett Community Foundation as follows:

1. \$20,000 for the benefit of the Crockett Library to continue to provide six additional hours of operation and special library programs;
2. \$42,182 for the benefit of the Crockett Recreation Department for capital improvements and maintenance at the Crockett Community Center, swimming pool, Alexander park facility, and utilities

---

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

---

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Laura Strobel (925)  
655-2058

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

- and landscaping at the Memorial Hall park;
3. \$29,637 for the benefit of the Crockett Carquinez Fire Department for capital equipment and facility projects;
  4. \$31,818 for the benefit of the Crockett Sanitary Department for capital improvements in wastewater collection and treatment.

This request for the release of funds was forwarded to the County Administrator's Office for approval and processing.

BACKGROUND: (CONT'D)

CONSEQUENCE OF NEGATIVE ACTION:

If the action is not approved, the community benefit plan developed by the Crockett Community Foundation for the allocation of return-to-source funds would be disrupted, resulting in a decreased amount of public services in Crockett.

ATTACHMENTS

Resolution 2020-1

**RESOLUTION NO. 2020-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
CROCKETT COMMUNITY FOUNDATION  
RECOMMENDING THE ALLOCATION OF PROPERTY TAXES  
TO SPECIFIC USES OF BENEFIT TO CROCKETT**

**WHEREAS**, the Crockett Community Foundation desires to allocate \$123,637 in Crockett Cogeneration Return-to-Source funds for projects and services of benefit to Crockett; and

**WHEREAS**, the Crockett Library has demonstrated the need to augment available funding for operating the Crockett Library, so as to continue to provide six (6) additional hours of operation benefiting Crockett; and

**WHEREAS**, the Crockett Recreation Department has demonstrated the need to augment available funding for capital improvements and maintenance at the Crockett Community Center, swimming pool, Alexander park facility, along with utilities and landscaping at Crockett's Memorial Hall park; and

**WHEREAS**, the Crockett Carquinez Fire Department has demonstrated the need to augment available funding for capital equipment and projects at its facilities; and

**WHEREAS**, the Crockett Sanitary Department has demonstrated the need to augment available funding for capital improvements in wastewater collection and treatment; and

**WHEREAS**, each of these four agencies regularly relies on property taxes to fund a portion of its annual budget and is empowered by law and/or local voters to receive property tax revenues to provide public services in Crockett; and

**WHEREAS**, the Board of Supervisors of Contra Costa County did on September 19, 1995, appoint the Crockett Community Foundation as the advisory council to the Board of Supervisors regarding expenditures from the Community Benefits Program funded from new property tax increment of the Crockett Cogeneration Plant; and

**WHEREAS**, the Board of Supervisors of Contra Costa County did on December 12, 1995, commit 100% of new property tax increment of the Crockett Cogeneration Plant to Crockett programs, with 57% for new police services in Crockett and 43% for unspecified community benefits; and

**WHEREAS**, the Crockett Community Foundation has developed a five-year plan for the allocation of return-to-source funds for community benefits.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Crockett Community Foundation recommends that Crockett Cogeneration FY 2020/2021 property taxes in the amount of \$123,637 be immediately allocated as follows:

1. Crockett Community Foundation: \$20,000, for benefit of the Crockett Library.
2. Crockett Community Foundation: \$42,182, for benefit of Crockett Recreation Dept.
3. Crockett Community Foundation: \$29,637, for benefit of the Crockett Carquinez Fire Department.
4. Crockett Community Foundation: \$31,818, for benefit of the Crockett Sanitary Dept.

**BE IT FURTHER RESOLVED THAT** the Secretary of the Crockett Community Foundation be directed to transmit this Resolution No. 2020-1 to the Board of Supervisors of Contra Costa County immediately.

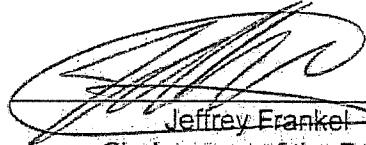
**THE FOREGOING RESOLUTION** was passed and adopted at the Regular Meeting of the Crockett Community Foundation held on November 5, 2020 by the following vote:

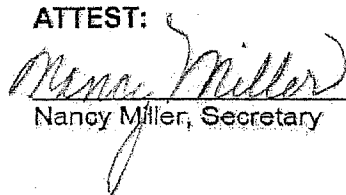
**AYES:** Parada, Spoon, Miller, Clerici, Murdock, Rieser

**NOES:** 0

**ABSTAIN:** Frankel

**ABSENT:** 0

  
\_\_\_\_\_  
Jeffrey Frankel  
Chairperson of the Board

**ATTEST:**  
  
\_\_\_\_\_  
Nancy Miller, Secretary





Contra  
Costa  
County

To: Board of Supervisors  
From: Alison McKee, Interim County Librarian  
Date: December 15, 2020

Subject: Contra Costa County Library Commission 2020 Annual Report and 2021 Work Plan

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**RECOMMENDATION(S):**

ACCEPT the Contra Costa County Library Commission 2020 Annual Report and 2021 Work Plan

**FISCAL IMPACT:**

None

**BACKGROUND:**

On June 18, 2002, the Board of Supervisors adopted Resolution No. 2002/377, which requires that each regular and ongoing board, commission or committee shall annually report to the Board on its activities, accomplishments, membership attendance, required training/certification (if any), and proposed work plan or objectives for the following year on the second Tuesday in December. The attached report fulfills this requirement for the Library Commission.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Walt Beveridge  
925-608-7730

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

ATTACHMENTS

2020 Lib Comm Annual Rpt

## Contra Costa County Library Commission – 2020 Annual Report

The items listed below, under the appropriate headings and subheadings, show the various activities engaged in by Commissioners and Alternates during calendar year 2020 in furtherance of the Commission's 2020 Work Plan. The name in parentheses at the end of the activity is the Commissioner engaging in that activity. Due to the global Coronavirus Pandemic, the activities engaged in by Commissioners do not always easily align with the Commission's 2020 Goals as the Goals were adopted prior to the pandemic. In addition, the actions of the full Commission, as contrasted with actions of individual Commissioners and Alternates, are reduced because the only "normal" meeting of the Commission this fiscal year was the January, 2020 meeting. The pandemic caused the cancellation of the Commission's meetings for March and May and required virtual on-line meetings for the remainder of the year – July, September, and November. Nonetheless, the Commission and individual Commissioners managed to accomplish much during 2020 in regard to the goals and objectives set forth in the work plan under difficult circumstances. The bullet points that follow show what has been done based on reports from Commissioners and Alternates as well as actions from the Commission meetings. Following the list of activities is the attendance report for each Commission meeting.

### ***Goal 1: Voice our County's desire for sustained Library funding and support***

#### **In pursuit of this Goal, Commission members:**

- (Goal 1-A) Supported the creation of a centrally organized private, not for profit, fund raising approach for funding countywide and local community library needs, complimentary to locally organized friends and foundation efforts, for the purpose of meeting service standards and objectives of the Library's strategic plan.
- (Goal 1-B) Encouraged collaboration between community library friends and foundation groups and interchange with commissioners through the Friends Council and the annual forum.
  - ◇ Kept the local Friend's board informed of commission actions. (Maher) (Ferree) (Fischer)
  - ◇ Participated in city anniversary celebration in support of building support for the library (DaoJensen).
  - ◇ Purchased twenty-two new tables for the Clayton Library. (Ferree)
- (Goal 1-C) Explored ways of ensuring stable and adequate public funding for the county library and its various branches.

- ◇ Worked with local Friends to organize a t-shirt sale to raise money for library and raise awareness of need for new library (Fitzpatrick)
- (Goal 1-D) Worked cooperatively with branch libraries to seek sustainable funding in service of their local communities.
  - ◇ Worked with local friends in effort to boost public membership and thus support for library (A. Chong)
  - ◇ Worked with local Friends through virtual meetings post pandemic. Friends are selling items on Amazon which generates some income. In addition, the annual fund raiser was held virtually and brought in over 2/3 the normal amount in the middle of the pandemic. (Hosington).
  - ◇ Assisted Friends with moving of materials from about-to-be-closed library into storage and setting them up in a temporary location while new library is built (Bracken). Activities included being part of the team that worked on:
    - Moving all Friends materials from the old Pleasant Hill Library property into storage
    - Fitting out a retail store in downtown Pleasant Hill
    - Scanning the majority of our inventory into BASIL, a POS/inventory system, which allowed us to have an online storefront at phlibraryfriends.org
    - Opening the store to the public at the end of July. The store is open 7 days a week, 11am to 5pm and accepts donations
  - ◇ Served on board of local Friends (Hosington) (Fischer)
  - ◇ Served on board of local Foundation (Fischer)
  - ◇ Volunteered in Friend's Book Shop (Hosington)
  - ◇ Participated in activities of the Library Foundation (Hosington)
  - ◇ Met with local foundation to keep informed about their activities. (Gilcrest)
  - ◇ Monitored activities of Friends and Foundation groups to assist in their accomplishments such as fund raising and grant proposals on behalf of the local libraries (LaLanne)
- (Goal 1-E) Reviewed and supported the annual budget proposal prepared by the County Library for submission to the Board of Supervisors.

**Goal 2: Liaise with elected officials, community groups, and residents to engender broad support for the Library system.**

**In pursuit of this Goal, Commission members:**

- (Goal 2-A) Increased Legislative outreach at the local, state and federal levels to advocate for libraries, the services they provide and the allocation of appropriate resources to them.
  - ◇ Attended luncheon as commissioner honoring local Supervisor and met with other local public officials (W. Chong).
  - ◇ Worked with local supervisors in an effort to fill vacancies in commission positions (Medrano / Fischer)
  - ◇ Worked with Oakley Friends and City Council in effort to replace county facility with new city facilities. (McCormick)
  - ◇ Worked with library community to continue the supplemental hours funded by the city even in face of budget issues resulting from pandemic and other factors. (Fischer)
  - ◇ Alerted city council and residents through Weekly Roundup Publication on important library issues (Hoisington).
  - ◇ Contacted Senators Feinstein and Harris about Library Stabilization Fund Act (Hoisington).
  - ◇ Contracted Congressman DeSaulnier about funding for library (Hoisington) (Fischer).
  - ◇ Worked with the Clayton City Council to clean-up and improve the library grounds in preparation for the 25<sup>th</sup> library anniversary celebration. (Ferree)
  - ◇ Worked with Clayton Library Foundation to include a city council member on board for ongoing communication and to ensure the 15,500 square foot library building and furnishings owned by the City are properly upgraded and maintained. (Ferree)
- (Goal 2-B) Had the Commission take an increasingly active role in the ALA and CLA lobbying efforts.
  - ◇ Joined, supported, and followed ALA, CLA in their efforts to achieve state and national library related legislation and contact elected officials as appropriate (LaLanne)
- (Goal 2-C) Reported back to the appropriate appointing authority (city/town council, Supervisor, board or agency) on a periodic basis to bring it abreast of Commission activities, initiatives, and identified library needs.

- ◇ Successfully delivered the Clayton Community Library Foundation annual report to the city council and residents in March 2020. (Ferree)
- ◇ Met with Supervisor Federal Glover to apprise him on the local pilot program to bring seniors to the library. He found other programs offered by the Pittsburg branch to be of personal interest to meet with the attendees to gather information in serving the citizens in his district. (LeFrak)
- ◇ Reported periodically to the city council on commission activities and local and national library issues (Fischer) (LaLanne)
- (Goal 2-D) Brought information back to the Commission at its regular meetings on local needs and issues.
  - ◇ Announced a local project to bring seniors from two low income housing projects to the library via shuttle. The librarians offered special assistance with getting library cards and finding appropriate materials of interest to 2nd language guests. The program faded with the onset of special events hosted by the housing personnel and then the covid pandemic. (LeFrak)
  - ◇ Informed the commission of the activities undertaken by the local Friend's group. (Maher)
  - ◇ Informed the commission of the activities undertaken by the local Foundation group including the 25<sup>th</sup> library anniversary celebration in March 2020. (Ferree)
- (Goal 2-E) Made every effort to solicit feedback on our respective libraries, became familiar with their operations, successes and challenges, and advocated for them in their communities and at the county level.
  - ◇ Successfully executed the Clayton library full day 25<sup>th</sup> anniversary celebration on March 7, 2020 including community interaction such as a scavenger hunt with prizes, book basket drawings, story time, guest speaker lectures, and a membership drive. (Ferree)
  - ◇ Advocated for County Libraries and library services during interactions with the community (LaLanne)
  - ◇ Devoted a day to volunteer at the library on the Walnut Creek Community Service Day (LaLanne)

- ◇ Met with and received reports from two local libraries to keep informed about their needs and activities (LaLanne)
  
- (Goal 2-F) Continued to conduct Commission meetings at the branches and seek to involve the local communities in these meetings. (Note that due to the coronavirus pandemic this goal has to be postponed for this year.
  
- (Goal 2-G) Reached out to organizations in the County (e.g. First 5, schools, PTAs, etc.) with common interests for the purpose of building supporting networks and programs.
  - Helped the local Friends group create a program having residents from the local assisted living facility come to the library. Program was nearly ready for starting when the coronavirus pandemic postponed it. (Maher)

**Goal 3: Serve as an advisory committee to the County Librarian and her staff**

**In pursuit of this Goal, Commission members provided thoughtful, consistent, sound and prompt advice and counsel to the County Librarian in regard to the annual budget, the strategic plan, changes in policy impacting service and programs, and any other matters which she raised at Commission meetings during the year.**

**Goal 4: Work on issues involving the effect of the coronavirus pandemic on the library system:**

- ◇ Obtained masks and hand sanitizer for use of Antioch library staff prior to the initiation of the shelter in place (Huh)
  
- ◇ Kept the community informed about availability of services during the coronavirus pandemic (LaLanne) (Fischer)

## Contra Costa County Library Commission 2021 Work Plan

The goals and Objectives listed below comprise the work plan for Contra Costa County Library Commission for calendar year 2021. They contain what the commission and its members will work to accomplish during that year.

Goal 1: Help establish sustainable funding and support for previously existing library programs and services and new needs raised by the economic downturn associated with the coronavirus pandemic.

