

CLERK OF THE BOARD OF SUPERVISORS

BOARD OF SUPERVISORS MEETING

TUESDAY, APRIL 21, 2020

Legislative Services Section: (619) 531-5434

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Revised Page

NEW AGENDA PAGES AND BACKUP:

- 19. COUNTY OF SAN DIEGO TEETER PLAN (DISTRICTS: ALL)**
- 20. GENERAL SERVICES, REPORT OF ACTION PURSUANT TO PUBLIC CONTRACT CODE SECTION 22050 FOR EMERGENCY REPAIRS AT THE SOUTH BAY REGIONAL CENTER (DISTRICT: 1)**
- 21. A PATH TO RECOVERY: BUSINESS LOAN PROGRAM FOR THE UNINCORPORATED AREA (DISTRICTS: ALL)**
- 22. CLOSED SESSION (DISTRICTS: ALL)**

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9. ADVERTISE AND AWARD A CONSTRUCTION CONTRACT FOR GOLDENTOP ROAD 4S RANCH BUSINESS PARK WATER QUALITY PROJECT
[FUNDING SOURCE: AVAILABLE FUND BALANCE BUDGETED IN THE DEPARTMENT OF PUBLIC WORKS GENERAL FUND]
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[FUNDING SOURCE: STATE SB 1 GAS TAX REVENUE]
11. COUNTY AIRPORTS - ADOPT A RESOLUTION AUTHORIZING APPLICATIONS AND AGREEMENTS FOR ACCEPTANCE OF FEDERAL AND STATE GRANT FUNDS
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13. NEIGHBORHOOD REINVESTMENT PROGRAM GRANTS (DISTRICT: 2)
[FUNDING SOURCE: GENERAL PURPOSE REVENUE]
14. NEIGHBORHOOD REINVESTMENT PROGRAM GRANTS (DISTRICT: 4)
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(4 VOTES)

(RELATES TO AIR POLLUTION CONTROL BOARD AGENDA NO. AP1; FLOOD CONTROL DISTRICT AGENDA NO. FL1; IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY AGENDA NO. IA1; REDEVELOPMENT SUCCESSOR AGENCY AGENDA NO. SR1; SANITATION DISTRICT AGENDA NO. SA1)
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Financial and
General
Government

Communications
Received

17. COMMUNICATIONS RECEIVED

- Appointments 18. APPOINTMENTS: VARIOUS
- Financial and
General
Government 19. COUNTY OF SAN DIEGO TEETER PLAN
(4 VOTES)
20. GENERAL SERVICES, REPORT OF ACTION PURSUANT
TO PUBLIC CONTRACT CODE SECTION 22050
FOR EMERGENCY REPAIRS AT THE SOUTH BAY
REGIONAL CENTER
[FUNDING SOURCE: CHARGES TO THE CLIENT
DEPARTMENT AND POTENTIAL REIMBURSEMENT
FROM THE STATE OF CALIFORNIA AS PART OF THE
JOINT OCCUPANCY AGREEMENT FOR THE SITE]
(4 VOTES)
21. A PATH TO RECOVERY: BUSINESS LOAN PROGRAM
FOR THE UNINCORPORATED AREA
[FUNDING SOURCE: AVAILABLE GENERAL FUND
FUND BALANCE]
(4 VOTES)
- Closed Session 22. CLOSED SESSION

**RECOMMENDATION(S)
SUPERVISOR DIANNE JACOB**

Waive Board Policy A-74, "Citizen Participation in County Boards, Commissions, and Committees," and re-appoint Barry Bardack to the GILLESPIE FIELD DEVELOPMENT COUNCIL, Seat No. 1, for a term to begin June 26, 2020 and expire June 25, 2024.

Appoint Daniel L. Moody to the LAKESIDE COMMUNITY PLANNING GROUP, Seat No. 4, for a term to expire January 2, 2023.

Appoint Carol Hake to the LAKESIDE COMMUNITY PLANNING GROUP, Seat No. 5, for a term to expire January 4, 2021.

Appoint Kristen Everhart to the LAKESIDE COMMUNITY PLANNING GROUP, Seat No. 14, for a term to expire January 2, 2023.

SUPERVISOR NATHAN FLETCHER

Appoint Jan Spencley to the SOCIAL SERVICES ADVISORY BOARD, Seat No. 7, for a term to expire January 2, 2023.

FISCAL IMPACT

N/A

BUSINESS IMPACT STATEMENT

N/A

19. SUBJECT: COUNTY OF SAN DIEGO TEETER PLAN (DISTRICTS: ALL)

OVERVIEW

In 1949, an alternative method for distribution of secured property taxes, known as the "Teeter Plan", was enacted in California. The County of San Diego adopted resolutions during Fiscal Year 1993-94 to operate under the Teeter Plan. Under this plan, the County advances funds to participating taxing entities (the "Teeter Agencies") to cover the unpaid (delinquent) taxes (the "Teetered Taxes"). This method provides the total amount of property tax funding for each of the Teeter Agencies during the year for which the taxes are levied, regardless of whether all taxes due were paid by the property owner in that year. The County's General Fund benefits from this plan by being entitled to future collections of penalties and interest that are due once the delinquent taxes are paid; the Teeter Agencies are not entitled to any penalties or interest. As a requirement of the Teeter Plan, the County must also set aside 25% of the delinquent taxes into a Teeter Tax Loss Reserve Fund.

