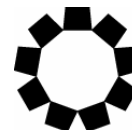


ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

AGENDA

ABAG EXECUTIVE BOARD MEETING NO. 423

Thursday, March 16, 2017, 7:00 PM

Location:

Bay Area Metro Center
Board Room
375 Beale Street
San Francisco, California

The ABAG Executive Board may act on any item on this agenda.

Agenda and attachments available at <http://www.abag.ca.gov/>

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

2. PUBLIC COMMENT

INFORMATION

3. ANNOUNCEMENTS

INFORMATION

4. PRESIDENT'S REPORT

INFORMATION

5. ACTING EXECUTIVE DIRECTOR'S REPORT

INFORMATION

6. CONSENT CALENDAR

ACTION

Unless there is a request by an Executive Board member to take up an item on the Consent Calendar separately, the Consent Calendar will be acted upon in one motion.

A. Approval of Executive Board Summary Minutes of Meeting No. 422 held on February 16, 2017

Attachment: Summary Minutes of February 16, 2017

B. Ratification of Committee Appointments

The Executive Board is requested to ratify the following committee appointments:

San Francisco Bay Restoration Authority Governing Board

Dave Pine, Supervisor, County of San Mateo—Chair

John Gioia, Supervisor, County of Contra Costa—East Bay

Vinnie Bacon, Councilmember, City of Fremont—South Bay

Susan Gorin, Supervisor, County of Sonoma—Bayside City/County/Park District

C. Ratification of the Submittal of the Proposal to the California Energy Commission as the Program Administrator for the Statewide Benchmarking Collaborative Project

The Executive Board is requested to ratify the submittal of the proposal by ABAG to the California Energy Commission as the Program Administrator for the Statewide Benchmarking Collaborative Project, and, if approved, authorize the ABAG Acting Executive Director to enter negotiations and execute the necessary agreements in an amount not to exceed \$2 million.

Attachments: Local Government Challenge Memo; Project Narrative

D. Authorization to Enter into New Contract with Canopy for the *Healthy Watersheds, Resilient Baylands* Project

The Executive Board is requested to authorize the Acting Executive Director or designee to enter into a new Subrecipient Agreement with Canopy for the *Healthy Watersheds, Resilient Baylands* Project in the amount not to exceed \$38,000.

Attachments: Canopy Memo, Canopy Draft Subrecipient Agreement

E. Ratification of Website Support Contract Modification No. 7 with San Francisco Estuary Institute

The Executive Board is requested to ratify Contract Modification No. 7 to the agreement with San Francisco Estuary Institute to provide website support to San Francisco Estuary Partnership in the amount of \$57,000 for the contract term from March 1, 2011 through September 30, 2017.

Attachment: SFEI Web Support Memo, Contract Modification No. 7

F. Approval of ABAG Management Pay Schedules and Monthly Salary Schedule for Represented Staff

The Executive Board is requested to approve the attached ABAG Management Pay Schedule listing existing management salaries and ABAG Monthly Salary Schedule listing existing represented staff salaries.

Attachments: Management Pay and Monthly Salary Schedules Memo; Management Pay Schedule January 2017; Monthly Salary Schedule Represented Staff January 2017

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7. ABAG LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE REPORT
ACTION

Committee Chair Scott Haggerty, Supervisor, County of Alameda, will report on Committee activities and request ABAG Executive Board approval of Committee recommendations.

Attachment: LGO Committee Agenda

Agenda and attachments available at abag.ca.gov

8. ABAG FINANCE AND PERSONNEL COMMITTEE REPORT
ACTION

Committee Chair Karen Mitchoff, Supervisor, County of Contra Costa, will report on Committee activities and request ABAG Executive Board approval of Committee recommendations.

Attachments: FP Committee Agenda

Agenda and attachments available at abag.ca.gov

9. REPORT ON PLANNING AND RESEARCH OVERVIEW
INFORMATION

Staff will present an overview of the Planning and Research Department, including describing how it fulfills its legal mandates, serves our cities, and brings new knowledge and innovation, and will seek input on actions needed to ensure continuity for current planning work and meet its legal mandates, and to identify greatest opportunities for the Council of Governments in the staff consolidation.

Attachment: Planning and Research Department Overview Memo; Summary of Key Tasks, Resources, and Tools; Challenges Cross City Boundaries

10. REPORT ON ABAG/MTC OPTION 7 IMPLEMENTATION ACTION PLAN

A. REPORT ON CONTRACT FOR SERVICES

INFORMATION

Staff will present an update on the Contract for Services and related documents.

B. REPORT ON MEMORANDUM OF UNDERSTANDING

INFORMATION

Staff will present an update on the Memorandum of Understanding.

Attachments: Joint ABAG MTC Memo Approval Contract for Services and Memorandum of Understanding; Comment ABAG Retirees

11. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Brad Paul, Acting Executive Director; Kenneth Moy, Legal Counsel; Courtney Ruby, Finance and Administrative Services Director; Marti Paschal, Assistant Director of Administrative Services

Employee organization: SEIU Local 1021

ABAG Executive Board

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12. ADJOURNMENT

The next meeting of the ABAG Executive Board will be on April 20, 2017.