In order to accomplish this goal, we will:

- Support the creation of a centrally organized private, not for profit, fund raising approach for funding countywide and local community library needs, complimentary to locally organized friends and foundation efforts, for the purpose of meeting service standards and objectives of the Library's strategic plan.
- Encourage collaboration between community library friends and foundation groups and interchange with commissioners through the Friends Council and the annual forum.
- Explore ways of ensuring stable, equitable and adequate public and private funding for the county library and its various branches.
- Work cooperatively with branch libraries to seek sustainable funding in service of their local communities.
- Review and if in agreement with it, support the annual budget proposal prepared by the County Library for submission to the Board of Supervisors.

Goal 2: Liaise with elected officials, community groups, and residents to engender broad support for the Library system.

In order to accomplish this goal, we will:

- Increase Legislative outreach at the local, state and federal levels to



advocate for libraries, the services they provide and the allocation of appropriate resources to them.

- Have the Commission take an increasingly active role in the ALA and CLA lobbying efforts.
- Report back to the appropriate appointing authority (city/town council, Supervisor, board or agency) on a periodic basis to bring it abreast of Commission activities, initiatives, and identified library needs.
- Develop a system of sharing appropriate stories about our library with public officials at the federal, state, and local level.
- Seek support from the appropriate appointing authority when appropriate to meeting needs of the library system.
- Bring information back to the Commission at its regular meetings on local needs, issues and support.
- Make every effort to solicit feedback on our respective libraries, become familiar with their operations, successes and challenges, and advocate for them in their communities and at the county level.
- Continue, consistent with public health requirements engendered by the coronavirus pandemic, to conduct Commission meetings at the branches, and seek to involve the local communities in these meetings.
- Reach out to organizations in the County (e.g. First 5, schools, PTAs, etc.) with common interests for the purpose of building supporting networks and programs.

Goal 3: Work on those important global and national issues that affect the library system or that can be assisted by the resources that the library system can provide to the community.

In order to accomplish this goal, we will:

- Work with the Equity, Diversity and Inclusivity Committee of the Library Administration to address those issues.
- Seek, with appropriate private, county and state partners, methods

to help overcome the digital divide including providing space to students needing undisturbed access to distance learning or reserved space for homework.

- Work to foster civic discussion in our body politic.
- Work to highlight the role of libraries in disseminating factual information.

Goal 4: Serve as an advisory committee to the County on library issues.

In order to accomplish this goal, we will:

- Serve, as appropriate, in the selection process for a new County Librarian.
- Work with library staff, to the extent needed, in orienting the new County Librarian when that person is selected.
- Provide thoughtful, consistent, sound and prompt advice and counsel to the County Librarian in regard to the annual budget, the strategic plan, changes in policy impacting service and programs, and any other matters raised.

## Library Commission Attendance: January 2020– December 2020

Library Commission Attendance January 2020 – December 2020		Total	Total	Total	Total	signed BROWN ACT & Ethics Orientation video viewing certification Received
COMMISSIONERS	REPRESENTING	Meetings	Absent	Present	Excused	
Huh, John M., Ph.D.	City of Antioch	4	0	4	0	x
Vacant	City of Antioch (Alternate)					
DaoJensen, Thuy	City of Brentwood	3	0	3	0	x
Faye, Vivian	City of Brentwood (Alternate)	4	0	4	0	x
Feree, Jacalyn	City of Clayton	4	0	4	0	x
Vacant	City of Clayton (Alternate)					
Smith, Tommy	City of Concord	4	1	3	0	x
Vacant	City of Concord (Alternate)					
Adriana Chong	Town of Danville	3	0	3	0	x
Vacant	Town of Danville (Alternate)					
Fischer, Michael	City of El Cerrito	4	0	4	0	x
J. Barry Koops	City of El Cerrito (Alternate)	4	2	1	1	x
Ward-Jackson, Evangelia	City of Hercules	4	4	0	0	x
	City of Hercules (Alternate)					
Hoisington, Mary Ann	City of Lafayette	4	0	4	0	x
Vacant	City of Lafayette (Alternate)					
Dozier, Julia	City of Martinez	1	0	1	0	x
Vacant	City of Martinez (Alternate)					
Wernet, Patty	Town of Moraga	2	0	2	0	x
Janette Maher	Town of Moraga (Alternate)	4	2	1	1	x
Peña-Mendrek, Yolanda	City of Oakley	4	0	3	1	x
Fitzpatrick, Arnold	City of Oakley (Alternate)	4	1	2	1	x
Kelly, Juan	City of Orinda	4	0	3	1	x
Merchant, Kathy	City of Orinda (Alternate)	4	1	3	0	x
Pursley, George	City of Pinole	4	1	3	0	x
Vacant	City of Pinole (Alternate)					
LeFrak-Bellici, Zeld	City of Pittsburg	4	1	2	1	Pending
Vacant	City of Pittsburg (Alternate)					
Bracken, Katherine	City of Pleasant Hill	4	0	4	0	x
Julia Dozier	City of Pleasant Hill (Alternate)	1	0	1	0	x
Medrano, Antonio	City of San Pablo	4	1	2	1	x
Harlan-Ogbeidi, Charlene	City of San Pablo (Alternate)	4	4	0	0	x
Kathy Gilcrest	City of San Ramon	3	0	3	0	x
Ma, Shudong	City of San Ramon (Alternate)	3	1	2	0	x
LaLanne, Yvonne	City of Walnut Creek	4	0	3	1	x
Molinelli, Jasun	City of Walnut Creek (Alternate)	4	3	1	0	x
Vacant	District 1					
Vacant	District 1 (Alternate)					
Chong, William	District 2	3	0	3	0	x
Knoll, Carolyn	District 2 (Alternate)	3	1	4	1	x
McCormick, Don	District 3	4	0	4	0	x
Vacant	District 3 (Alternate)					
Smith, Alan B.	District 4	4	0	3	1	x
Vacant	District 4 (Alternate)					
Wilson, Peter	District 5	4	0	4	1	x
Vacant	District 5 (Alternate)					
Mackey, Lynn	Office of Education	4	1	2	1	x
Valdez, Margie	Contra Costa Central Labor Council	2	0	2	0	x
Vacant	Contra Costa Council					
Vacant	Friends Council					
Robison, Rich	Contra Costa Community College District	4	4	0	0	x



Contra  
Costa  
County

To: Board of Supervisors  
From: Candace Andersen, District II Supervisor  
Date: December 15, 2020

Subject: Alamo Municipal Advisory Committee Annual Report

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**RECOMMENDATION(S):**

Receive and accept the 2020 Annual Report of the Alamo Municipal Advisory Council (MAC) as recommended by Supervisor Andersen

**FISCAL IMPACT:**

None.

**BACKGROUND:**

On June 18, 2002, the Board of Supervisors adopted Resolution No. 2002/377, which requires that each regular and ongoing board, commission, or committee shall annually report to the Board of Supervisors on its activities, accomplishments, membership attendance, required training/certification (if any), and proposed work plan or objectives for the following year.

**CONSEQUENCE OF NEGATIVE ACTION:**

Alamo Municipal Advisory Council would not be in compliance with Resolution 2002/377.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David J. Twa, County Administrator and Clerk of the Board of Supervisors

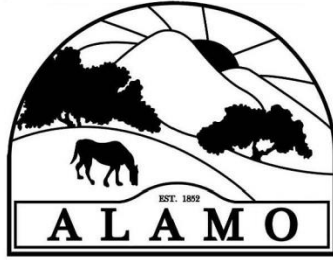
Contact: 9259578860

By: , Deputy

cc:

ATTACHMENTS

Alamo MAC Annual Report  
2020



**Contra Costa County**

**2020 Annual Board Report – Alamo Municipal Advisory Council**

**Advisory Body Name:** Alamo Municipal Advisory Council

**Meeting Time/Location:** First Tuesday of the month, 6:00p.m.

Alamo Women’s Club, 1401 Danville Boulevard, Alamo, CA

Zoom

**Chair:** Clark Johnson

**Vice Chair:** Dave Barclay

**Members:** Anne Struthers, Jennifer Carter (Resigned October 2020), Sanjiv Bhandari, Steve Mick, Susan Rock, Katherine Gillen (Youth Member – Resigned June 2020), Youth Representative Genevieve Herron

**Subcommittees:**

Alamo AOB Subcommittee for Schools: Carter (Chair), Mick, Rock

Alamo AOB Subcommittee for Downtown: Rock (Chair), Barclay, Bhandari

Alamo Police Services Advisory Committee: Johnson (chair and P-5 MAC representative), Struthers

Land Use Planning Subcommittee: Barclay (Chair) and Bhandari

Parks and Recreation subcommittee: Struthers (Chair), Mick, Rock

Trees and Landscape Subcommittee: Rock (Chair), Mick, Bhandari

**Staff Support:** Cameron Collins

**Budget:** \$3,000/year. The entire \$3,000 budget is used for meeting location rental space at Alamo Women’s Club.

**Activities and Accomplishments for 2020**

- Reviewed and provided recommendations for eight land use applications in Alamo.
  - Provide forum for public comment
  - Members Barclay and Johnson conducted field reviews
- Reviewed and provided recommendations regarding proposed budgets for CSA R-7A, and Landscape and Lighting Zones 36, 45, and 54.
- Provided oversight and recommendations regarding CSA R-7A recreational programming (events cancelled due to the County Health Order and COVID-19).
- Continuing communication with Public Works on the roundabout traffic structure are ongoing. This project is fully funded at this time. Design phase has begun and construction is anticipated to begin in 2021.

- Alamo MAC continues to provide a forum for community concerns regarding school traffic and safety concerns.
- Consider and approve shade sail design and tree placement for Hemme Station Park.
- Provide input from MAC members and the public on the Iron Horse Transportation Corridor Active Study.

### **Work Plan and Objectives for 2021**

- Continue working with Public Works in the design and implementation of the downtown roundabout. Significant community and local business communication is anticipated in 2021.
- Continue to provide input for improvements to Hemme Station Park and Livorna Park.
- Plan to provide Alamo-based recreation programming in the form of movie nights at Livorna Park and the Summer Concert Series at Livorna Park.
- Continue to support grass roots Alamo organization events such as the Alamo Rotary Club's Tree Lighting Ceremony.
- Provide insight and guidance for the County's Envision 2040 Plan.
- Work with P2B on a potential parcel tax increase to continue funding an Alamo-based officer
- Evaluate and develop recommendations for land-use applications that come before the MAC to ensure compliance with code requirements, to ensure consistency with the community of Alamo, and to listen to public concerns and opinions on such matters.

### **Attendance**

- January – Youth Member Gillen Absent
- February – Youth Member Gillen Absent
- March – Members Bhandari and Mick Absent
- April – NO MEETING
- May – Youth Member Gillen Absent
- June – All Members Present
- July – All Members Present
- August – All Members Present
- September – NO MEETING
- October – All Members Present
- November – Youth Member Herron Absent
- December – Member Mick Absent.

### **Meeting Summary**

- 10 Regular MAC Meetings and Two Subcommittee Meetings



**Contra  
Costa  
County**

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: December 15, 2020

Subject: FortiFi Financial (formerly Energy Efficient Equity) Property Assessed Clean Energy (PACE) Financing Program

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**RECOMMENDATION(S):**

1. ADOPT Resolution No. 2020/336 authorizing California Statewide Communities Development Authority (CSCDA) Open PACE Program to implement the FortiFi Financial program within the County’s jurisdiction;
2. AUTHORIZE the Conservation and Development Director, or designee, to execute the Operating Agreement with the California Statewide Communities Development Authority (CSCDA) to operate the Open PACE Program administered by FortiFi Financial in the unincorporated area of Contra Costa County;
3. AUTHORIZE the Conservation and Development Director, or designee, to execute the Indemnification and Insurance Agreement with FortiFi Financial Group, LLC to provide indemnification and insurance protection to the County related to the Open PACE Program; and
4. AUTHORIZE the Conservation and Development Director, or designee, to terminate the Operating Agreement with the California Municipal Finance Authority to end the operation of the Energy Efficient Equity Program in the unincorporated area of Contra Costa County.

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APPROVE
  OTHER  
 RECOMMENDATION OF CNTY ADMINISTRATOR
  RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Demian Hardman, (925) 674-7826

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:



### FISCAL IMPACT:

There is no fiscal impact to the County associated with this item.

### BACKGROUND:

California law allows cities, counties, and other authorized public agencies to establish voluntary financing districts to facilitate energy and water efficiency improvements to existing residential and commercial properties. Such financing is commonly referred to as Property Assessed Clean Energy (PACE) financing. Once established, property owners within the boundaries of such a district can choose to enter into a voluntary agreement and borrow funds from the district to finance eligible improvements on their property. The assessment is then repaid in installments on the property tax bill.

The California Statewide Communities Development Authority (CSCDA) is a joint powers authority with the legal authority to establish PACE financing districts. Contra Costa County is a member agency of CSCDA. CSCDA contracts with various other entities, including FortiFi Financial Group, LLC, to administer day-to-day operations of PACE funding programs.

On June 16, 2015, the Board of Supervisors approved the recommendation of the Internal Operations Committee to direct the Department of Conservation and Development (DCD) to establish an application process and accept applications from PACE providers to operate within the unincorporated area of the County. The Board also approved the form of an Operating Agreement the County would require PACE providers to enter into with the County as a condition of operations. The purpose of the Operating Agreement is to protect the County and general public from the potential costs and risks of PACE programs. The Operating Agreement requires PACE providers to participate in the State PACE Loss Reserve Program, disclose financial costs and risks to participating property owners, and indemnify the County from legal claims arising from the operation of PACE programs.

On March 12, 2019, the Board of Supervisors authorized the California Municipal Finance Authority (CMFA) to implement the Energy Efficient Equity program within the County jurisdiction. In early 2020, Energy Efficient Equity changed their name to FortiFi Financial Group, LLC, and has submitted an application to the County to operate the FortiFi program under CSCDA within the unincorporated areas of the County. Staff has reviewed this application and recommends the Board authorize the FortiFi program operate within the County's jurisdiction. Since the FortiFi program changed their name and is requesting to operate under a different joint powers authority, CSCDA, staff also recommends that the Board terminate the Operating Agreement between the County and CMFA to end the operation of the Energy Efficient Equity Program in the unincorporated areas of the County.

The Board of Supervisors has previously authorized five (5) other PACE programs to operate within the County's jurisdiction. If the Board approves the recommended actions, the County would continue to have five (5) PACE programs authorized to operate within the unincorporated area of the County.