Due to the unprecedented financial impacts of the COVID-19 pandemic, it is anticipated that property tax delinquencies will be much greater than normal and will result in higher Teeter Plan advances that will occur in June 2020. As of April 14, 2020, approximately \$322.8 million remains outstanding for all taxing entities, representing a 4.6% delinquency rate. This reflects \$198.3 million attributable to non-County Teeter Agencies, which will need to be remitted in June 2020.

While it is anticipated that additional collections will be received, the Teeter Plan advance and required Teeter Tax Loss Reserve Fund deposit will be significant. Today's action will set aside

both General Fund cash resources necessary to cover the advance for Teetered Taxes of an estimated \$198.3 million and establish appropriations in the General Fund to fund the Teeter Tax Loss Reserve Fund of approximately \$47.6 million.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Establish appropriations in Finance Other, Other Charges for \$47.6 million to meet tax loss reserve requirement of the Teeter Tax Loss Reserve Fund based on prior year available unassigned General Fund fund balance. (4 VOTES)
2. Authorize the Auditor and Controller to establish a Commitment in the General Fund for the Teeter Plan advance in the amount of \$198.3 million based on available prior year General Fund balance and direct the Auditor and Controller that upon on processing of the Teeter advance to release the Commitment and revert any excess to unassigned General Fund balance.

FISCAL IMPACT

Funds associated with today’s recommendations are not included in the Fiscal Year 2019-20 Adopted Operational Plan. If approved, the recommendations are anticipated to result in costs of \$47.6 million. In addition, it is also anticipated that the increased delinquency rates will result in lower than anticipated property tax revenues in the General Fund of \$34 million and \$10.7 million in lower interest and penalties for a total impact of \$92.3 million to the General Fund in the current fiscal year. Impacts in Fiscal Year 2020-21 are also anticipated although the delinquency rate is anticipated to improve marginally as economic activity resumes. There will be no additional staffing impacts.

BUSINESS IMPACT STATEMENT

N/A

20. SUBJECT: COUNTY GENERAL SERVICES, REPORT OF ACTION PURSUANT TO PUBLIC CONTRACT CODE SECTION 22050 FOR EMERGENCY REPAIRS AT THE SOUTH BAY REGIONAL CENTER (DISTRICT: 1)

OVERVIEW

On April 14, 2020, a malfunction of a fire suppression sprinkler head on the second floor of the South Bay Regional Center (SBRC) was discovered. This malfunction occurred at approximately 2:00 am causing the sprinkler head to flow until the fire department responded to the alarm and secured the water. The release flooded the second floor as well as much of the first floor of the building. The flooding caused immediate closure of all impacted areas. Some court staff have been relocated to the Law Library area of the SBRC to continue providing essential public services. In order to mitigate the risk of further damage and ensure that regular operations can quickly resume, it was necessary to declare an emergency and forgo competitive solicitation of the repair, remediation, and restoration work. In accordance with County Administrative Code Section 402, “Emergency Purchases,” a notice to proceed for emergency repairs was issued to Belfor Property Restoration USA, a contractor with previous County facility and restoration experience.

The County will be responsible to pay up to \$50,000 as its insurance deductible, but the remainder of the work is expected to be covered by insurance proceeds. A portion of these costs

may also be reimbursable by the State of California because the SBRC is under a joint occupancy agreement with the Judicial Council of California under which certain costs are shared proportionately.

In accordance with Public Contract Code Section 22050, staff requests the Board of Supervisors (Board) to receive the report set forth in this Board letter that emergency repair, remediation, and restoration work at the SBRC did not permit a delay resulting from competitive solicitations for bids and that the immediate award of a contract was necessary to respond to the emergency. The Board is also requested to find that there is a need to continue the emergency repair, remediation, and restoration of all drywall, flooring, roofing, and asbestos monitoring.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find the proposed project is statutorily exempt from California Environmental Quality Act (CEQA) review pursuant to Sections 15269(b) and 15301 of the CEQA Guidelines because the proposed project is for emergency repairs to a publicly owned service facility necessary to maintain service essential to the public health, safety or welfare, and because it consists of the minor alteration of existing public facilities involving negligible or no expansion of existing use.
2. Pursuant to Public Contract Code Section 22050(b)(3)(a), receive the report set forth in this Board letter that the emergency repair, remediation, and restoration of the South Bay Regional Center did not permit a delay resulting from competitive solicitations for bids and that the immediate award of a contract was necessary to respond to the emergency.
3. Pursuant to Public Contract Code Section 22050(c)(2)(a), find that there is a need to continue the emergency repair, remediation, and restoration of the South Bay Regional Center without giving notice for bids to let a contract. (4 VOTES)

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2019-20 Operational Plan for the Department of General Services Facilities Management Internal Service Fund. If approved, this request will result in costs and revenue of approximately \$50,000. The funding source is charges to the client department and potential reimbursement from the State of California as part of the Joint Occupancy Agreement for the site. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

21. **SUBJECT: A PATH TO RECOVERY: BUSINESS LOAN PROGRAM FOR THE UNINCORPORATED AREA (DISTRICTS: ALL).**

OVERVIEW

The novel COVID-19 virus has and will continue to cause significant negative impacts to local business within the unincorporated area. The State of California stay at home health order has required many local businesses to cease operation due to them being deemed non-essential. With

a significant loss of revenue, employers can no longer pay their employees, many of which have needed to file for unemployment. Businesses have shuttered their doors, some of which cannot bear the loss of revenue long-term without the help of local assistance.

