

**FINAL AMENDED MINUTES OF OCTOBER 27, 2021
REGULAR MEETING OF GOVERNING BOARD OF
SAN MATEO COUNTY JOINT POWERS FINANCING AUTHORITY**

*****BY VIDEOCONFERENCE ONLY*****

On March 17, 2020, the Governor issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings telephonically or by other electronic means. Thus, pursuant to Executive Order N-29-20, local and statewide health orders, and the CDC's social distancing guidelines which discourage large public gatherings, the regular meeting location of the Joint Powers Financing Authority is no longer open for public meetings.

The meeting began at 11:14 AM

1. Roll Call

Members Present: 3 – John Gemello; Jim Saco; and Paul Scannell, President.
Members Absent: 2 – Thomas F. Casey III and Donna Vaillancourt (*Donna arrived at 11:27 AM*)

Staff Present: Roberto Manchia, County Chief Financial Officer
Rebecca Archer, Chief Deputy County Counsel
Daniel McCloskey, Deputy County Counsel
Sherry Golestan, Deputy Clerk of the Board

2. Welcome and introductions

3. Adopt a resolution finding that, as a result of the continuing COVID-19 pandemic state of emergency declared by Governor Newsom, meeting in person for meetings of the Joint Powers Financing Authority would present imminent risks to the health or safety of attendees.

Jim Saco asked if the Board has to meet every 30 days to renew the remote meeting resolution. Counsel Daniel McCloskey confirmed that the Board does not have to meet every 30 days to renew the resolution.

Motion: Gemello

Second: Saco

Ayes: 3 - Saco, Gemello, Scannell

Noes: 0

Members Absent: 2 – Casey, Vaillancourt

RESOLUTION NO. 2021-003

4. Public Comment

5. Approval of the Minutes for May 26, 2021 meeting

Minutes amended to remove the word “His” from the second sentence of minutes taken in Item No. 5, after “interest rate”.

Motion: Gemello
Second: Saco
Ayes: 3 - Saco, Gemello, Scannell
Noes: 0
Members Absent: 2 – Casey, Vaillancourt

6. Update on completion of 2021 lease revenue bond financing

Roberto Manchia provided an overview of the completed 2021 lease revenue bond financing. He shared that the financing was completed successfully and on very favorable terms, with an all-in rate of about 2%. The Cordilleras financing did not add to the debt service structure through favorable interest rate on the bonds and achieved a flat debt limit over 30 years. The resulting debt structure would allow other potential uses of the North County Facility and County Office Building 3 (COB3) for financing purposes. He thanked the JPFA and financing team for their role in the success of this financing.

7. Update on current capital projects

Adam Ely, Interim Project Development Unit Director, provided an overview of the status and progress of current capital projects, including COB3, SMC Health Campus upgrades and Cordilleras. Mr. Ely shared a powerpoint presentation related to the PDU Project Portfolio (Bond Associated) projects.

COB3: targeted to open in late 2023 or early 2024 and the project is about 85% bought out, with bid packages pending for the other 15%, which are expected to be within budget. The architect is SOM (Sullivan, Owens, and Merrill), who joined in July of 2020 and have done an excellent job. Adam described the work being done on the project.

President Scannell asked about cross-laminated timber. Adam said that there are 4 cores to the building that are steel-constructed. The remainder of the building is made of mass timber and cross-laminated to make it stronger. It's a process mostly used in the Pacific Northwest and Canada. We were able to secure our timber at reasonable prices before the prices nearly tripled.

President Scannell asked about the connection between the timber and the steel. Adam replied that the timber supports itself, and the steel is for the elevator cores. The timber foundation will be built around those steel cores that hold up the elevator.

San Mateo Health Campus Project: The state required compliance with the Essential Services Buildings Safety Act for seismic retrofitting. President Scannell asked for clarification of the essential services component of the project. Adam replied that the hospital as well as administration were included in essential services. There were issues with parking and wayfinding/navigation for the public, and different elements of the hospital have been moved. The new administration building is also an essential component. A link building is added to link the new administration building to the hospital. The administration building's roofwork is completed, and the interior levels are being worked on with HVAC and electrical.

President Scannell asked about the concrete core. Adam shared that whatever we put in place should structurally stand the test of time and reduce long term maintenance issues. PDU required Truebeck to replace their entire team due to the concrete quality issues caused by the subcontractor and are monitoring the work more closely to avoid further quality issues. PDU learned that although the concrete

was poured thinner in various spots, it was poured about two times stronger than required. This showed we don't have structural issues but need to be sure that the overlayment solution will stand the test of time. Paul Hundal is working diligently on a plan to find efficiencies in the schedule.

Paul Scannell asked about liability of Berkeley Construction and Truebeck for the concrete work. Adam replied that it could be at about \$2.5 million dollar liability for them while ensuring the project moves forward while keeping the other subcontractors engaged.

Cordilleras: the project is moving forward within the timeline and allocated budget. Cordilleras is composed of 4 mental health rehabilitation centers. The idea is to preserve as much of the natural environment as possible so that there can be healing by nature and make it a family friendly environment. The goal is to relocate clients in April-May 2023; with a final completion date of April 24, 2024. The total project budget of \$155M and are currently at \$104M.

John Palmer of Orrick asked if solar energy is being used and Adam confirmed. John Palmer asked if the County owns the panels and Adam replied that the determination is pending. Roberto Manchia asked that he and Deputy County Counsel Daniel McCloskey be included in discussions with John Palmer and Adam on this topic.

8. Other Business (*Discussion only*)

- Roberto Manchia addressed the following notes:
 - He is reviewing the values of COB3 and possibly North County and monitoring the bond market to determine the timing of going out for a potential bond issuance.
 - Since Mark Epstein has retired, Roberto will be looking to retain a financial advisor sometime in January 2022 and the board will not need to meet again until March or April of 2022.
 - Jim Saco will be resigning from the JPFA as he is moving out of the County and the County will need to recruit for a new member.

9. Adjournment – **President Scannell adjourned the meeting at 12:03 PM.**