### CONSEQUENCE OF NEGATIVE ACTION:

If the Board of Supervisors does not approve the recommended actions, the FortiFi program will not be able to provide property owners in the unincorporated area of the County with financing for energy and water efficiency improvement to their property.

### ATTACHMENTS

Resolution 2020/336

CSCDA Operating Agreement

Indemnification and Insurance Agreement

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 12/15/2020 by the following vote:

**AYE:**

**NO:**

**ABSENT:**

**ABSTAIN:**

**RECUSE:**



**Resolution No. 2020/336**

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF CONTRA COSTA CONSENTING TO THE INCLUSION OF PROPERTIES WITHIN THE UNINCORPORATED AREA OF THE COUNTY IN THE CSCDA OPEN PACE PROGRAM KNOWN AS THE FORTIFI FINANCIAL PROGRAM; AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT CONTRACTUAL ASSESSMENT PROCEEDINGS AND LEVY CONTRACTUAL ASSESSMENTS WITHIN THE UNINCORPORATED AREA OF THE COUNTY; AND AUTHORIZING RELATED ACTIONS.

WHEREAS, the California Statewide Communities Development Authority (CSCDA) is implementing Property Assessed Clean Energy (PACE) programs, which it has designated CSCDA Open PACE programs each administered by a separate program administrator (collectively with any successors, assigns, replacements or additions, the "Programs"), to allow the financing or refinancing of renewable energy, energy efficiency, water efficiency and seismic strengthening improvements, electric vehicle charging infrastructure and such other improvements, infrastructure or other work as may be authorized by law from time to time (collectively, the "Improvements") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code ("Chapter 29") within counties and cities throughout the State of California that consent to the inclusion of properties within their respective territories in the Programs and the issuance of bonds from time to time; and

WHEREAS, the program administrators currently active in administering Programs are AllianceNRG Program (CounterPointe Energy Solutions (CA) LLC), PACE Funding Group LLC, CaliforniaFirst (Renew Financial Group LLC), CleanFund Commercial PACE Capital, Petros PACE Finance, Fortifi Financial, Greenworks Lending, White Oak Advisors, Stonehill PACE, LordCap PACE, and Green PACE Capital, and the Authority will notify the County in advance of any additions or changes; and

WHEREAS, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner or owners of each lot or parcel on which an assessment is levied at the time the assessment is levied; and

WHEREAS, the County desires to allow the owners of property ("Participating Property Owners") within its jurisdiction to participate in the Open PACE program administered by FortiFi Financial, Inc., and to allow the Authority to conduct assessment proceedings under Chapter 29 within its territory and to issue bonds to finance or refinance Improvements; and

WHEREAS, the territory within which assessments may be levied for the Programs shall include all of the unincorporated area within the County's official boundaries; and

WHEREAS, the Authority will conduct all assessment proceedings under Chapter 29 for the Programs and issue any bonds in connection with the Programs; and

WHEREAS, the County will not be responsible for the conduct of any assessment proceedings; the levy of assessments; and required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administrations of any bonds issued in connection with the Programs:

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County as follows:

Section 1. This Board of Supervisor hereby finds and declares that properties in the jurisdiction of the County will benefit from the availability of the FortiFi PACE program within the jurisdiction of the County and, pursuant thereto, the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 and the issuance of bonds to finance or refinance Improvements. This resolution shall only authorize the PACE Program administered by FortiFi Financial, Inc., known as the FortiFi PACE program, to be available within the unincorporated area of Contra Costa County. Other

program administrators under the Open PACE program may be available by the County by adoption of a separate authorizing resolution.

Section 2. In connection with the FortiFi PACE program, the County hereby consents to the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 on any property within the jurisdiction of the County and the issuance of bonds to finance or refinance Improvements; provided that

1. The Participating Property Owners, who shall be the legal owners of such property, execute a contract pursuant to Chapter 29 and comply with other applicable provisions of California law in order to accomplish valid levy of assessments; and
2. The County will not be responsible for the conduct of any assessment proceedings; the levy of assessments; any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the Programs.

Section 3. The following staff persons, together with any other staff persons chosen by the Conservation and Development Director of the County from time to time, are hereby designated as the contact persons for the Authority in connection with the Program: Demian Hardman, Senior Planner.

Section 4. County staff are authorized to assist Authority staff to facilitate operation of the Programs within the County, including assisting in the levying, collecting, and enforcement of the special tax lien.

Section 5. The Board of Supervisors hereby finds that adoption of this Resolution is not a "project" under the California Environmental Quality Act, because the Resolution is a government fiscal activity that does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4).

Section 6. This Resolution shall take effect immediately upon its adoption. The Clerk of the Board of Supervisors is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of the Authority at: Secretary of the Board, California Statewide Communities Development Authority, 1400 K Street, Sacramento, CA 95814.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**ATTESTED: December 15, 2020**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

**Contact: Demian Hardman, (925) 674-7826**

By: , Deputy

**cc:**

**OPERATING AGREEMENT BETWEEN  
CONTRA COSTA COUNTY AND PACE PROVIDER FOR  
PROPERTY ASSESSED CLEAN ENERGY (PACE) FINANCING**

This agreement ("Agreement"), dated as of \_\_\_\_\_, 2020 ("Effective Date"), is by and between Contra Costa County, a political subdivision of the State of California (the "County"), and California Statewide Communities Development Authority, a California limited joint powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California, Section 6500 and following (the "PACE Provider").

**R E C I T A L S**

A. Property Assessed Clean Energy (PACE) financing is a method of providing financing to property owners to finance permanent energy efficiency improvements on real property. A property owner who obtains PACE financing repays the financing by entering into an agreement that allows an assessment or special tax to be levied on the property. These levies are known as voluntary contractual assessments.

B. Voluntary contractual assessments that are utilized to finance the installation of energy efficiency improvements on real property are authorized by (1) the Improvement Act of 1911, as amended by AB 811 (Streets and Highways Code Section 5898.10 et seq.) ("Improvement Act") and (2) the Mello-Roos Community Facilities Act of 1982, as amended by SB 555 (Government Code Section 53311 et seq. ("Mello-Roos Act").

C. The PACE Provider is a joint exercise of powers authority that has created one or more PACE financing programs (each, a "PACE Program"). The PACE Provider has established one or more PACE Programs to allow the financing of certain renewable energy, energy efficiency and water efficiency, and other authorized improvements that are permanently affixed to real property through the levy of assessments voluntarily agreed to by property owners participating in a PACE Program. Under each PACE Program, the PACE Provider accepts applications from eligible property owners, conducts assessment proceedings, and levies assessments.

**NOW, THEREFORE**, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties agree as follows:

**A G R E E M E N T**

1. **Definitions.** As used in this Agreement, the following terms have the following meanings:
  - a. "PACE Administrator" means each independent contractor of the PACE Provider that markets, administers and carries out a PACE Program on behalf of the PACE Provider.

- b. "Eligible Improvement" is a renewable energy improvement, energy efficiency improvement or other improvement authorized by the Improvement Act, the Mello-Roos Act or other state law pertaining to voluntary contractual assessments.
- c. "Non-residential Property" means a property with four or more residential units or any commercial, agricultural, or industrial property that is otherwise eligible for PACE Financing.
- d. "Participating Contractor" is any contractor that installs Eligible Improvements that are funded by a PACE Provider.
- e. "Program Participant" is a property owner who enters into a voluntary contractual assessment with the PACE Provider.
- f. "Property Assessed Clean Energy (PACE) Financing" is a means of financing Eligible Improvements as authorized by the Improvement Act, the Mello-Roos Act, or other state law pertaining to voluntary contractual assessments.
- g. "Residential Property" means a property with three or fewer residential units.
- h. "Value" means the greater of: (1) assessed value; or (2) fair market value, as determined either by an automated valuation model or an appraisal.

## 2. General Requirements.

- a. PACE Provider's Specified Services. The PACE Provider may offer and provide Property Assessed Clean Energy Financing to property owners in the unincorporated areas of the County. The PACE Provider is solely responsible for the formation, operation and administration of the PACE Program, including the conduct of assessment proceedings, the levy and collection of assessments, and the offer, sale and administration of any bonds issued by or other financing offered by the PACE Provider on behalf of the PACE Program.
- b. Cooperation with County. The PACE Provider shall independently operate its program and cooperate with the County and County staff as described in this Agreement.
- c. Performance Standard. The PACE Provider shall provide PACE Financing in a manner consistent with the level of competency and standard of care normally observed by an organization providing PACE Financing pursuant to the Improvement Act or Mello-Roos Act.

### 3. Disclosure Requirements.

The PACE Provider shall require and ensure that each PACE Administrator does all of the following:

- a. Discloses in writing to potential Program Participants the financial risks associated with PACE Financing, including the risks associated with federal regulation and administration of mortgage financing and the position of the Federal Housing Finance Agency (FHFA) on PACE lending. The disclosure materials must include the disclosures contained in the PACE Funding Program Disclosures, which is attached and incorporated herein as Attachment A.
- b. Requires potential Program Participants to sign a written acknowledgment of the Federal Housing Finance Agency (FHFA) position on PACE liens.
- c. Requires Program Participants who own non-residential properties to obtain written consent to participate in the PACE Program from lenders who have made loans to the Program Participant where the property serves as security for the loan.
- d. Provides federal Truth in Lending Act disclosure details to the applicant specific to the requested amount of the financing. The details shall be provided to the applicant in the Truth in Lending Disclosures, which is attached and incorporated herein as Attachment B.
- e. Advises potential Program Participants of available state or federal rebate or incentive programs.
- f. Requires each Program Participant to obtain from the County all building permits for improvements.
- g. The PACE Administrator may recommend that property owners consult with a tax professional prior to claiming any tax deductions associated with the project.

### 4. Financial Requirements.

The PACE Provider shall require and ensure that each PACE Administrator does all of the following:

- a. Administers and reviews Program Participant eligibility and determines the Eligible Improvement costs to be financed.

- b. Establishes each PACE Program's own interest rates, payback terms and fees.
- c. Participates in the State of California's PACE Loss Reserve Program, administered by the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), and provide evidence of current participation and copies of all application materials submitted to CAEATFA. If the State discontinues the PACE Loss Reserve Program, or if the County determines that the State's PACE Loss Reserve Program does not provide adequate coverage, then the County may terminate this Agreement unless the County is satisfied with coverage by an alternative loan loss reserve program.
- d. For residential properties, ensures that the loan amount to a Program Participant does not exceed 15% of the value of the property up to the first \$700,000 of the value of the property, and is for less than 10% of the remaining value of the property above \$700,000.
- e. Ensures that the combined amount of any loans existing prior to the proposed PACE lien and the amount of the PACE lien itself, have an aggregate amount of no more than 95% of the value of the property, including all mortgage-related debt as determined as of the date the assessment contract is executed.
- f. Ensures that the total property taxes and annual assessments for each property that will have PACE Financing will not exceed 5% of the value of the property as determined as of the date the assessment contract is executed.
- g. Verifies that each Program Participant is current on all property taxes and has not made late payments in the past three years or period of ownership (whichever is less), and verifies that each Program Participant has not filed for bankruptcy in the past three years.
- h. Coordinates with the Auditor-Controller's Office each year regarding delinquent assessments.

5. Reports.

For each property that has entered into a voluntary contractual assessment through the PACE Provider, the PACE Provider shall require and ensure that each PACE Administrator provides project information and data in an accessible electronic format to the County on a monthly and annual basis and upon request, including but not limited to the following:

- a. The Assessor's Parcel Number (APN) and property type (residential or non-residential) of the property.

- b. The amount of the contractual assessment.
  - c. All installed Eligible Improvements financed through PACE Financing.
  - d. If applicable, the solar STC-DC rating in watts or kilowatts of each Eligible Improvement.
  - e. If available, the expected financial and energy savings associated with each Eligible Improvement.
  - f. For each property with an agreement to subordinate the PACE obligation, the effective date of that agreement.
6. Participating Contractor Obligations. The PACE Provider shall require and ensure that each PACE Administrator does all of the following:
- a. Requires and ensures that each Participating Contractor has all required California State License Board licenses and all other required State and County licenses.
  - b. Requires and ensures that each Participating Contractor's bonding is in good standing.
  - c. Requires and ensures that each Participating Contractor holds harmless, indemnifies and defends the County as set forth in Section 9 (c).
  - d. Requires and ensures that each Participating Contractor has insurance as required in Section 12 (b).
  - e. Requires and ensures that each Participating Contractor and their representatives, employees, and agents do not represent themselves as agents, representatives, contractors, subcontractors, or employees of the County or the Department of Conservation and Development or claim association or affiliation with the County or Department of Conservation and Development.
7. Agreement with County Auditor-Controller. The PACE Provider will enter into a separate agreement with the Contra Costa County Auditor-Controller for the administration of property tax assessments placed on properties through the PACE Financing program.
8. Agreement with Program Participant. Each voluntary contractual assessment between the PACE Provider and a Program Participant shall require the Program Participant to hold harmless, indemnify and defend the County, and release the County from liability, in accordance with the "CSCDA Open PACE Program



Assessment Contract," which is attached and incorporated herein as Attachment C. The terms set forth in Attachment C shall be incorporated into the PACE Provider's voluntary contractual assessment with each Program Participant for PACE Financing.

9. Indemnification and Release.

a. Indemnification Obligation of the PACE Provider. To the fullest extent not prohibited by applicable law, the PACE Provider shall defend, indemnify, protect, save, and hold harmless the County, the County Auditor-Controller, the County Treasurer-Tax Collector, their respective employees, agents, attorneys, officers, divisions, related agencies and entities, affiliates, successors and assigns (collectively and individually the "Indemnitees"), from any and all claims, cost, loss, liability, expense, damages, or other injury, claim, action or proceeding (collectively "Liability") arising out of or connected with this Agreement or activities taken by the parties pursuant to this Agreement, including but not limited to the establishment, placement or collection of assessments or special taxes on participating properties; and will make good to and reimburse Indemnitees for any expenditures, including reasonable attorney's fees, the Indemnitees may make by reason of such matters. If requested by any of the Indemnitees, the PACE Provider will defend any such suits at the sole cost and expense of the PACE Provider with counsel selected or approved by the Contra Costa County Counsel.