The ripple effect of the COVID-19 emergency will have budgetary impacts on local government; however, the County's strong reserves are in place for emergencies such as this. It is imperative to keep our businesses afloat during this crisis to ensure a swift path to economic recovery when the health order is lifted.

Today's action will direct the Chief Administrative Officer to negotiate and execute an agreement with the San Diego Foundation to implement a business recovery loan program for the unincorporated area to assist in the recovery effort of local businesses and contribute \$5,000,000 to the program to fund loans. The purpose of the business recovery loan program is to assist the business community by providing no-to-low interest loans to endure the financial impact caused by the COVID-19 crisis.

RECOMMENDATION(S)

VICE-CHAIRMAN JIM DESMOND AND SUPERVISOR DIANNE JACOB

1. Direct the Chief Administrative Officer to negotiate and, upon successful negotiation, execute an agreement with the San Diego Foundation, to contribute \$5,000,000 to be used to implement a recovery loan program for businesses located within the unincorporated area that have suffered financial losses as a result of the COVID-19 crisis. Any agreement would, at a minimum, require:
 - A. San Diego Foundation to use the County contribution to fund loans to unincorporated businesses with 50 or fewer employees, an amount not to exceed \$50,000, interest rate not to exceed 2%, and a term not to exceed two years.
 - B. San Diego Foundation will ensure all loans funded are covered by the State of California Small Business Loan Guarantee Program or comparable program.
 - C. San Diego Foundation will return at least 95% on defaulted loans and 100% on loans that are paid off no later than 30 months after the County contribution is distributed, minus any agreed upon administrative costs and fees.
 - D. Priority will be given to applications that provide job retention and creation.
 - E. Any administrative costs should be minimized to lessen the impact on the fund and the applicants.
2. Establish appropriations of \$5,000,000 in Finance Other Countywide General Expenses Other Charges based on available General Fund fund balance to provide funding for the loan program. (4 VOTES)

FISCAL IMPACT

Funds associated with this request are not included in the Fiscal Year 2019-20 Operational Plan. If approved, this request will result in costs of \$5,000,000. The funding source is available General Fund fund balance. There will be no additional staff years.

BUSINESS IMPACT STATEMENT

The business recovery loan program will have a direct positive impact to businesses by providing no-to-low interest loans to help with the local economic recovery effort during the COVID-19 crisis.

22. SUBJECT: CLOSED SESSION (DISTRICTS: ALL)

OVERVIEW

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Jane Doe v. Richard Fischer, et al.; United States District Court, Southern District, No. 19-cv-1633-AJB-NLS

- B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Elfin Forest Harmony Grove Town Council, et al. v. County of San Diego; San Diego County Superior Court No. 37-2018-00042927-CU-TT-CTL

- C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Elfin Forest Harmony Grove Town Council, et al. v. County of San Diego; San Diego County Superior Court No. 37-2018-00043049-CU-TT-CTL

- D. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Lourdes Higuera v. County of San Diego; San Diego County Superior Court No. 37-2019-00043655-CU-PO-CTL

- E. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to (Paragraph (2) of subdivision (d) of Section 54956.9): (Number of Potential Cases – 1)

- F. CONFERENCE WITH LABOR NEGOTIATORS
(Government Code section 54957.6)
Designated Representatives: Clint Obrigewich
Employee Organizations and Unrepresented Employees: All

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COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

GREG COX
First District

DIANNE JACOB
Second District

KRISTIN GOSPAR
Third District

NATHAN FLETCHER
Fourth District

JIM DESMOND
Fifth District

DATE: April 21, 2020

19

TO: Board of Supervisors

SUBJECT

COUNTY OF SAN DIEGO TEETER PLAN (DISTRICTS: ALL)

OVERVIEW

In 1949, an alternative method for distribution of secured property taxes, known as the “Teeter Plan”, was enacted in California. The County of San Diego adopted resolutions during Fiscal Year 1993-94 to operate under the Teeter Plan. Under this plan, the County advances funds to participating taxing entities (the “Teeter Agencies”) to cover the unpaid (delinquent) taxes (the “Teetered Taxes”). This method provides the total amount of property tax funding for each of the Teeter Agencies during the year for which the taxes are levied, regardless of whether all taxes due were paid by the property owner in that year. The County's General Fund benefits from this plan by being entitled to future collections of penalties and interest that are due once the delinquent taxes are paid; the Teeter Agencies are not entitled to any penalties or interest. As a requirement of the Teeter Plan, the County must also set aside 25% of the delinquent taxes into a Teeter Tax Loss Reserve Fund.

Due to the unprecedented financial impacts of the COVID-19 pandemic, it is anticipated that property tax delinquencies will be much greater than normal and will result in higher Teeter Plan advances that will occur in June 2020. As of April 14, 2020, approximately \$322.8 million remains outstanding for all taxing entities, representing a 4.6% delinquency rate. This reflects \$198.3 million attributable to non-County Teeter Agencies, which will need to be remitted in June 2020.