Submitted:

/s/ Brad Paul, Acting Secretary-Treasurer

Date Submitted: March 10, 2017

Date Posted: March 16, 2017

SUMMARY MINUTES (DRAFT)

ABAG Executive Board Meeting No. 422
Thursday, February 16, 2017
Bay Area Metro Center
375 Beale Street, Board Room
San Francisco, California

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

ABAG President Julie Pierce, Councilmember, City of Clayton, called the meeting of the Executive Board of the Association of Bay Area Governments to order at about 7:00 p.m.

President Pierce welcomed the following new Executive Board members: Diane Burgis, Supervisor, County of Contra Costa—attending for Supervisor Candace Andersen; Liz Gibbons, Mayor, City of Campbell—Cities in Santa Clara County; John Rahaim, Director of Planning, City and County of San Francisco; Todd Rufo, Director of Economic and Workforce Development, City and County of San Francisco; Lan Diep, Councilmember, City of San Jose; Sergio Jimenez, Councilmember City of San Jose.

President Pierce announced that Dave Cortese, Supervisor, County of Santa Clara, was participating by teleconference.

President Pierce directed the Clerk of the Board to conduct a roll call.

A quorum of the ABAG Executive Board was present at about 7:00 p.m.

| Representatives and Alternates Present | Jurisdiction |
|---|-----------------------------|
| Mayor Jesse Arreguin | Cities in Alameda County |
| Supervisor Diane Burgis | County of Contra Costa |
| Councilmember Annie Campbell Washington | City of Oakland |
| Supervisor Dave Canepa | County of San Mateo |
| Supervisor Cindy Chavez | County of Santa Clara |
| Supervisor David Cortese | County of Santa Clara |
| Councilmember Lan Diep | City of San Jose |
| Councilmember Pat Eklund | City of Novato |
| Dir Nicole Elliott, Leg and Gov Affairs | City of San Francisco |
| Mayor Leon Garcia | City of American Canyon |
| Mayor Liz Gibbons | City of Campbell |
| Councilmember Lynette Gibson McElhaney | City of Oakland |
| Councilmember Abel Guillen | City of Oakland |
| Mayor Pradeep Gupta | City of South San Francisco |
| Supervisor Scott Haggerty | County of Alameda |
| Mayor Barbara Halliday | City of Hayward |
| Supervisor Erin Hannigan | County of Solano |
| Councilmember Sergio Jimenez | City of San Jose |
| Director William Kissinger * | RWQCB |
| Mayor Wayne Lee | City of Millbrae |
| Mayor Jake Mackenzie | City of Rohnert Park |
| Supervisor Karen Mitchoff | County of Contra Costa |
| Councilmember Raul Peralez | City of San Jose |
| Councilmember Julie Pierce | City of Clayton |

| | |
|---|-----------------------|
| Supervisor Dave Pine | County of San Mateo |
| Supervisor David Rabbitt | County of Sonoma |
| Dir John Rahaim, Planning | City of San Francisco |
| Supervisor Dennis Rodoni | County of Marin |
| Dir Todd Rufo, Economic and Workforce Dev | City of San Francisco |
| Mayor Greg Scharff | City of Palo Alto |

Representatives Absent

Mayor Len Augustine
Vice Mayor Dave Hudson
Supervisor Nathan Miley
Supervisor Belia Ramos
Supervisor Norman Yee

Jurisdiction

City of Vacaville
City of San Ramon
County of Alameda
County of Napa
County of San Francisco

[* Non-voting Advisory Member]

2. PUBLIC COMMENT

There was no public comment.

3. ANNOUNCEMENTS

There were no announcements.

4. PRESIDENT'S REPORT

President Pierce reported on the following:

The special General Assembly on "Shaping the Future of ABAG: What Does the Bay Area Need from Its Council of Governments?" was held on January 30, 2017.

The regular General Assembly and Business Meeting is on May 11, 2017.

The San Francisco Bay Trail and San Francisco Water Trail 2016 highlights booklets were distributed.

Executive Board representatives and alternates are required to file an annual Form 700 under ABAG's Conflict of Interest Code. Filing deadline is April 3, 2017.

The Executive Board was requested to ratify appointments to ABAG committees under the Consent Calendar.

5. ACTING EXECUTIVE DIRECTOR'S REPORT

There was no Acting Executive Director's report.

6. CONSENT CALENDAR

President Pierce recognized a request by Pradeep Gupta, Mayor, City of South San Francisco, to pull Item 6.C., Authorization to Enter into New Contract with San Francisco Estuary Institute (SFEI) for the *Healthy Watersheds, Resilient Baylands* Project, from the Consent Calendar.

President Pierce recognized a motion by Pat Eklund, Councilmember, City of Novato, which was seconded by Cindy Chavez, Supervisor, County of Santa Clara, to approve the Consent Calendar, excepting Item 6.C., Authorization to Enter Into New Contract with San Francisco Estuary Institute (SFEI) for the *Healthy Watersheds, Resilient Baylands* Project and including the ratification of committee appointments.