The PACE Provider's obligations under this section will exist regardless of concurrent negligence or willful misconduct on the part of any Indemnitee or any other person; provided, however, that the PACE Provider will not be required to indemnify Indemnitees for the proportion of Liability a court determines is attributable to the sole negligence or willful misconduct of the County, its governing body, officers or employees. This indemnification clause shall survive the termination or expiration of this Agreement.

b. PACE Provider's Release. To the fullest extent not prohibited by applicable law, the PACE Provider hereby releases and forever discharges the County, the County Auditor-Controller, the County Treasurer-Tax Collector, their respective employees, agents, attorneys, officers, divisions, related agencies and entities, affiliates, successors and assigns (collectively "Released Parties"), from any and all claims, cost, loss, liability, expense, damage (including consequential damages), or other injury, claim, action or proceeding (including without limitation, attorneys' fees and expenses), which the PACE Provider now has or could assert in any manner arising out of or connected with this Agreement, the subject matter of this Agreement, or activities taken by the parties pursuant to this Agreement, including any claim, action or proceeding to attack, set aside, void, abrogate, rescind or annul this Agreement or the actions of either party under this Agreement. The PACE Provider knowingly waives the right to make any claim

against the Released Parties for such damages and expressly waives all rights provided by section 1542 of the California Civil Code, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

The rights and obligations contained in this paragraph will survive termination of this Agreement.

c. Indemnification and Release Obligations of Participating Contractors.

The PACE Provider shall require and ensure that each PACE Administrator requires and ensures that each Participating Contractor releases, defends, indemnifies, protects, saves, and holds harmless the County, the County Auditor-Controller, the County Treasurer-Tax Collector, their respective employees, agents, attorneys, officers, divisions, related agencies and entities, affiliates, successors and assigns, from any and all liability, claims, losses, costs, expenses, penalties, fines, forfeitures, judgments and damages, including attorneys' fees and costs, arising out of or connected with the Participating Contractor's actions under the PACE Program, including the installation of any Eligible Improvement.

10. Term of Agreement. The term of this Agreement shall be from the Effective Date until termination in accordance with the provisions of Section 11, Termination.

11. Termination.

- a. Termination without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, the County or PACE Provider shall have the right, in its sole discretion, to terminate this Agreement by giving 30 days' written notice to the other Party of this Agreement. This Agreement may be cancelled immediately by written mutual consent.
- b. Termination for Cause. Notwithstanding any other provision of this Agreement, if the PACE Provider fails to uphold any of its obligations under this Agreement, or otherwise violates any of the terms of this Agreement, the County may immediately terminate this Agreement by giving the PACE Provider written notice of such termination, stating the reason for termination.
- c. Discontinuation of PACE Program. Upon 24 hours' notice from the County, the PACE Provider shall immediately discontinue its residential PACE Program in the County's unincorporated area if the Federal Housing Finance Authority (FHFA) takes any action in California pertaining to PACE Financing, as it relates to Fannie Mae and Freddie Mac mortgages,

that the County determines will create an undue liability to the County or Program Participants.

- d. Delivery of Data and Information upon Termination. In the event of termination and within 14 days following the date of termination, the PACE Provider must deliver to County all data and information for all properties with contractual assessments, as specified in Section 5, Reports.
- e. Effect of Termination. If the Board of Supervisors terminates this agreement pursuant to this Section 11, the PACE Provider may not solicit new assessment contracts within the unincorporated areas of the County.
- f. Upon termination of this Agreement or the discontinuance of the PACE Program, the PACE Provider shall continue to administer all voluntary assessment contracts that exist at the time of the termination.

## 12. Insurance.

- a. The PACE Provider shall maintain commercial general liability insurance, including contractual liability (or blanket contractual) coverage, owners' and contractors' protective coverage, and broad form property damage coverage, with a minimum of \$1 million per occurrence.
- b. The PACE Provider will ensure that the following insurance requirements are incorporated into all contracts entered into by the PACE Provider with each PACE Administrator and Participating Contractor, or their respective contractors, subcontractors or assigns, in connection with this Agreement: (1) each PACE Administrator and Participating Contractor must maintain workers' compensation insurance pursuant to state law; (2) each PACE Administrator and Participating Contractor must maintain commercial general liability insurance, including contractual liability (or blanket contractual) coverage, owners' and contractors' protective coverage, and broad form property damage coverage, with a minimum of \$1 million per occurrence; (3) each PACE Administrator and Participating Contractor must maintain vehicle liability insurance with a minimum combined single-limit coverage of \$500,000 per occurrence; and (4) each PACE Administrator shall maintain Professional Liability Errors and Omissions Insurance coverage at \$1,000,000 per occurrence or aggregate limit. Each PACE Administrator and Participating Contractor shall provide certificates of insurance to the County, copies of policies, or endorsements evidencing the above insurance coverage and requiring at least 30 days' written notice to the County of policy lapse, cancellation, or material change in coverage.

13. Miscellaneous Provisions.

- a. Independent Contractor Status. The parties intend that the PACE Provider, in implementing and operating the PACE Program, is an independent contractor, and that the PACE Provider will control the work and the manner in which it is performed. This Agreement is not to be construed to create a relationship between the parties of agent, servant, employee, partnership, joint venture, or association. The PACE Provider is not a County employee. This Agreement does not give the PACE Provider any right to participate in any pension plan, workers' compensation plan, insurance, bonus, or similar benefits County provides to its employees.
- b. Compliance with the Law. The PACE Provider is subject to and must comply with all applicable federal, state, and local laws and regulations with respect to its performance under this Agreement, including but not limited to, licensing, employment, and purchasing practices; and wages, hours, and conditions of employment, including nondiscrimination.
- c. Authorization. The PACE Provider represents and warrants that it has full power and authority to enter into this Agreement and to perform the obligations set forth herein.
- d. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented. This Agreement binds the heirs, successors, assigns and representatives of the PACE Provider.
- e. Method and Place of Giving Notice. All notices shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices shall be addressed as follows:

TO COUNTY: Contra Costa County  
Department of Conservation and Development  
Deputy Director, Building Inspection Division  
30 Muir Road  
Martinez, CA 94553

TO PACE PROVIDER: California Statewide Communities  
Development Authority  
Attn: James Hamill, Managing Director  
1700 North Broadway, Suite 405  
Walnut Creek, CA 94596

With a copy to the PACE ADMINISTRATOR as follows:

FortiFi Financial, Inc.  
Attn: Chris Peterson, VP Municipal Development  
11111 Santa Monica Boulevard, Suite 950  
Los Angeles, CA 90025

The effective date of notice is the date of deposit in the mail or other delivery, except that the effective date of notice to the County is the date of receipt by the Deputy Director, Building Inspection Division, Department of Conservation and Development. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

- f. Inspection. Upon the County's request, the County or its designee shall have the right at reasonable times and intervals to inspect the PACE Provider's financial and program records at the premises of the PACE Provider and the PACE Administrator. The PACE Provider or the PACE Administrator shall maintain all PACE Program records for a period of four years following termination of the Agreement, and shall make them available for copying upon the County's request at the County's expense.
- g. No Waiver of Breach. The waiver by the County of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.
- h. Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. The PACE Provider and the County acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other.
- i. Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

- j. No Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create, and the parties do not intend to create, any rights in third parties.
- k. Choice of Law. This Agreement is made in Contra Costa County and is governed by, and must be construed in accordance with, the laws of the State of California.
- l. Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.
- m. Survival of Terms. All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion, expiration or termination for any reason.
- n. Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.
- o. Entire Agreement. This Agreement contains all the terms and conditions agreed upon by the parties. Except as expressly provided herein, no other understanding, oral or otherwise, regarding the subject matter of this Agreement will be deemed to exist or to bind any of the parties hereto.
- p. Duplicate Counterparts. This Agreement may be executed in duplicate counterparts. The Agreement shall be deemed executed when it has been signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

PACE PROVIDER

CONTRA COSTA COUNTY

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

# Application

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## Property Information

Address [Property Street Address], [City], [State] [Zip]

Property Type [Property Type]

## Owner(s) Information, [Vesting type]

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Name [Owner Full Name]

Contact [Owner Phone], [Owner Email]

SSN & DOB ●●● ●● [4ssn], [01/01/2001]

Annual Income \$[0,000]

Mailing Address [Property Street Address], [City], [State] [Zip]

---

Name [Owner Full Name]

Contact [Owner Phone], [Owner Email]

SSN & DOB ●●● ●● [4ssn], [01/01/2001]

Annual Income \$[0,000]

Mailing Address [Property Street Address], [City], [State] [Zip]

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## Property Owner Acknowledgments

By signing this Application, I acknowledge and represent that I and any other owner(s) of the property which is the subject of this application (the "Property") meet these qualifications and I authorize the Program Administrator to obtain a credit report for each of the property owner(s) and/or trustees whose social security number is provided on this application to verify such representations.

- I am current on all property taxes for the Property and have not had a late payment in the past three (3) years (or since the purchase of the Property if owned less than three (3) years).
- I am current on property related debt and have not been delinquent on such debt by more than 60 days during the past twelve (12) months.
- I am not aware of any involuntary liens, defaults or judgments in excess of \$1,000 on the Property.
- I have the authority to authorize the Program Administrator to obtain a credit report for each of the property owner(s) and/or trustee(s) whose social security number(s) is provided on this application.
- I am not party to an open bankruptcy proceeding, the property is not subject to a bankruptcy proceeding and I have not declared bankruptcy in the last three years.

By signing this Application, I hereby declare under penalty of perjury under the laws of the State of California all of the following:

- That the information provided in this Application is true and correct as of the date set forth herein.
- I have received, read and understood the Program Handbook and sample Financing Documents.
- I am applying to participate in the Program, have the authority, without the consent of any third party, to execute and deliver this Application, the Assessment Contract, and the various other documents and instruments referenced herein.
- I understand that the financing provided by the Program will be repayable through an assessment levied against the Property.
- I understand that an assessment lien will be recorded by the Program against the Property in the office of the County Recorder upon execution of the Assessment Contract.
- I understand that the property tax bill (which includes my assessments) for the Property will increase by the amount of these assessment installment payments as specified in the Assessment Contract.
- I understand, as with all tax and assessment liens, this lien will be senior to all existing and future private liens against the Property, including mortgages, deeds of trust and other security instruments.



## Terms and Conditions

Interest Rate	You will be charged a fixed interest rate on your total financed amount. Your interest rate will be set at the time your Financing Documents are issued.
Initial Administration Fee	At the time of closing, you will be charged a one-time administration fee equal to [0.0]% of the principal amount of the assessment on the Property to cover the costs of administering the Program. This fee will be added to the assessment amount.
Recording Fee	At the time of closing, you will be charged a one-time recording fee equal to \$[0] to cover the costs of recording the assessment. This fee will be added to the assessment amount.
Reserve Deposit	At the time of closing, you will be charged a one-time reserve deposit fee equal to [0.00]% of the principal amount of the assessment to be used to pay debt service on a related series of bonds. This fee will be added to the assessment amount. Upon the final redemption date of the related series of bonds, a pro rata portion of the balance in the bond reserve account will be applied to the final Assessment payment.
Annual Ongoing Administration Fee	Each year, an annual administrative fee will be added to the assessment lien amount on your property tax bill. The cost for the first year is \$[0] and will be adjusted in subsequent years to meet the ongoing Program requirements. A fee equal to the first year annual ongoing administration fee will also be added to the assessment amount to cover the Program administrative expenses between the Assessment recording date and first assessment payment date.
Interest Before First Payment	Based on the date the assessment is recorded on your property, payments may not begin until the following year's tax statement. Interest Before First Payment is the amount of interest that is added to the assessment amount for the period between your closing date and the first payment date.
Prepayment	The Assessment may be prepaid, in whole or in any amount of at least \$5,000, at any time subject to terms of your assessment contract.
Additional Fees	The Program may apply additional eligible fees to your assessment as defined in the Program Handbook and subject to the terms of your assessment contract.

## Disclosures

The following describes some (but not all) characteristics and risks of participation in the Program as well as laws to which the Program is subject. A full understanding of any item listed below can be gained only by reviewing the relevant laws, policy statements, and/or the contractual documents related to the Program. **FortiFi** is available to answer questions regarding the items listed below before you enter into an Assessment Contract, and invites you to ask Program representatives any questions regarding these items or request any document related to the Program.

### Existing Mortgage

The Program establishes the manner by which the Authority may finance, pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10), the installation of Eligible Products. Eligible Products will be financed pursuant to an Assessment Contract between you and the Program.

BEFORE COMPLETING A PROGRAM APPLICATION, YOU SHOULD CAREFULLY REVIEW ANY MORTGAGE AGREEMENT(S) OR OTHER SECURITY INSTRUMENT(S) WHICH AFFECT THE PROPERTY OR TO WHICH YOU AS THE PROPERTY OWNER ARE A PARTY. ENTERING INTO A PROGRAM ASSESSMENT CONTRACT WITHOUT THE CONSENT OF YOUR EXISTING LENDER(S) COULD CONSTITUTE AN EVENT OF DEFAULT UNDER SUCH AGREEMENTS OR SECURITY INSTRUMENTS. DEFAULTING UNDER AN EXISTING MORTGAGE AGREEMENT OR SECURITY INSTRUMENT COULD HAVE SERIOUS CONSEQUENCES TO YOU, WHICH COULD INCLUDE THE ACCELERATION OF THE REPAYMENT OBLIGATIONS DUE UNDER SUCH AGREEMENT OR SECURITY INSTRUMENT. IN ADDITION, FANNIE MAE AND FREDDIE MAC, THE OWNER OF A SIGNIFICANT PORTION OF ALL HOME MORTGAGES, STATED THAT THEY WOULD NOT PURCHASE HOME LOANS WITH ASSESSMENTS SUCH AS THOSE OFFERED BY THE AUTHORITY. THIS MAY MEAN THAT PROPERTY OWNERS WHO SELL OR REFINANCE THEIR PROPERTY MAY BE REQUIRED TO PREPAY SUCH ASSESSMENTS AT THE TIME THEY CLOSE THEIR SALE OR REFINANCING.