While it is anticipated that additional collections will be received, the Teeter Plan advance and required Teeter Tax Loss Reserve Fund deposit will be significant. Today's action will set aside both General Fund cash resources necessary to cover the advance for Teetered Taxes of an estimated \$198.3 million and establish appropriations in the General Fund to fund the Teeter Tax Loss Reserve Fund of approximately \$47.6 million.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Establish appropriations in Finance Other, Other Charges for \$47.6 million to meet tax loss reserve requirement of the Teeter Tax Loss Reserve Fund based on prior year available unassigned General Fund fund balance. (4 VOTES)

SUBJECT: COUNTY OF SAN DIEGO TEETER PLAN (DISTRICTS: ALL)

2. Authorize the Auditor and Controller to establish a Commitment in the General Fund for the Teeter Plan advance in the amount of \$198.3 million based on available prior year General Fund balance *and* direct the Auditor and Controller that upon on processing of the Teeter advance to release the Commitment and revert any excess to unassigned General Fund balance.

FISCAL IMPACT

Funds associated with today's recommendations are not included in the Fiscal Year 2019-20 Adopted Operational Plan. If approved, the recommendations are anticipated to result in costs of \$47.6 million. In addition, it is also anticipated that the increased delinquency rates will result in lower than anticipated property tax revenues in the General Fund of \$34 million and \$10.7 million in lower interest and penalties for a total impact of \$92.3 million to the General Fund in the current fiscal year. Impacts in Fiscal Year 2020-21 are also anticipated although the delinquency rate is anticipated to improve marginally as economic activity resumes. There will be no additional staffing impacts.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

The County entered into the Teeter Plan in Fiscal Year 1993-94. All taxing agencies utilizing the County's Treasury pool at that time were automatically incorporated in the Teeter Plan. These included school districts and districts under the Board of Supervisors such as County Service Areas. Three cities and several independent districts also opted into the Teeter Plan. The Teeter Plan provides for the receipt of 100% of certain secured property taxes, including fixed charge special assessments, during the year for which the taxes are levied, regardless of whether all taxes due were paid by the property owner in that year.

Due to the unprecedented financial impacts of the COVID-19 pandemic, it is anticipated that property tax delinquencies will be much greater than normal and will result in higher Teeter Plan advances that will occur in June 2020. As of April 14, 2020, approximately \$322.8 million remains outstanding for all taxing entities, representing a 4.6% delinquency rate. This reflects \$198.3 million attributable to non-County Teeter Agencies, which will need to be remitted in June 2020. For comparison, the previous highest Teeter Plan advance was \$124 million in Fiscal Year 2008-09.

A legal requirement of the Teeter Plan requires the County to maintain a Teeter Tax Loss Reserve Fund to cover losses that may occur if delinquent taxes are not paid and the property goes into default and is sold for less than the amount of outstanding taxes and assessments. The Treasurer recovers these amounts from the Teeter Tax Loss Reserve Fund as needed. Throughout the year, all interest and penalties collected on Teetered secured and supplemental property taxes are first deposited into the Teeter Tax Loss Reserve Fund. Any excess amounts above 25% of the total delinquent secured taxes and assessments may be transferred to the General Fund and are recognized as General Purpose Revenues.


SUBJECT: COUNTY OF SAN DIEGO TEETER PLAN (DISTRICTS: ALL)

In addition to cashflow implications, the increase in delinquent payments is also expected to have a significant direct budgetary impact to the General Fund. The County's share of delinquent taxes is expected to be \$34 million, which will result in actual general purpose revenues being lower than budget. Further, the County estimates penalty and interest revenue related to property taxes to be \$10.7 million lower than budget, due to waivers expected to be granted by the Treasurer-Tax Collector for those impacted by COVID-19. The duration of the impact to General Purpose Revenues will be driven by the recovery period of this pandemic and its effect on the property owner's ability to repay delinquent taxes, and may carryover to Fiscal Year 2020-21.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the Strategic Initiatives of Building Better Health, Living Safely, Sustainable Environments/Thriving and Operational Excellence in the County of San Diego's 2020-2025 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)

N/A

SUBJECT: COUNTY OF SAN DIEGO TEETER PLAN (DISTRICTS: ALL)

AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED

Yes No

PREVIOUS RELEVANT BOARD ACTIONS:

July 14, 1993 (2) Alternate Method of Tax Apportionment; August 24, 1993 (36) Alternate Method of Tax Apportionment

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

MANDATORY COMPLIANCE:

N/A

ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):

N/A

ORIGINATING DEPARTMENT: Finance and General Government Group

OTHER CONCURRENCE(S): Auditor and Controller

CONTACT PERSON(S):

Tracy M. Sandoval, Deputy Chief
Administrative Officer/Chief Financial Officer

Name

619-531-5413

Phone

Tracy.sandoval@sdcounty.ca.gov

E-mail

Tracy Drager, Auditor and Controller

Name

858-694-2324

Phone

Tracy.drager@sdcounty.ca.gov

E-mail

Approval Log For:

FGG 4212020 Teeter BL_V2.docx

Approver's Name	Approvers Job Title	Approver's Department	Time and Date of Final Approval
Tracy Sandoval	DCAO/Auditor & Controller	Finance&General Govt Grp	4/15/2020 11:47:14 AM
Tracy Drager	Auditor & Controller	Auditor & Controller	4/15/2020 11:31:04 AM
Rachel Witt		County Counsel	4/15/2020 11:38:39 AM
Owen Ligayon	Financial Policy & Planning Officer	Finance&General Govt Grp	4/15/2020 11:38:39 AM
Ebony Shelton	Financial Policy & Planning Director	Finance&General Govt Grp	4/15/2020 11:38:39 AM
Damien Quinn	Group Finance Director	Finance&General Govt Grp	4/15/2020 11:47:14 AM



County of San Diego

HELEN N. ROBBINS-MEYER
CHIEF ADMINISTRATIVE OFFICER
(619) 531-6226
FAX: (619) 557-4060

CHIEF ADMINISTRATIVE OFFICE

1600 PACIFIC HIGHWAY, STE. 209, SAN DIEGO, CA 92101-2422

DONALD F. STEUER
ASST. CHIEF ADMINISTRATIVE OFFICER/
CHIEF OPERATING OFFICER
(619) 531-4940
FAX: (619) 557-4060

DATE: April 15, 2020

TO: Supervisor Greg Cox, Chairman

FROM: Helen N. Robbins-Meyer, Chief Administrative Officer

MEETING DATE REQUESTED: April 21, 2020

SUBJECT OF ITEM: FINANCE & GENERAL GOVERNMENT GROUP – COUNTY OF SAN DIEGO TEETER PLAN (DISTRICTS: ALL)

REASON ITEM CANNOT BE PLACED ON FUTURE AGENDA:

This is a report of action to the Board to set aside both General Fund cash resources necessary to cover the advance for Teetered Taxes of an estimated \$198.3 million and establish appropriations in the General Fund to fund the Teeter Tax Loss Reserve Fund of approximately \$47.6 million. A legal requirement of the Teeter Plan requires the County to maintain a Teeter Tax Loss Reserve Fund to cover losses that may occur if delinquent taxes are not paid and the property goes into default and is sold for less than the amount of outstanding taxes and assessments.

Due to the unprecedented financial impacts of the COVID-19 pandemic, it is anticipated that property tax delinquencies will be much greater than normal and will result in higher Teeter Plan advances that will occur in June 2020. While it is anticipated that additional collections will be received, the Teeter Plan advance and required Teeter Tax Loss Reserve Fund deposit will be significant. As a result of these impacts, it is critical consider these cashflow needs and potential budgetary impacts. For this reason, this item must be placed on the April 21, 2020 agenda.

Respectfully,

HELEN N. ROBBINS-MEYER

DISPOSITION: APPROVED/DISAPPROVED

CHAIRMAN GREG COX



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

GREG COX
First District

DIANNE JACOB
Second District

KRISTIN GASPAR
Third District

NATHAN FLETCHER
Fourth District

JIM DESMOND
Fifth District

DATE: April 21, 2020

20

TO: Board of Supervisors

SUBJECT

GENERAL SERVICES, REPORT OF ACTION PURSUANT TO PUBLIC CONTRACT CODE SECTION 22050 FOR EMERGENCY REPAIRS AT THE SOUTH BAY REGIONAL CENTER (DISTRICT: 1)

OVERVIEW

On April 14, 2020, a malfunction of a fire suppression sprinkler head on the second floor of the South Bay Regional Center (SBRC) was discovered. This malfunction occurred at approximately 2:00 am causing the sprinkler head to flow until the fire department responded to the alarm and secured the water. The release flooded the second floor as well as much of the first floor of the building. The flooding caused immediate closure of all impacted areas. Some court staff have been relocated to the Law Library area of the SBRC to continue providing essential public services. In order to mitigate the risk of further damage and ensure that regular operations can quickly resume, it was necessary to declare an emergency and forgo competitive solicitation of the repair, remediation, and restoration work. In accordance with County Administrative Code Section 402, "Emergency Purchases," a notice to proceed for emergency repairs was issued to Belfor Property Restoration USA, a contractor with previous County facility and restoration experience.

The County will be responsible to pay up to \$50,000 as its insurance deductible, but the remainder of the work is expected to be covered by insurance proceeds. A portion of these costs may also be reimbursable by the State of California because the SBRC is under a joint occupancy agreement with the Judicial Council of California under which certain costs are shared proportionately.

In accordance with Public Contract Code Section 22050, staff requests the Board of Supervisors (Board) to receive the report set forth in this Board letter that emergency repair, remediation, and restoration work at the SBRC did not permit a delay resulting from competitive solicitations for bids and that the immediate award of a contract was necessary to respond to the emergency. The Board is also requested to find that there is a need to continue the emergency repair, remediation, and restoration of all drywall, flooring, roofing, and asbestos monitoring.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find the proposed project is statutorily exempt from California Environmental Quality Act (CEQA) review pursuant to Sections 15269(b) and 15301 of the CEQA Guidelines because

SUBJECT: GENERAL SERVICES, REPORT OF ACTION PURSUANT TO PUBLIC CONTRACT CODE SECTION 22050 FOR EMERGENCY REPAIRS AT THE SOUTH BAY REGIONAL CENTER (DISTRICT: 1)

the proposed project is for emergency repairs to a publicly owned service facility necessary to maintain service essential to the public health, safety or welfare, and because it consists of the minor alteration of existing public facilities involving negligible or no expansion of existing use.