IF YOUR LENDER REQUIRES AN IMPOUND FOR YOUR PROPERTY TAXES IT IS YOUR RESPONSIBILITY TO NOTIFY THEM OF THE ANNUAL ASSESSMENT PAYMENT AMOUNT SO THEY CAN ADJUST YOUR IMPOUND AMOUNT.

[Initials]

[Initials]

[Name]

[Name]

### Federal Housing Finance Agency Alert

In May, 2010, Fannie Mae and Freddie Mac, government sponsored enterprises that purchase a large segment of conforming single family home mortgages, issued new instructions to lending institutions on how to treat properties with assessments under Property Assessed Clean Energy (PACE) programs such as the CSCDA's PACE program. These letters, and additional statements issued by the Federal Housing Finance Agency, the agency that regulates single family

home lenders, instruct lenders to treat energy assessments as “loans” instead of “assessments.”

On August 31, 2010, the agencies issued additional instructions to lenders that Fannie Mae and Freddie Mac “will not purchase mortgage loans secured by properties with an outstanding PACE obligation.”

These letters and statements may lead lenders to conclude the PACE assessment should be paid off before a property transfers or is refinanced. In addition, it may lead some lenders to conclude that participating in PACE program is a violation of typical mortgage terms prohibiting prior liens without lender consent. If you are selling your property, a buyer's lender may refuse to finance the buyer's first mortgage loan unless the assessment is paid off. We urge you to carefully read the disclosure information in the Program application, review your mortgage documents, evaluate the risks of proceeding with an application at this time, and contact your lender if you have any concerns or for information regarding any other financing options that may be available to you.

<u>          </u> [Initials]	<u>          </u> [Initials]
[Name]	[Name]

Electronic links to the copies of letters from the Federal Financing Housing Authority re: PACE programs:

- <https://www.efanniemae.com/sf/guides/ssg/annltrs/pdf/2010/ll1006.pdf>
- <http://www.freddiemac.com/singlefamily/guide/bulletins/pdf/iltr050510.pdf>
- <http://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Statement-on-Certain-Energy-Retrofit-Loan-Programs.aspx>
- <http://www.fhfa.gov/Media/PublicAffairs/Pages/Statement-of-FHFA-Acting-Director-Edward-J-DeMarco-on-PACE-Programs.aspx>
- <https://www.efanniemae.com/sf/guides/ssg/annltrs/pdf/2010/sel1012.pdf>
- <http://www.freddiemac.com/singlefamily/guide/bulletins/pdf/bll1020.pdf>

Foreclosure

Not later than October 1 each year, the Authority shall determine whether any annual assessment installment is not paid when due and shall have the right to order that any such delinquent payment, penalties, interest, and associated costs be collected by a foreclosure action brought in Superior Court that could result in a sale of the Property for the payment of such delinquent assessment installment.

Transfers

Property owner hereby agrees to provide copies of the Assessment Contract, Final Cost and Payment Summary and Program Handbook to any subsequent purchaser or transferee of the Property before the time of sale or transfer of the Property. Property owner understands and acknowledges that the Assessment, and obligation to pay the Assessment pursuant to such Assessment Contract, runs with the land and, upon sale

or transfer of the Property or any interest therein, any subsequent owner or transferee shall be required to pay the Assessment pursuant to such Assessment Contract. If a subsequent owner or transferee fails to pay the Assessment pursuant to such Assessment Contract, then the provisions of this Contract, including the "Foreclosure" provision listed above, shall apply to the subsequent owner or transferee's interest in the Property. Property owner further understands and acknowledges that a subsequent purchaser or transferee, or any interested party to the sale or transfer (such as a lender), may require as a condition of sale or transfer, that the Assessment be paid in full prior to sale or transfer. Information regarding Assessment prepayment can be found in the Contract to Pay Assessment; Prepayment section of the Assessment Contract.

Property Value Model

The Program uses a computerized Property Value Model to determine your eligible financing amount. You have a right to receive a copy of the Property Value Report used in connection with this application. To obtain a copy of this report contact **FortiFi** and submit a request. The Property Value Model is not an Appraisal.

No Endorsement

The Program and **FortiFi** do not endorse any manufacturer, contractor, product, or system, or in any way warranty such equipment, installation, or the efficiency or production capability of any equipment and make no representations and have no responsibility regarding the equipment and its installation, including the quality, safety, cost savings, efficiency or production capability of any equipment; or any compliance of the equipment or its installation with any applicable laws, regulations, codes, standards or requirements. Further, **FortiFi** and the Program shall not be in anyway liable for any incidental or consequential damages resulting from the equipment or its installation.

Inspection

At any time during the Term of the Assessment, **FortiFi** and the Program may Inspect and Validate that installed Eligible Improvements meet Program eligibility requirements. **FortiFi** and the Program reserve the right to perform independent on-site Inspections of any Eligible Improvements financed by the Program.

Analysis

During the term of the Assessment, **FortiFi** and the Program reserve the right to monitor and track energy systems' generation data, if applicable, and utility usage via property utility bill data. By submitting this application, you consent to any such monitoring and utility bill energy usage analysis. By submitting this application, you also agree to sign the authorization form to participate in utility billing energy usage analysis to measure Program impact savings and participant satisfaction.

Compliance

**FortiFi** and the Program are subject to certain terms in the: Equal Credit Opportunity Act (ECOA); Fair Credit Reporting Act; Housing Financial Discrimination Act of 1977 and the Patriot Act. As such, your Information may be obtained by the Program and shared with the applicable Agency to maintain compliance with the Law.

## Property Owner Signature(s)

I declare that (i) I have received, read, and understand the risks and characteristics of the Program described in the Program Handbook, sample financing documents, and Disclosures set forth in this Application (ii) I have been informed that I must take the sole responsibility to satisfy myself that executing the Assessment Contract, receiving financing from the Program, and consenting to the assessment levied against the Property will not constitute a default under any other agreement or security instrument (specifically the terms of any mortgage on the Property) which affects the Property or to which I am a party. I hereby authorize the Program to obtain my credit information.

[Owner Full Name]	[Signature]		
Identity Verification Code	[ID Code]	Date	[01/01/2001]
[Owner Full Name]	[Signature]		
Identity Verification Code	[ID Code]	Date	[01/01/2001]

# Truth-in-PACE™ Disclosure Statement

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## Property Information

Owners	[Owner Names]
Address	[Property Address]
APN	[Assessor Parcel Number]
Transaction #	[FortiFi File ID]

## Summary of your Financing

Amount Financed	Financing Term	Interest Rate	Payment Amount
[\$0]	[0] Years	[0.00]%	[\$0]
Cost of your Improvements	Number of years that payments will be added to the Property Tax Bill.	The annual cost of the financing, as a percentage.	The estimated amount due on your Semi-Annual Property Tax Bill

## Important Dates

Application Date	Expiration Date	Recording Date	First Payment Date
[01/01/2001]	[01/01/2001]	[01/01/2001]	[01/01/2001]
Date your application was submitted.	Your Improvements must be completed before this date to be eligible for Financing.	The estimated Date that the Assessment is recorded on the Property with the County.	The first property tax payment date.

If your Assessment is recorded on or before May 30, [2001] your first payment will be included on your November 2015 property tax bill. If your Assessment is recorded After May 30, [2001] your first payment will be included on your November [2002] property tax bill. Upon receiving your payments, your county will remit payment to service debt on the related municipal bond each March 2<sup>nd</sup> and September 2<sup>nd</sup> during the Financing Term.

## Items payable in connection with Financing

Program Administrative Expenses \$[0]

The estimated costs to provide financing for your Improvements. Includes; Processing, Ongoing annual administrative and Bond Issuance expenses.

Recording Fee \$[0]

Fee paid to your County to Record and process your Assessment.

Interest Before First Payment \$[0]

The estimated amount of interest accrued between the Recording Date and the first payment date on a related municipal bond.

Reserve Deposit \$[0]

Deposit for debt servicing on related Bond.

Other Fees \$[0]

[Fee Name]

## Calculations

Total Settlement Charges \$[0]

The Dollar Amount that the Financing will cost you.

Prepaid Amount \$[0]

The Dollar Amount Prepaid to your contractor.

Total Assessment Amount \$[0]

The total Assessment levied on your property.

Annual Assessment Amount \$[0]

The Amount added to your property taxes each year during the Term. Includes Principal, Interest, and \$95 for Administrative expenses.

Total of Payments \$[0]

The total amount you will have paid after you make all payments including principal, interest, settlement charges, and fees.

Annual Percentage Rate [0.00]%

The yearly cost of the financing, expressed as a percentage. This is not your interest rate.

Total Interest Percentage [0.00]%

The total amount of interest you will pay over the financing term as a percentage of the total Payments.

## Important Financing Terms

Is the Interest Rate Fixed?	Yes
Can the Balance Increase?	No
Is there a Prepayment Penalty?	No
Is there a Balloon Payment?	No
Is the Interest Tax Deductible?	Consult with a tax professional

## Understanding what can change at Settlement

This Truth-in-PACE™ Disclosure Statement estimates your settlement charges based on an Assessment Recording date of [01/01/2001]. Actual amounts will be calculated based the Actual recording date of your Assessment and will be listed in the Final Cost and Payment Summary.

### Items that **Cannot** Increase at settlement

- Interest Rate
- Amount Financed
- Recording Fee
- Reserve Deposit

### Items that **Can** Increase at settlement

- Program Administrative Expense
- Interest before first payment



## What you should know before hiring a contractor

By law, anyone in California who contracts for or bids on a construction project valued at \$500 or more (combined labor and material costs) must be licensed by the Contractors State License Board (CSLB). To qualify for a license, a contractor must verify four years of journey-level experience in the trade, pass both a trade and license law and business examination, and post a license bond. Since 2005, all new contractors have been required to pass a criminal background check. Contractors are required to put their CSLB license number in all advertisements. Ask to see the contractor's plastic pocket license and photo identification.

### Construction Project Checklist:

- Check the contractor license number at [www.cslb.ca.gov](http://www.cslb.ca.gov) to make sure it is current and in good standing.
- Ask to see the contractor's pocket license and a current photo ID.
- Ask for a list of current contact information (telephone number and business address) for the contractor, subcontractors, and suppliers.
- Find out from your local building department whether your project needs a building permit and confirm that your contractor will obtain all necessary permits.
- Get at least three contractor bids and references, and check out, in person, each prospective contractor's recent similar projects.
- Ask whether your contractor carries general liability insurance for employees in case accidental damage occurs during the project, and workers' compensation insurance for employees.
- Make sure all project materials and expectations are spelled out and signed in a written contract, including clean-up, debris removal, and site security.
- Ask your contractor if he or she understands your project expectations
- Schedule and document each phase of your project and the corresponding payment schedule. Do not let payments get ahead of the work.
- Pay no more than 10% down or \$1,000, whichever is less. There is an exception to this rule for contractors who have filed a blanket performance and payment bond with CSLB's Registrar. This information is noted on the contractor's license detail page on CSLB's website.
- Avoid paying in cash.
- Keep all of your project documents, including payments and photographs, in a job file
- Try researching your contractor's name online for additional reviews

## Questions

If you have questions about the financing terms or costs on this form, contact **FortiFi** at:

Phone 844-622-5533  
Fax 844-622-5533  
Email [info@fortifi.com](mailto:info@fortifi.com)  
Address **11111 Santa Monica** Blvd Suite **900**  
Los Angeles CA 90025  
Web [www.fortifi.com](http://www.fortifi.com)

## Acknowledgements

I understand that by participating in the Program an Assessment will be levied on my property which will result in an additional payment that will be added to my Property Tax Bill and:

If I refinance my property, my mortgage company may require me to pay off the remaining balance.	[Initials] _____	[Initials] _____
	[Name]	[Name]

If I sell my property, the Buyer or their mortgage company may require me to pay off the remaining balance.	[Initials] _____	[Initials] _____
	[Name]	[Name]

If I pay my property taxes using an impound account I need to save an estimated \$[0] for my first payment in November [2001] or cause the trustee of such impound account to adjust my payments upon settlement.	[Initials] _____	[Initials] _____
	[Name]	[Name]

I should consult a qualified tax professional regarding the tax deductibility of the interest payments and other potential tax benefits of participation in the Program and ownership of eligible improvements financed by the Program.	[Initials] _____	[Initials] _____
	[Name]	[Name]

If I pay my property tax payment late, the amount due will be subject to a 10% penalty, late fees, and 1.5% per month interest penalty as established by state law, and my property may be subject to foreclosure.	[Initials] _____	[Initials] _____
	[Name]	[Name]

## Confirmation of Receipt

I declare that I have received, read, and understand this Truth-in-PACE™ disclosure statement.

[Owner Full Name]	[Signature]	

Identity Verification Code	[ID Code]	Date [01/01/2001]
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[Owner Full Name]	[Signature]	

Identity Verification Code	[ID Code]	Date [01/01/2001]
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# Right to Cancel

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Financing ID [FortiFi ID Number]  
Owners [Owner Full Name], [Phone], [Email]  
[Owner Full Name], [Phone], [Email]  
Property Address [Property Address]

Your Right to Cancel You are entering into an Assessment Contract with the California **Statewide Communities Development Authority** (“**CSCDA**”) for Financing under the **CSCDA FortiFi** Program (“Program”) that will result in a lien on the property at [Property Address]. Under the Program, you may cancel this transaction, without cost, within three (3) business days from the date on which you signed the Assessment Contract.

If you Cancel

If you Cancel the transaction, the Program will:

- Not Charge you a cancellation fee;
- Refund any money you have given the Program, excluding application and processing fees as applicable; and
- If the lien on your property has been recorded, take the necessary steps to discharge such lien within 20 calendar days after receiving your notification to cancel financing.

How to Cancel To Cancel this transaction, you may submit this form to **FortiFi** in writing at:

**FortiFi**  
Attn: Right To Cancel Notification  
**11111 Santa Monica Blvd, Suite 900**  
Los Angeles, 90025  
Fax (844) 622-5533

Deadline to Cancel If you cancel by mail, fax or email, you must send the notice no later than midnight of the third business day following the date on which you signed the Assessment Contract. If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than the time indicated above.

## Acknowledgement of Receipt

[Owner Full Name]

[Signature]

---

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Identity Verification Code      [ID Code]      Date    [01/01/2001]

[Owner Full Name]      [Signature]

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Identity Verification Code      [ID Code]      Date    [01/01/2001]

I Wish to Cancel

(Only Sign here if you are canceling your financing)

If two or more people have the right to cancel this financing, cancellation by one person is effective for all of them.