2. Pursuant to Public Contract Code Section 22050(b)(3)(a), receive the report set forth in this Board letter that the emergency repair, remediation, and restoration of the South Bay Regional Center did not permit a delay resulting from competitive solicitations for bids and that the immediate award of a contract was necessary to respond to the emergency.
3. Pursuant to Public Contract Code Section 22050(c)(2)(a), find that there is a need to continue the emergency repair, remediation, and restoration of the South Bay Regional Center without giving notice for bids to let a contract. **(4 VOTES)**

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2019-20 Operational Plan for the Department of General Services Facilities Management Internal Service Fund. If approved, this request will result in costs and revenue of approximately \$50,000. The funding source is charges to the client department and potential reimbursement from the State of California as part of the Joint Occupancy Agreement for the site. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

On April 14, 2020, a malfunction of a fire suppression sprinkler head on the second floor of the South Bay Regional Center (SBRC) was discovered. This malfunction occurred at approximately 2:00 am causing the sprinkler head to flow until the fire department responded to the alarm and secured the water. The release flooded the second floor as well as much of the first floor of the building. The flooding caused immediate closure of all impacted areas.

The SBRC houses the Superior Court and several County departments. The Superior Court at this location provides critical services to the public, such as the issuance of restraining orders. In order to mitigate the risk of further damage and ensure that regular operations resume quickly, it was necessary to declare an emergency and forgo competitive solicitation of the repair, remediation, and restoration work. In the interim, some court staff have been relocated to the Law Library area of the SBRC. In accordance with County Administrative Code Section 402, "Emergency Purchases," a notice to proceed for emergency repairs was issued to Belfor Property Restoration USA a contractor with previous County facility and restoration experience.

SUBJECT: GENERAL SERVICES, REPORT OF ACTION PURSUANT TO PUBLIC CONTRACT CODE SECTION 22050 FOR EMERGENCY REPAIRS AT THE SOUTH BAY REGIONAL CENTER (DISTRICT: 1)

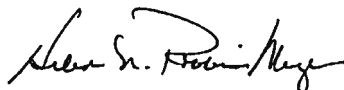
Total repair cost is unknown at this time, but the majority will be paid out of insurance proceeds. The County is obligated to pay up to \$50,000 as its insurance deductible. A portion of these costs may be reimbursable by the State of California because the SBRC is under a joint occupancy agreement with the Judicial Council of California under which certain costs are shared proportionately.

In accordance with Public Contract Code Section 22050, staff requests the Board of Supervisors (Board) to receive the report set forth in this Board letter that emergency repair, remediation, and restoration work at the SBRC did not permit a delay resulting from competitive solicitations for bids and that the immediate award of a contract was necessary to respond to the emergency. The Board is also requested to find that there is a need to continue the emergency repair, remediation, and restoration of all drywall, flooring, roofing, and asbestos monitoring.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the Operational Excellence initiative in the County of San Diego's 2020-2025 Strategic Plan. These emergency repairs will restore access to the South Bay Regional Center keeping the facility operational, safeguarding County property, and service to staff, clients, and customers.

Respectfully submitted,



HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)

N/A

SUBJECT: GENERAL SERVICES, REPORT OF ACTION PURSUANT TO PUBLIC CONTRACT CODE SECTION 22050 FOR EMERGENCY REPAIRS AT THE SOUTH BAY REGIONAL CENTER (DISTRICT: 1)

AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED

Yes No

PREVIOUS RELEVANT BOARD ACTIONS:

N/A

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

MANDATORY COMPLIANCE:

N/A

ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):

Pending

ORIGINATING DEPARTMENT: Department of General Services

OTHER CONCURRENCE(S): Department of Purchasing and Contracting

CONTACT PERSON(S):

Michael Curtis, Deputy Director, Department of General Services

Name

858-694-2111

Phone

Michael.curtis@sdcounty.ca.gov

E-mail

Michael Tuck, Chief, Department of General Services

Name

858-694-8954

Phone

Michael.tuck@sdcounty.ca.gov

E-mail

Approval Log

Approval Log For:

DGS 04.21.20 - Emergency Repairs SBRC Flooding.docx

Approver's Name	Approver's Job Title	Approver's Department	Time and Date of Final Approval
Tracy Sandoval	DCAO/Auditor & Controller	Finance&General Govt Grp	4/15/2020 4:52:38 PM
Shiri Hoffman	Senior Deputy County Counsel	County Counsel	4/15/2020 4:34:27 PM
Owen Ligayon	Financial Policy & Planning Officer	Finance&General Govt Grp	4/15/2020 5:14:40 PM
Marko Medved	Director	Facilities Management Isf	4/15/2020 6:02:57 PM
Jack Pellegrino	Director, Department of Purchasing & Contracting	Purchasing-Is Revolving	4/15/2020 4:34:27 PM
Damien Quinn	Group Finance Director	Finance&General Govt Grp	4/15/2020 8:58:38 PM
April Heinze	DCAO of Special Projects	Chief Administrative Office	4/15/2020 4:58:07 PM



County of San Diego

HELEN N. ROBBINS-MEYER
CHIEF ADMINISTRATIVE OFFICER
(619) 531-6226
FAX: (619) 557-4060

CHIEF ADMINISTRATIVE OFFICE

1600 PACIFIC HIGHWAY, STE. 209, SAN DIEGO, CA 92101-2422

DONALD F. STEUER
ASST. CHIEF ADMINISTRATIVE OFFICER/
CHIEF OPERATING OFFICER
(619) 531-4940
FAX: (619) 557-4060

DATE: April 15, 2020

TO: Supervisor Greg Cox, Chairman

FROM: Helen N. Robbins-Meyer, Chief Administrative Officer

MEETING DATE REQUESTED: April 21, 2020

SUBJECT OF ITEM: GENERAL SERVICES – REPORT OF ACTION PURSUANT TO PUBLIC CONTRACT CODE SECTION 22050 FOR EMERGENCY REPAIRS AT THE SOUTH BAY REGIONAL CENTER

REASON ITEM CANNOT BE PLACED ON FUTURE AGENDA:

This is a report of action to the Board of Supervisors (Board) and a request for the Board to find that it is necessary to continue the emergency repair, remediation, and restoration of flooded areas at the South Bay Regional Center.

Public Contract Code Section 22050 allows County staff to initiate emergency repair work, but it requires that the Board receive a report and make the necessary findings within seven days of the emergency action or at the next regular Board meeting if it will occur within 14 days. For this reason, this item must be placed on the April 21, 2020 agenda.

Respectfully,

HELEN N. ROBBINS-MEYER

DISPOSITION: APPROVED/DISAPPROVED

CHAIRMAN GREG COX



COUNTY OF SAN DIEGO
2020 APR 17 7AM 8:30
CLERK OF THE BOARD
OFFICE SUPERVISORS

COUNTY OF SAN DIEGO

BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

AGENDA ITEM

DATE: April 21, 2020

21

TO: Board of Supervisors

SUBJECT

A PATH TO RECOVERY: BUSINESS LOAN PROGRAM FOR THE UNINCORPORATED AREA (DISTRICTS: ALL)

OVERVIEW

The novel COVID-19 virus has and will continue to cause significant negative impacts to local business within the unincorporated area. The State of California stay at home health order has required many local businesses to cease operation due to them being deemed non-essential. With a significant loss of revenue, employers can no longer pay their employees, many of which have needed to file for unemployment. Businesses have shuttered their doors, some of which cannot bear the loss of revenue long-term without the help of local assistance.

The ripple effect of the COVID-19 emergency will have budgetary impacts on local government; however, the County's strong reserves are in place for emergencies such as this. It is imperative to keep our businesses afloat during this crisis to ensure a swift path to economic recovery when the health order is lifted.

Today's action will direct the Chief Administrative Officer to negotiate and execute an agreement with the San Diego Foundation to implement a business recovery loan program for the unincorporated area to assist in the recovery effort of local businesses and contribute \$5,000,000 to the program to fund loans. The purpose of the business recovery loan program is to assist the business community by providing no-to-low interest loans to endure the financial impact caused by the COVID-19 crisis.

RECOMMENDATIONS

VICE-CHAIRMAN JIM DESMOND AND SUPERVISOR DIANNE JACOB

1. Direct the Chief Administrative Officer to negotiate and, upon successful negotiation, execute an agreement with the San Diego Foundation, to contribute \$5,000,000 to be used to implement a recovery loan program for businesses located within the unincorporated area that have suffered financial losses as a result of the COVID-19 crisis. Any agreement would, at a minimum, require:

SUBJECT: A PATH TO RECOVERY: BUSINESS LOAN PROGRAM FOR THE UNINCORPORATED AREA (DISTRICTS: ALL)

- A. San Diego Foundation to use the County contribution to fund loans to unincorporated businesses with 50 or fewer employees, an amount not to exceed \$50,000, interest rate not to exceed 2%, and a term not to exceed two years.
 - B. San Diego Foundation will ensure all loans funded are covered by the State of California Small Business Loan Guarantee Program or comparable program.
 - C. San Diego Foundation will return at least 95% on defaulted loans and 100% on loans that are paid off no later than 30 months after the County contribution is distributed, minus any agreed upon administrative costs and fees.
 - D. Priority will be given to applications that provide job retention and creation.
 - E. Any administrative costs should be minimized to lessen the impact on the fund and the applicants.
2. Establish appropriations of \$5,000,000 in Finance Other Countywide General Expenses Other Charges based on available General Fund fund balance to provide funding for the loan program. (4 VOTES)

FISCAL IMPACT

Funds associated with this request are not included in the Fiscal Year 2019-20 Operational Plan. If approved, this request will result in costs of \$5,000,000. The funding source is available General Fund fund balance. There will be no additional staff years.

BUSINESS IMPACT STATEMENT

The business recovery loan program will have a direct positive impact to businesses by providing no-to-low interest loans to help with the local economic recovery effort during the COVID-19 crisis.