---

Print Name

Signature

Date

# Project Definition

---

Contractor [Company Name]  
 Address [Company Address]  
 Contact [Name], [Phone], [Email]

Property Address [Property Address]  
 Owners [Owner Full Name], [Phone], [Email]  
 [Owner Full Name], [Phone], [Email]

Improvements	Price	Qty	Amount
[Make], [Model] [Description]	[\$0.00]	[0]	[\$0.00]
[Make], [Model] [Description]	[\$0.00]	[0]	[\$0.00]
[Make], [Model] [Description]	[\$0.00]	[0]	[\$0.00]
Total Cost of Improvements			[\$0.00]

This project definition is used to determine the total financing amount requested for your assessment. This project definition along with the requested financing amount will be submitted to the **CSCDA** for approval. If the **CSCDA** approves the project for financing, you and your contractor will receive a notice to proceed. The program makes no commitment to finance this project until you receive the notice to proceed.

# Assessment Contract

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## CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY PACE PROGRAM

THIS ASSESSMENT CONTRACT (this "Contract"), dated as of [01/01/2001], is by and between the **California Statewide Communities Development Authority** (the "Authority"), and the record owner[s], [Property Owner Names] (the "Property Owner") of the fee interest in the real property described on Exhibit A (the "Property").

### RECITALS

WHEREAS, the Authority is a joint exercise of powers authority, the members of which include numerous cities and counties in the State of California;

WHEREAS, the Authority has established the **CSCDA** PACE Program (the "Program") to allow the financing or refinancing of certain distributed generation renewable energy sources, energy efficiency improvements, water efficiency improvements, seismic strengthening improvements, electric vehicle charging infrastructure and such other work, infrastructure or improvements as may be authorized by law from time to time that are permanently fixed to real property (the "Authorized Improvements") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the California Streets & Highways Code ("Chapter 29") and the issuance of improvement bonds under the Improvement Bond Act of 1915 (California Streets and Highways Code Section 8500 and following) (the "1915 Act") upon the security of the unpaid contractual assessments;

WHEREAS, Chapter 29 provides that assessments may be levied under the provisions thereof only with the free and willing consent of the owner of each lot or parcel on which an assessment is levied at the time the assessment is levied pursuant to a contract between the property owner and the public agency;

WHEREAS, the Authority has conducted the proceedings required by Chapter 29 with respect to the territory within the boundaries of the City or County identified in Exhibit A (the "Participating Entity");

WHEREAS, the Authority has appointed **FortiFi**, Inc, as a program administrator (together with any successors thereto, the "Program Administrator") for the Program as it pertains to this Contract;

WHEREAS, the Property is located in the boundaries of the Participating Entity, and the Participating Entity has consented to (a) owners of property within its jurisdiction (the "Participating Property Owners") participating in the Program and (b) the Authority conducting assessment proceedings under Chapter 29 and issuing bonds under the 1915 Act to finance or refinance the Authorized Improvements; and

WHEREAS, pursuant to Chapter 29, the Authority and the Property Owner desire to enter into this Contract, pursuant to which the Property Owner will agree to pay an assessment in order to finance or refinance the installation of the Authorized Improvements described in Exhibit A (the "Improvements") and the Authority will agree to provide financing, all on the terms set forth in this Contract;

NOW, THEREFORE, in consideration of the foregoing and the material covenants hereinafter contained, the Property Owner and the Authority formally covenant, agree and bind themselves and their successors and assigns as follows:

# AGREEMENT

## 1 Purpose.

The Property Owner and the Authority are entering into this Contract for the purpose of financing or refinancing the installation of the Improvements identified on Exhibit A.

## 2 The Property.

This Contract relates to the Property, which is described on Exhibit A. The Property Owner has provided to the Authority evidence that the Property Owner is the owner of the fee interest in the Property and possesses all legal authority necessary to execute this Contract.

## 3 Assessment; Bonds; Installment; Prepayment; Collection.

(a) The Assessment. The Property Owner hereby freely and willingly agrees that an assessment in the amount specified in Exhibit B (the "Assessment") shall be levied by the Authority on the Property pursuant to Chapter 29. The amount of the Assessment shall be the amount specified in Exhibit B, which includes an amount to pay the costs of the Improvements, an amount to pay incidental expenses and, if so specified in Exhibit B, an amount for capitalized interest on bonds to be issued. The Property Owner acknowledges and agrees that the amount of the Assessment does not exceed the special benefit conferred on the Property by the installation of the Improvements thereon.

(b) Bonds. The Authority hereby determines that serial bonds, term bonds or both (the "Bonds") shall be issued as provided in the 1915 Act to represent and be secured by the Assessment to pay the cost of the Improvements. The per annum interest rate born by the Bonds shall not exceed the Maximum Interest Rate specified in Exhibit B. The final maturity date of the Bonds shall be no later than the Final Maturity Date specified in Exhibit B.

(c) Interest; Assessment Installments. Interest on the Assessment shall begin to run from the date of the Bonds and shall be computed at the rate specified in the Bonds. The unpaid Assessment shall be payable in annual installments corresponding in number and in the pro rata share of the proportionate amount to the number of installments and principal amount of Bonds maturing or becoming subject to mandatory prior redemption in each year. An annual proportion of the Assessment shall be payable in each fiscal year preceding the date of maturity or mandatory prior redemption date of each of the Bonds, sufficient to pay the pro rata share of the Bonds when due.

(d) Collection. The annual proportion of the Assessment coming due in any year, together with the annual interest thereon, shall be payable in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and have the same priority, become delinquent at the same time and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property.

(e) Administrative Expenses. In addition to the annual installment of the Assessment described in subsection (c) of this Section, the Authority shall, in accordance with and subject to the limitations contained in Section 8682 and Section 8682.1 of the 1915 Act, add thereto amounts to in order to pay for the costs of collecting the Assessment, the annual administration of the Assessment, the annual administration of the Bonds and other administrative costs (the "Annual Assessment Administrative Fee").

(f) Prepayment of the Assessment. The Assessment may be prepaid, in whole or in any amount of at least \$5,000, at any time upon the payment of (i) the amount of any delinquent installments of principal or interest on the Assessment, together with penalties accrued to the date of prepayment, plus (ii) the whole or, subject to the minimum amount set forth in this subsection, a portion of the unpaid non-delinquent

principal of the Assessment (the "Assessment Prepayment Amount"), plus (iii) interest on the Assessment Prepayment Amount to the earlier of March 2 or September 2 occurring at least 50 days following the date the prepayment is made, plus (iv) \$[0.00], for the cost of administering the prepayment and the redemption of bonds (v) an amount equal to [0]% of the Prepayment Amount, necessary to redeem the principal amount of Bonds corresponding to the amount of the Assessment Prepayment Amount.

(g) No Reduction or Offset. The Property Owner hereby acknowledges and agrees that the Assessment will not be subject to reduction, offset or credit of any kind in the event that the Improvements fail to perform in any way or for any reason.

#### 4 Lien; Foreclosure.

(a) Lien. The Assessment, and each installment thereof and the interest and penalties thereon shall constitute a lien against the Property until they are paid, which lien shall be coequal to and independent of the lien for general taxes.

(b) Foreclosure. The Property Owner acknowledges and agrees that if any Assessment installment is not paid when due, the Authority has the right to have such delinquent installment and its associated penalties and interest stripped off the secured property tax roll and immediately enforced through a judicial foreclosure action that could result in a sale of the Property for the payment of the delinquent installments, associated penalties and interest, and all costs of suit, including attorneys' fees. The Property Owner acknowledges that the Authority may obligate itself, through a covenant with the owners of the Bonds, to exercise its judicial foreclosure rights with respect to delinquent Assessment installments under circumstances specified in such covenant.

#### 5 Financing or Refinancing of the Improvements.

The parties hereby agree that the net proceeds of the Bonds allocable to the Assessment shall be used to finance or refinance the Improvements.

#### 6 Term; Contract Runs with the Land; Division.

(a) Except as otherwise set forth in this Contract, this Contract shall expire upon the final payment or prepayment of the Assessment.

(b) This Contract establishes rights and obligations that are for the benefit of the Property and, therefore, such rights and obligations run with the land pursuant to Civil Code Section 1462.

(c) The obligation to pay the Assessment is an obligation of the Property and no agreement or action of the Property Owner shall be competent to impair in any way the Authority's rights, including, but not limited to, the right to pursue judicial foreclosure of the Assessment lien or the right to enforce the collection of the Assessment or any installment thereof against the Property.

(d) In the event the Property is divided while the Assessment remains unpaid, the unpaid installments of the Assessment shall be segregated and apportioned in accordance with the benefits to the original lot or parcel plus costs and fees of making the apportionment.

#### 7 Recordation of Documents.

The Authority shall record or cause to be recorded in the office of the County Recorder the various notices and other documents required by Chapter 29 and other applicable laws to be recorded against the Property.



## 8 Notice.

To the extent required by applicable Law, the Property Owner shall provide written notice to any subsequent purchaser of the Property, or a portion thereof, of the obligation to pay the Assessment.

## 9 Waivers, Acknowledgment and Contract.

(a) Since the Assessment is voluntary and imposed, in accordance with Chapter 29, pursuant to this Contract, the Property Owner hereby waives any otherwise applicable requirements of Article XIII D of the California Constitution, or any other provision of California law, for an engineer's report, notice, public hearing, protest or ballot.

(b) The Property Owner hereby waives its right to repeal the Assessment by initiative or any other action, or to file any lawsuit or other proceeding to challenge the Assessment or any aspect of the proceedings of the Authority undertaken in connection with the Program. The Property Owner hereby agrees that the Property Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Improvements. The Property Owner hereby acknowledges that the Property will be responsible for payment of the Assessment regardless of whether the Improvements are properly installed, operated, maintained or perform as expected.

(c) The Property Owner hereby agrees that the Authority is entering into this Contract solely for the purpose of assisting the Property Owner with the financing or refinancing of the installation of the Improvements, and that neither the Authority nor the Participating Entity has any responsibility of any kind for, and shall have no liability arising out of, the installation, operation, financing, refinancing, maintenance or performance of the Improvements. The Property Owner hereby waives the right to recover from and fully and irrevocably releases the Authority, the Participating Entity and any and all agents, employees, program administrators, attorneys, representatives and successors and assigns of the Authority and the Participating Entity from any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), relating to the subject matter of this Contract that the Property Owner may now have or hereafter acquire against the Authority, the Participating Entity and any and all agents, employees, program administrators, attorneys, representatives and successors and assigns of the Authority or the Participating Entity.

(d) To the extent that the foregoing waivers and agreements are subject to Section 1542 of the California Civil Code or similar provisions of other applicable law, it is the intention of the Property Owner that the foregoing waivers and agreements will be effective as a bar to any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), of whatever character, nature and kind, known or unknown, suspected or unsuspected, and Property Owner agrees to waive any and all rights and benefits conferred upon the Property Owner by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law. Section 1542 reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BY INITIALING BELOW, OWNER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

[Owner Name]	[Initials] _____
[Owner Name]	[Initials] _____

(e) The waivers, releases and agreements set forth in this Section shall survive termination of this Contract.

### 10 Indemnification.

(a) The Property Owner agrees to indemnify, defend, protect, and hold harmless the Authority, the Participating Entity and any and all agents, advisors, employees, program administrators, attorneys, representatives and successors and assigns of the Authority or the Participating Entity, from and against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) and any demands of any nature whatsoever related directly or indirectly to, or arising out of or in connection with (i) the Property Owner's participation in the Program, (ii) the Assessment, (iii) the Improvements, or (iv) any other fact, circumstance or event related to the subject matter of this Contract, regardless of whether such losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) accrue before or after the date of this Contract. (b) The provisions of this Section shall survive the termination of this Contract.

### 11 Right to Inspect Property.

The Property Owner hereby grants the Authority, its agents and representatives the right to enter at any reasonable time, upon reasonable notice, to inspect the Improvements. The Property Owner further hereby grants the Authority, its agents and representatives the right to examine and copy any documentation relating to the Improvements.

### 12 Carbon Credits.

The Property Owner hereby agrees that any carbon credits attributable to the Improvements shall be owned by the Authority or its assignees.

### 13 Program Application.

The Property Owner hereby represents and warrants to the Authority that the information set forth in the Program Application submitted to the Authority in connection with its request for financing is true and correct as of the date hereof, and that the representations set forth in the Program Application with respect to the Property and the Property Owner are true and correct as of the date hereof as if made on the date hereof.

### 14 Amendment.

This Contract may be modified or amended only by the written agreement of the Authority and the Property Owner.

### 15 Binding Effect; Assignment.

This Contract inures to the benefit of and is binding upon the Authority, the Property Owner and their respective successors and assigns. The Authority has the right to assign any or all of its rights and obligations under this Contract without the consent of the Property Owner. The Authority intends to delegate certain of its functions under this Contract to the Program Administrator and may pledge and assign this Contract to a trustee as security for the Bonds.

### 16 Exhibits.

Exhibits A and B attached to this Contract are incorporated into this Contract by this reference as if set forth in their entirety in this Contract.

### 17 Severability.

If any provision of this Contract is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision of this Contract.

### 18 Corrective Instruments.

The Authority and the Property Owner shall, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required in order to carry out the expressed intention of this Contract.

### 19 Governing Law: Venue.

This Contract shall be construed in accordance with and governed by the laws of the State of California applicable to contracts made and performed in the State of California. This Contract shall be enforceable in the State of California, and any action arising hereunder shall (unless waived by the Authority in writing) be filed and maintained in the Superior Court of California, County of Los Angeles; provided, however, that actions to foreclose delinquent installments of the Assessment shall be filed and maintained in the Superior Court of California in the County identified in Exhibit A.

### 20 Counterparts.

This Contract may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument.

## 21 Monitoring and Recording of Telephone Calls.

The Program may monitor and/or record telephone calls for security and customer service purposes. By agreeing to this Contract the Property Owner agrees to have his, her or its telephone calls with the Program recorded.

## 22 Electronic Signatures.

(a) The parties hereto acknowledge and agree that this Contract may be executed by one or more electronic means ("Electronic Signatures"). Each party hereto agrees that Electronic Signatures provided by such party shall constitute effective execution and delivery of this Contract by such party to all other parties to or relying on this Contract. Each party hereto agrees that Electronic Signatures shall constitute complete and satisfactory evidence of the intent of such party to be bound by those signatures and by the terms and conditions of this Contract as signed. Each party hereto agrees that Electronic Signatures shall be deemed to be original signatures for all purposes.

(b) Each party hereto agrees to accept Electronic Signatures provided by any and all other parties to this Contract as (i) full and sufficient intent by such parties to be bound hereunder, (ii) effective execution and delivery of this Contract, and (iii) constituting this Contract an original for all purposes, without the necessity for any manually signed copies to be provided, maintained or to exist for back up or for any other purpose.

(c) If Electronic Signatures are used to execute this Contract, each party hereto hereby accepts the terms of, and intends and does sign, this Contract by its Electronic Signature hereto.

## 23 Contract Documents.

(a) The Property Owner acknowledges and agrees that the entire agreement between Property Owner and the Authority includes each and every document specified in the List of Documents contained in Exhibit B (collectively, the "Contract Documents").

(b) By executing this Contract, the Property Owner acknowledges and agrees that:

(i) The Property Owner has had sufficient time to review and has reviewed each of the Contract Documents and has had the opportunity to ask any questions of the Authority that Property Owner may have regarding such Contract Documents;

(ii) The Property Owner has reviewed, understands and agrees to each and every additional requirement and term contained in the Program Handbook (as defined in Exhibit B to this Contract, the "Program Handbook");

(iii) The Property Owner has reviewed, understands, agrees to and affirms each and every representation and warranty contained in the Property Owner's application and the Program Handbook; and

(iv) Prior to executing this Contract has read and understands the Property Owner's Acknowledgments and Disclosures contained in the (A) Application, (B) this Contract, (C) the Privacy Notice, and (D) the Program Handbook

24 Execution and Return of Contract.

The Property Owner must execute and return this Contract to the Authority at the address set forth in the "Notice Information" section of Exhibit A so that it is received by the Authority not later than [01/01/2001]. If the Property Owner fails to return this Contract so executed to the Authority by the indicated date, the Program reserves the right to require the Property Owner to enter into a new Contract. The signature of each person signing as or on behalf of the Property Owner must be notarized by a duly licensed notary unless all such persons have previously successfully completed the identity verification process approved by the Authority.

IN WITNESS WHEREOF, the Authority and the Property Owner have caused this Contract to be executed in their respective names by their duly authorized representatives, all as of the Effective Date. The "Effective Date" is defined as the last date entered with the signatures of the parties below.

**Property Owner(s):**

[Owner Name]	[Signature]	<hr/>	
Identity Verification Code	[ID Code]	Date	[01/01/2001]

[Owner Name]	[Signature]	<hr/>	
Identity Verification Code	[ID Code]	Date	[01/01/2001]

**Authority:**

Authorized Signatory	[Signature]	<hr/>	
Name	[Name]	Date	[01/01/2001]

# EXHIBIT A

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## DESCRIPTION OF PROPERTY, DESCRIPTION OF THE IMPROVEMENTS, AND NOTICE INFORMATION

### Description of Property:

Property Owner(s): [Owner Full Name]  
[Owner Full Name]

Property Address: [Property Address]

APN: [Assessor Parcel Number]

County: [County]

### Description of Improvements:

The Improvements consist of the following:

[Improvement Description]

[Improvement Description]

[Improvement Description]

### Notice Information:

Administrator: **FortiFi**  
Attn: Assessment Notice  
**11111 Santa Monica** Blvd Suite **900**  
Los Angeles CA 90025

Property Owner: [Owner Names]  
[Property Address]

# EXHIBIT B

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## LIST OF CONTRACT DOCUMENTS, DISBURSEMENT, AND SCHEDULE OF ANNUAL ASSESSMENT INSTALLMENTS, INCLUDING PRINCIPAL, INTEREST AND ANNUAL ASSESSMENT ADMINISTRATIVE FEE

### List of Contract Documents:

This Contract shall consist of the following documents:

- This Contract and the exhibits hereto;
- The Application;
- The Truth-In-PACE™ Disclosure Statement
- The Completion Certificate;
- The Assessment Cost and Payment Summary;
- The Notice of Assessment and Payment of Contractual Assessment Required;
- The Program Handbook; and
- The Program website located at [www.fortifi.com](http://www.fortifi.com).

### Assessment:

The amount of the Assessment is \$[0.00] (the "Assessment Amount"), of which \$[0.00] is allocable to the cost of the Improvements, \$[0.00] is allocable to incidental expenses and \$[0.00] is allocable to capitalized interest.

### Bonds:

The Maximum Interest Rate to be borne by the Bonds is [0.00]% per annum.

The Final Maturity Date of the Bonds shall be no later than September 2, [2001].

### Estimated Maximum Annual Assessment Installments:

The schedule of the estimated maximum annual installments of the Assessment is based on the following assumptions:

1. Bonds allocable to the Assessment are issued in an amount equal to Assessment Amount.
2. The Bonds bear interest at a rate equal to the Maximum Interest Rate.
3. The final maturity date of the Bonds is the Final Maturity Date.
4. The Assessment Interest Rate is [0.00]%.
5. The Annual Percentage Rate (APR) attributable to the Assessment is [0.00]%. APR is the Effective Cost of Credit in consumer loans and real estate loans expressed as a percentage interest rate. The annual percentage rate is the interest rate the borrower actually pays, including fees required in order to participate in the Program.
6. The total administrative fees, recording fees and other fees and costs added to your assessment is \$[0.00]

Tax Year (Commencing July 1)	Interest	Principal	Total Assessment	Annual Administrative Assessment Fee <sup>1</sup>	Total Estimated Contractual Assessment Payment
[2001]-[2002] <sup>2</sup>	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]
[2001]-[2002]	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]
[2001]-[2002]	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]
[2001]-[2002]	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]
[2001]-[2002]	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]	\$[0.00]

<sup>1</sup> Estimated, subject to change

<sup>2</sup> The Estimated Initial Tax Year shown on preceding schedule is based upon the Estimated Recording Date; the actual Initial Tax Year will be based upon the actual Recording Date.

UPON THE ISSUANCE OF THE BONDS, THE ACTUAL ANNUAL ASSESSMENT INSTALLMENTS WILL BE DETERMINED IN ACCORDANCE WITH THE 1915 ACT, AS DESCRIBED IN THIS CONTRACT. THE SCHEDULE OF ANNUAL ASSESSMENT INSTALLMENTS SHALL BE SPECIFIED IN THE "PAYMENT OF CONTRACTUAL ASSESSMENT REQUIRED" TO BE RECORDED BY THE AUTHORITY IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF [COUNTY NAME].

**Prepayment:**

The Assessment may be prepaid, in whole or in part, as described in Section 3(f) of this Contract.



# Completion Certificate

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Contractor [Company Name]  
 Address [Company Address]  
 Contact [Name], [Phone], [Email]

Owners [Owner Full Name], [Phone], [Email]  
 [Owner Full Name], [Phone], [Email]  
 Property Address [Property Address]

### Instructions

Upon completion of improvements indicated herein:

1. Sign this completion certificate;
2. Prepare required attachments, as applicable;
3. Submit to **FortiFi**;

Upon receipt of this Completion certificate and attachments, **FortiFi** will approve and process payment.

### Installed Improvements

Improvements	Price	Qty	Amount
[Make], [Model] [Description]	[\$0.00]	[0]	[\$0.00]
[Make], [Model] [Description]	[\$0.00]	[0]	[\$0.00]
[Make], [Model] [Description]	[\$0.00]	[0]	[\$0.00]
Total Cost of Improvements			[\$0.00]

## Contractor

I, the undersigned hereby certify that:

1. The improvements made to the Property are complete to the satisfaction of the property owner;
2. All improvements made to the Property meet the program eligibility criteria as described in the Program Handbook;
3. I have read, understood and complied will all terms of the Programs Contractor Handbook and Agreements;
4. I have the correct and current licensing/classifications from the State Licensing Board to construct the improvements;
5. The Property Owner signed this Completion Certificate after the improvements were complete and the signatures are genuine;
6. I hereby assign my rights to place mechanics lien, stop notice, or any right against labor and material bond on the job to the **FortiFi**, Inc;
7. I transfer and Assign my rights to Program Fund Moneys to **FortiFi**, Inc; and
8. I have the Authority sign this completion certificate on behalf of the company.

Authorized Signatory	[Signature]		
Name	[Full Name]	Date	[01/01/2001]

## Property Owner(s)

Do NOT sign until the improvements have been completed to your satisfaction

I, the undersigned hereby certify that:

1. The improvements listed above have been made to the Property and are complete to my satisfaction;
2. I have read, understood and complied with all terms of the Program Handbook;
3. I understand that the Program does not endorse the Contractor or make any representations as to the economic value, safety, durability or reliability of the improvements;
4. I have obtained all necessary final permits and inspections required for the improvements made;
5. I hereby instruct the **FortiFi**, inc. to release to the Contractor the total cost of my improvements indicated on this completion certificate;
6. I hereby transfer and Assign my rights to Program Fund Moneys to the **FortiFi**, inc.

[Owner Name]	[Signature]		
Identity Verification Code	[ID Code]	Date	[01/01/2001]

[Owner Name]	[Signature]		
Identity Verification Code	[ID Code]	Date	[01/01/2001]

**INDEMNIFICATION AND INSURANCE AGREEMENT  
BY AND BETWEEN  
COUNTY of CONTRA COSTA  
AND  
FORTIFI FINANCIAL**

This Indemnification and Insurance Agreement (the "Agreement") is entered into as of \_\_\_\_\_, 2020 ("Effective Date"), by and between the County of Contra Costa, a political subdivision of the State of California, ("County"), and FortiFi Financial Group LLC, a California limited liability company, (the "PACE Administrator") as the administrator of the California Statewide Communities Development Authority's Property Assessed Clean Energy Program, which is a Program of the California Statewide Communities Development Authority, a California joint exercise of powers authority ("Authority" or "CSCDA") – the CSCDA Open PACE Program.

**RECITALS**

**WHEREAS**, the Authority is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the California Government Code; and

**WHEREAS**, the Authority established the CSCDA Open PACE Program ("PACE Program") to allow the financing of certain renewable energy, energy efficiency and water efficiency improvements that are permanently affixed to real property and financed through the levy of assessments voluntarily agreed to by participating property owners pursuant to Chapter 29 of Division 7 of the Streets and Highways Code ("Chapter 29") and the issuance of improvement bonds under the Improvement Bond Act of 1915 upon the security of the unpaid assessments; and

**WHEREAS**, the Authority is responsible for the formation, operation and administration of the PACE Program as well as the sale and issuance of any bonds in connection therewith, including the conduct of assessment proceedings, the levy and collection of assessments and any remedial action in the case of such assessment payments, and the offer, sale and administration of any bonds issued by the Authority on behalf of the PACE Program; and

**WHEREAS**, the Authority has entered into a separate operating agreement with the County authorizing it to offer and provide the PACE Program in Contra Costa County; and

**WHEREAS**, the PACE Administrator is an independent contractor of the Authority that markets, administers, and carries out the PACE Program in Contra Costa County on behalf of the Authority.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties agree as follows:

1. Agreement to Indemnify. To the fullest extent not prohibited by applicable law, the PACE Administrator shall defend, indemnify, protect, save, and hold harmless the

County, the County Auditor-Controller, the County Treasurer-Tax Collector, their respective employees, agents, attorneys, officers, divisions, related agencies and entities, affiliates, successors and assigns (collectively and individually the "Indemnitees"), from and against any and all claims, damages, losses, expenses, fines, penalties, judgments, demands and defense costs (including, without limitation, actual, direct, out-of-pocket costs and expenses and amounts paid in compromise or settlement and reasonable outside legal fees arising from litigation of every nature or liability of any kind or nature including civil, criminal, administrative or investigative) arising out of or in connection with the PACE Program. If requested by any of the Indemnitees, the PACE Administrator will defend any such suits at the sole cost and expense of the PACE Administrator with counsel approved by the Contra Costa County Counsel; provided, that if the Indemnitee does not request the PACE Administrator to defend such suit, then the Indemnitee shall consult with the PACE Administrator regarding the conduct of the defense and shall keep the PACE Administrator apprised of important developments related to the claim. The PACE Administrator's obligations under this section will exist regardless of concurrent negligence or willful misconduct on the part of any Indemnitee or any other person; provided, however, that the PACE Administrator will not be required to indemnify Indemnitees for the proportion of liability a court determines is attributable to the sole negligence or willful misconduct of the County, its governing body, officers or employees. This indemnity shall apply to all claims and liability regardless of whether any insurance policies of the PACE Administrator, its affiliates or any other parties are applicable thereto. The policy limits of any insurance of the PACE Administrator, its affiliates or other parties are not a limitation upon the obligation of the PACE Administrator including without limitation the amount of indemnification to be provided by the PACE Administrator. This indemnification clause shall survive the termination or expiration of this Agreement.

2. Insurance. The PACE Administrator shall, at no cost or expense to the County and at all times during the operation of the PACE Program, maintain the insurance coverage set forth in Exhibit A to this Agreement.

3. Amendment/Interpretation of this Agreement. This Agreement, including all Exhibits attached hereto, represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. This Agreement shall not be interpreted for or against any party by reason of the fact that such party may have drafted this Agreement or any of its provisions.

4. Section Headings. Section headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

5. Waiver. No waiver of any of the provisions of this Agreement shall be binding unless in the form of a writing signed by the party against whom enforcement is sought,

and no such waiver shall operate as a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver. Except as specifically provided herein, no failure to exercise or any delay in exercising any right or remedy hereunder shall constitute a waiver thereof.

6. Severability and Governing Law. If any provision or portion thereof of this Agreement shall be held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California applicable to contracts made and to be performed in California.

7. Notices. All notices, demands and other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand, against receipt, or mailed certified or registered mail and addressed as follows:

If to the PACE Administrator:

FortiFi Financial, Inc.  
11111 Santa Monica Blvd. Suite 950  
Los Angeles, CA 90025

If to the County:

County of Contra Costa  
Attn: Jason Crapo, Deputy Director  
Dept. of Conservation and Development  
30 Muir Rd.  
Martinez, CA 94553

8. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, which together shall constitute the same instrument.