BACKGROUND

In March 2020, the County of San Diego Public Health Officer issued orders to limit gathering sizes, the implementation of social distancing requirements, and the prohibition of in-house dining, to reduce the spread of COVID-19. On March 19, 2020, the Governor of California issued a “stay at home” order requiring the closure of non-essential businesses and the limitation of commercial activity.

The purpose of providing a no-to-low interest loan program is to ensure local businesses can survive the loss of revenue and are positioned to recover quickly once the health order is lifted. Supporting local businesses will help to preserve the region’s economy and ensure a diverse, thriving business community in the future.

Similar loan programs in response to COVID-19 have been implemented by neighboring jurisdictions including the City of San Diego, City of San Marcos, City of Poway and the City of Coronado.

SUBJECT: A PATH TO RECOVERY: BUSINESS LOAN PROGRAM FOR THE UNINCORPORATED AREA (DISTRICTS: ALL)

Today's action to contribute funds to implement a business recovery loan program in the unincorporated area will provide local businesses with critical funding to continue operating once the health order is lifted and ensure return of at least 95% of the contributed funds.

Respectfully submitted,



JIM DESMOND
Vice-Chairman, Fifth District



DIANNE JACOB
Supervisor, Second District

ATTACHMENT(S)

N/A

SUBJECT: A PATH TO RECOVERY: BUSINESS LOAN PROGRAM FOR THE UNINCORPORATED AREA (DISTRICTS: ALL)

AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED
 Yes No

PREVIOUS RELEVANT BOARD ACTIONS:
N/A

BOARD POLICIES APPLICABLE:
N/A

BOARD POLICY STATEMENTS:
N/A

MANDATORY COMPLIANCE:
N/A

ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):
N/A

ORIGINATING DEPARTMENT: Board of Supervisors

OTHER CONCURRENCE(S): N/A

CONTACT PERSON(S):

Ben Mills
Name
(619) 531-5555
Phone
Benjamin.Mills@sdcounty.ca.gov
E-mail

Tori Floyd
Name
(619) 531-5522
Phone
Victoria.Floyd@sdcounty.ca.gov
E-mail

REQUEST FOR ADDITION OF LATE ADGENDA ITEM

DATE: April 17, 2020

TO: Clerk of the Board of Supervisors

FROM: Vice-Chairman Jim Desmond and Supervisor Dianne Jacob

MEETING DATE REQUESTED: April 21, 2020

SUBJECT OF ITEM: A PATH TO RECOVERY: BUSINESS LOAN PROGRAM FOR THE UNINCORPORATED AREA (DISTRICTS: ALL)

The attached Board Letter has been docketed subsequent to first docketing deadline because failure to do so would have a substantial detrimental effect on the County or the public for the following reason:

Providing a no-to-low interest loan program is to ensure local businesses can survive the loss of revenue and are positioned to recover quickly once the health order is lifted. Supporting local businesses will help to preserve the region's economy and ensure a diverse, thriving business community in the future.

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COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

GREG COX
First District

DIANNE JACOB
Second District

KRISTIN GASPAR
Third District

NATHAN FLETCHER
Fourth District

JIM DESMOND
Fifth District

DATE: April 21, 2020

TO: Board of Supervisors

22

SUBJECT

CLOSED SESSION (DISTRICTS: ALL)

OVERVIEW

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Jane Doe v. Richard Fischer, et al.; United States District Court, Southern District, No. 19-cv-1633-AJB-NLS
- B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Elfin Forest Harmony Grove Town Council, et al. v. County of San Diego;
San Diego County Superior Court No. 37-2018-00042927-CU-TT-CTL
- C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Elfin Forest Harmony Grove Town Council, et al. v. County of San Diego;
San Diego County Superior Court No. 37-2018-00043049-CU-TT-CTL
- D. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Lourdes Higuera v. County of San Diego; San Diego County Superior Court
No. 37-2019-00043655-CU-PO-CTL
- E. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to (Paragraph (2) of subdivision (d)
of Section 54956.9): (Number of Potential Cases – 1)
- F. CONFERENCE WITH LABOR NEGOTIATORS
(Government Code section 54957.6)
Designated Representatives: Clint Obrigewich
Employee Organizations and Unrepresented Employees: All

SUBJECT: CLOSED SESSION (DISTRICTS: ALL)

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER
At the direction of the Board.

FISCAL IMPACT
N/A
BUSINESS IMPACT STATEMENT
N/A

ADVISORY BOARD STATEMENT
N/A

BACKGROUND
N/A

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN
N/A

Respectfully submitted,

Thomas E. Digitally signed by
Thomas E. Montgomery
Date: 2020.04.17 09:27:51
-07'00'
Montgomery
THOMAS E. MONTGOMERY
County Counsel

ATTACHMENT(S)
N/A

SUBJECT: CLOSED SESSION (DISTRICTS: ALL)

AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED
 Yes No

PREVIOUS RELEVANT BOARD ACTIONS:
N/A

BOARD POLICIES APPLICABLE:
N/A

BOARD POLICY STATEMENTS:
N/A

MANDATORY COMPLIANCE:
N/A

ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):
N/A

ORIGINATING DEPARTMENT: Office of County Counsel

OTHER CONCURRENCE(S): N/A

CONTACT PERSON(S):

Thomas E. Montgomery	_____
Name	Name
531-4860	_____
Phone	Phone
_____	_____
E-mail	E-mail

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