9. Successors and Assigns. This Agreement shall apply to, bind and inure to the benefit of successors in interest of the parties hereto, including heirs, assigns, executors, administrators and all other parties, whether they succeed by operation of law or voluntary acts.

10. No Third-Party Beneficiaries. Nothing in this Agreement shall be construed to create, and the parties do not intend to create, any rights in third parties.

11. Effective Date. This Agreement will be effective as of the date of the signature of County's representative as indicated below in the County's signature block.

IN WITNESS HEREOF, the parties hereto duly executed this Agreement as of the Effective Date.

"County"

County of Contra Costa, a political subdivision of the State of California

By: \_\_\_\_\_

Date: \_\_\_\_\_

"PACE Administrator"

FortiFi Financial, Inc.

By: \_\_\_\_\_

Name: Chris Peterson

Title: VP Municipal Development

Date: \_\_\_\_\_

**EXHIBIT A**  
**INSURANCE**

**A. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. The coverage provided by Insurance Services Office Commercial General Liability coverage ("occurrence") Form Number CG 0001; and
2. The coverage provided by Insurance Services Office Form Number CA 0001 covering Automobile Liability. Coverage shall be included for all owned, non-owned and hired automobiles; and
3. Workers' Compensation insurance as required by the California Labor Code and Employers Liability insurance; and
4. Professional Liability Errors & Omissions for all professional services.

There shall be no endorsement reducing the scope of coverage required above unless approved by the County's Risk Manager.

**B. Minimum Limits of Insurance**

PACE Administrator shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit; and
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage; and
3. Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the California Labor Code and Employers Liability limits of \$1,000,000 per accident; and
4. Professional Liability Errors & Omissions \$1,000,000 per occurrence/ aggregate limit.

### **C. Deductibles and Self-Insured Retentions**

PACE Administrator shall maintain the following deductibles on its insurance policies:

- Property: \$2,500
- General Liability: \$0
- Professional Liability: \$250,000

### **D. Other Insurance Provisions**

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages
  - a. County of Contra Costa, its officers, employees, agents and contractors are to be covered as additional insureds as respects: Liability arising out of activities performed by or on behalf of, PACE Administrator; products and completed operations of PACE Administrator; premises owned, leased or used by PACE Administrator; and automobiles owned, leased, hired or borrowed by PACE Administrator. The coverage shall contain no special limitations on the scope of protection afforded to County, its officers, employees, agents and contractors.
  - b. PACE Administrator's insurance coverage shall be primary insurance as respects County, its officers, employees, agents and contractors. Any insurance or self-insurance maintained by County, its officers, employees, agents or contractors shall be excess of PACE Administrator's insurance and shall not contribute with it.
  - c. Any failure to comply with reporting provisions of the policies by PACE Administrator shall not affect coverage provided County, its officers, employees, agents, or contractors.
  - d. Coverage shall state that PACE Administrator's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  - e. Coverage shall contain a waiver of subrogation in favor of the County, its officers, employees, agents and contractors.
2. Workers' Compensation and Employers' Liability

Coverage shall contain waiver of subrogation in favor of County of Contra Costa, its officers, employees, agents and contractors.



### 3. All Coverages

Each insurance policy required by this AGREEMENT shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or reduced in limits except after thirty (30) days' prior written notice has been given to County , except that ten (10) days' prior written notice shall apply in the event of cancellation for nonpayment of premium; provided, that if such endorsement is not commercially available, PACE Administrator agrees to provide County such notice.

#### **E. Acceptability of Insurers**

Insurance is to be placed with insurers acceptable to County's Risk Manager.

#### **F. Verification of Coverage**

PACE Administrator shall furnish County with certificates of insurance and with original endorsements affecting coverage required by this AGREEMENT. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Proof of insurance shall be either emailed in pdf format to: demian.hardman@dcd.cccounty.us, or mailed to the following postal address or any subsequent address as may be directed in writing by the County Department of Conservation and Development:

County of Contra Costa  
Demian Hardman, Senior Planner  
Department of Conservation and Development  
30 Muir Rd.  
Martinez, CA 94553

#### **G. Subcontractors**

PACE Administrator shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor.



Contra  
Costa  
County

To: Board of Supervisors  
From: Deborah R. Cooper, Clerk-Recorder  
Date: December 15, 2020

Subject: Establish Electronic Recording Delivery System (ERDS)

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**RECOMMENDATION(S):**

ADOPT Resolution No. 2020/339 establishing an Electronic Recording Delivery System (ERDS) pursuant to the State Electronic Recording Delivery Act of 2004.

**FISCAL IMPACT:**

There is no impact to the County General Fund for this program. It will be paid for with dedicated Recorder ERDS Trust fund monies. The annual cost will be determined by the number of real property documents recorded in the previous year for which an electronic recording delivery fee was collected.

**BACKGROUND:**

The Electronic Recording Delivery Act of 2004 ("ERDA") was established by AB 578 to authorize a county recorder, upon approval by resolution of the board of supervisors and system certification by the Attorney General, to establish an electronic recording delivery system for the delivery for recording of specified digitized and digital electronic records. Use of ERDS for electronic recording of real property documents allows authorized submitters (such as title insurers and institutional lenders) to record with more flexibility and speed, which benefits the public.

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APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Val Handfield,  
925-335-7898

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

## BACKGROUND: (CONT'D)

On November 1, 2005, the Board of Supervisors approved the County's participation in ERDA and authorized the County Clerk-Recorder, or designee, to negotiate and execute Memoranda of Understanding necessary to implement County participation in the ERDA. On May 22, 2012, the Board of Supervisors by resolution established and authorized the Clerk-Recorder to participate in an ERDS by executing the Memoranda of Understanding with CERTNA. Pursuant to ERDA, Resolution No. 2020/339 establishes an ERDS, which gives the County the flexibility to contract with any ERDS provider certified by the Attorney General. While the Clerk-Recorder is currently using the CERTNA ERDS, the Board of Supervisors approved and authorized the County Clerk-Recorder to enter into a Memorandum of Understanding with SECURE on November 10, 2020.

The Statewide Electronic Courier Universal Recording Environment ("SECURE") is a multi-county ERDS jointly owned by Los Angeles, Orange, Riverside and San Diego Counties. SECURE has developed an electronic recording delivery system, approved by the State Attorney General (the "SECURE ERDS"), that allows government agencies and submitters approved under the ERDA to electronically submit real property documents for recording.

SECURE is a standardized ERDS that is developed, operated and maintained by the owner counties and used by 15 partner and owner counties, which include the majority of large California counties.

## CONSEQUENCE OF NEGATIVE ACTION:

Failure to adopt Resolution No. 2020/339 will prevent the County from establishing an ERDS that provides it the flexibility to contract with any ERDS provider certified by the Attorney General.

## ATTACHMENTS

Resolution 2020/339

**THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA**  
**and for Special Districts, Agencies and Authorities Governed by the Board**

Adopted this Resolution on 12/15/2020 by the following vote:

**AYE:**

**NO:**

**ABSENT:**

**ABSTAIN:**

**RECUSE:**



**Resolution No. 2020/339**

IN THE MATTER OF AUTHORIZING THE COUNTY CLERK-RECORDER OR DESIGNEE TO ENTER INTO CERTAIN MEMORANDA OF UNDERSTANDING AND TAKE OTHER ACTIONS TO ESTABLISH AN ELECTRONIC RECORDING DELIVERY SYSTEM UNDER THE ELECTRONIC RECORDING DELIVERY ACT OF 2004

WHEREAS, California Government Code section 27390 et seq. (the "Electronic Recording Delivery Act of 2004" or "ERDA") authorizes a county recorder to establish an Electronic Recording Delivery System ("ERDS") for the recording of specified digitized and digital electronic records; and

WHEREAS, on November 1, 2005, the Board of Supervisors of Contra Costa County approved the County's participation in ERDA and authorized the County Clerk-Recorder, or designee, to negotiate and execute Memoranda of Understanding agreements necessary to implement County participation in the ERDA; and

WHEREAS, under the ERDA, the State Attorney General has established regulations and has the authority for system certification, regulation and oversight of electronic recording delivery systems and the County Recorder shall comply with all such ERDA regulations if it is to participate in an electronic recording delivery system; and

WHEREAS, the County must sign a yearly Letter of Intent and an Addendum to a Memorandum of Understanding with the State Department of Justice in order to continue participation in the ERDS, which the Board of Supervisors authorized on June 21, 2011; and

WHEREAS, Government Code section 27397(c)(1) authorizes a County Recorder to impose a fee in the amount up to and including one dollar (\$1) for each real property instrument that is recorded and the Board of Supervisors of Contra Costa County has authorized this fee in Ordinance 2009-34; and

WHEREAS, the ERDA authorizes a County Recorder to enter into contracts (submitter agreements) with authorized submitters who wish to submit real property records electronically; and,

WHEREAS, the Statewide Electronic Courier Universal Recording Environment ("SECURE"), a multi-county system jointly owned by Los Angeles, Orange, Riverside and San Diego Counties, has standardized electronic recording of documents across multiple owner and partner counties by creating a system that is developed, operated and maintained by the owner counties; and

WHEREAS, SECURE has developed an electronic recording delivery system, approved by the State Attorney General (the "SECURE ERDS"), that allows certain "submitters" under the ERDA and government agencies to electronically submit real property documents for recording; and

WHEREAS, the County's participation in the SECURE ERDS will be efficient and expedite the implementation of electronic recording of real property documents in the County; and

WHEREAS, on November 10, 2020, the Board of Supervisors of Contra Costa County by board order approved and authorized the County Clerk-Recorder, or designee, to execute a Memorandum of Understanding to participate in the SECURE Electronic Recording Delivery System;

NOW, THEREFORE, BE IT RESOLVED that the County of Contra Costa Board of Supervisors:

1. Finds and declares that the foregoing recitals are true and correct.
2. Authorizes the County to participate in the Electronic Recording Delivery System, as set forth in Government Code section 27390 et seq.

3. Authorizes the Clerk-Recorder, or designee, to participate in electronic recording via the SECURE ERDS by executing a Memorandum of Understanding and complying with the ERDA.
4. Authorizes the Clerk-Recorder, or designee, to submit applications for system certification to the ERDS Program and, in doing so, comply with California Code of Regulations, Title 11, Division 1, Chapter 18, Articles 1 through 9; and,
5. Directs the Clerk-Recorder and staff to comply with the ERDA and regulations issued under the ERDA, including conducting fingerprinting and criminal background checks on persons with secure access to the SECURE ERDS, as required by Government Code section 27395(b), and to notify the State Attorney General ERDS Program if there is a change of County Recorder or if the County wishes to withdraw its system certification.
6. Authorizes the Clerk-Recorder, or designee, to issue payments to SECURE for the County's participation in the SECURE ERDS based on the volume of documents recorded with the Clerk-Recorder for which an electronic recording fee (\$1.00) is collected.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

**ATTESTED: December 15, 2020**

David J. Twa, County Administrator and Clerk of the Board of Supervisors

**Contact: Val Handfield, 925-335-7898**

By: , Deputy

**cc:**



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Esa Ehmen-Krause, County Probation Officer  
Date: December 15, 2020

Subject: 2020 Advisory Body Annual Report for the Racial Justice Oversight Body

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**RECOMMENDATION(S):**

ACCEPT the 2020 Advisory Body Annual Report for the Racial Justice Oversight Body (RJOB).

**FISCAL IMPACT:**

There is no fiscal impact.

**BACKGROUND:**

On January 7, 2020, the Board of Supervisors adopted Resolution No. 2020/1, which requires that each advisory board, commission, or committee report annually to the Board on its activities, accomplishments, membership attendance, required training/certification, and proposed work plan or objectives for the following year. This Annual Report is due to the Board of Supervisors in December.

The 2020 Advisory Body Annual Report for the Racial Justice Oversight Body (RJOB) is included as Attachment A.

The RJOB is a multi-agency advisory body established by the Board of Supervisors to oversee the implementation of the recommendations made by the Racial Justice Task Force (RJTF) and accepted by the Board of Supervisors to reduce racial disparities in the criminal and juvenile justice systems. The RJOB also reviews local criminal

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- APPROVE  OTHER
  - RECOMMENDATION OF CNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE
- 

Action of Board On: **12/15/2020**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

Contact: Donte Blue,  
925-313-4087

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

BACKGROUND: (CONT'D)

and juvenile justice data in an ongoing fashion to identify and address any racial disparities that may persist. The RJOB is comprised of 18 members, including nine representatives from local community-based organizations (CBOs) and nine ex-officio members from specified local justice system agencies. The RJOB meets on a quarterly basis and its members also serve on its three subcommittees that each currently meets on a monthly basis.

CONSEQUENCE OF NEGATIVE ACTION:

The 2020 Advisory Body Annual Report submitted on behalf of the Racial Justice Oversight Body in accordance with Resolution No. 2020/1 would not be formally accepted.

ATTACHMENTS

Attachment A - 2020 Advisory Body Annual Report for the RJOB



## ADVISORY BODY ANNUAL REPORT

Advisory Body Name: \_\_\_\_\_  
Advisory Body Meeting Time/Location: \_\_\_\_\_  
Chair (during the reporting period): \_\_\_\_\_  
Staff Person (during the reporting period): \_\_\_\_\_  
Reporting Period: \_\_\_\_\_

### I. Activities

(estimated response length: 1/2 page)

*Describe the activities for the past year including areas of study, work, special events, collaborations, etc.*

### II. Accomplishments

(estimated response length: 1/2 page)

*Describe the accomplishments for the past year, particularly in reference to your work plan and objectives.*



III. Attendance/Representation

(estimated response length: 1/4 page)

*Describe your membership in terms of seat vacancies, diversity, level of participation, and frequency of achieving a quorum at meetings.*

IV. Training/Certification

(estimated response length: 1/4 page)

*Describe any training that was provided or conducted, and any certifications received, either as a requirement or done on an elective basis by members. NOTE: Please forward copies of any training certifications to the Clerk of the Board.*

V. Proposed Work Plan/Objectives for Next Year

(estimated response length: 1/2 page)

*Describe the advisory body's workplan, including specific objectives to be achieved in the upcoming year.*