There was no discussion.

There was no public comment.

President Pierce directed the Clerk to conduct a roll call vote.

The aye votes were: Arreguin, Burgis, Canepa, Chavez, Cortese, Diep, Eklund, Elliott, Garcia, Gibbons, Guillen, Gupta, Haggerty, Halliday, Hannigan, Jimenez, Lee, Mackenzie, Mitchoff, Peralez, Pierce, Pine, Rabbitt, Rahaim, Rodoni, Rufo, Scharff.

The nay votes were: None.

Abstentions were: None.

Absent were: Augustine, Campbell Washington, Gibson McElhaney, Hudson, Miley, Ramos, Yee.

The motion passed unanimously.

A. Approval of Executive Board Summary Minutes of Meeting No. 421 held on January 19, 2017

The ABAG Executive Board approved its Summary Minutes of the meeting on January 19, 2017.

B. Ratification of Committee Appointments

The Executive Board ratified the following committee appointments:

Administrative Committee

Karen Mitchoff, Supervisor, County of Contra Costa—FP Committee Chair
Cindy Chavez, Supervisor, County of Santa Clara

Finance and Personnel Committee

Annie Campbell Washington, Councilmember, City of Oakland
Erin Hannigan, Supervisor, County of Solano

Legislation and Governmental Organization Committee

Dave Hudson, Vice Mayor, City of San Ramon
Greg Scharff, Mayor, City of Palo Alto

Regional Planning Committee

Monica Brown, Supervisor, County of Solano
David Canepa, Supervisor, County of San Mateo
Greg Scharff, Mayor, City of Palo Alto—San Francisco Bay Conservation and Development Commission
Kathleen Cha, League of Women Voters—Public Interest

C. Authorization to Enter into New Contract with San Francisco Estuary Institute (SFEI) for the *Healthy Watersheds, Resilient Baylands* Project

The Executive Board authorized the Executive Director or designee to enter into an agreement with SFEI for *Healthy Watersheds, Resilient Baylands* project in the amount not to exceed \$988,335.14.

D. Authorization to Enter into New Contract with Grassroots Ecology for the *Healthy Watersheds, Resilient Baylands* Project

The Executive Board authorized the Executive Director or designee to enter into a new Subrecipient Agreement with the Grassroots Ecology for the *Healthy Watersheds, Resilient Baylands* project in the amount not to exceed \$52,250.

E. Authorization to Enter into New Contract with City of Sunnyvale for the *Healthy Watersheds, Resilient Baylands* Project

The Executive Board authorized the Executive Director or designee to enter into a new Subrecipient Agreement with the City of Sunnyvale for the *Healthy Watersheds, Resilient Baylands* project in the amount not to exceed \$380,000.

Members discussed Item 6.C., Authorization to Enter into New Contract with San Francisco Estuary Institute (SFEI) for the *Healthy Watersheds, Resilient Baylands* project, i.e., project costs and funding.

President Pierce recognized a motion by Pradeep Gupta, Mayor, City of South San Francisco, which was seconded by Wayne Lee, Mayor, City of Millbrae, to approve Item 6.C., Authorization to Enter into New Contract with San Francisco Estuary Institute (SFEI) for the *Healthy Watersheds, Resilient Baylands* project.

There was no public comment.

President Pierce directed the Clerk to conduct a roll call vote.

The aye votes were: Arreguin, Burgis, Canepa, Chavez, Cortese, Diep, Eklund, Elliott, Garcia, Gibbons, Guillen, Gupta, Haggerty, Halliday, Hannigan, Jimenez, Lee, Mackenzie, Mitchoff, Peralez, Pierce, Pine, Rabbitt, Rahaim, Rodoni, Rufo, Scharff.

The nay votes were: None.

Abstentions were: None.

Absent were: Augustine, Campbell Washington, Gibson McElhaney, Hudson, Miley, Ramos, Yee.

The motion passed unanimously.

7. REPORT ON LOWER SAN JOAQUIN RIVER FLOW OBJECTIVES

Miriam Chion, ABAG Planning and Research Director, introduced a panel of speakers, including Leslie F. Grober, Deputy Director for Water Rights, State Water Resources Control Board; Steven Ritchie, Assistant General Manager of the Water Enterprise, San Francisco Public Utilities Commission; and Peter Drekmeier, Policy Director, Tuolumne River Trust, which presented on the proposed State Water Resources Control Board's Phase I Substitute Environmental Document for Flow Objectives on the Lower San Joaquin River.

Members discussed ground water recharging, water storage, and water for the Bay; status of settlement discussions and implications on comment period; salt water intrusion; bay restoration; flow flexibility, program implementation, and state of emergency; wastewater treatment facility discharge for ground water recharge; San Francisco Public Utility Commission assertions and socioeconomic study; customer impact on housing development; Sonoma County Water Agency and Russian River flows.

President Pierce recognized a motion by Eklund, which was seconded by Lee, to accept the staff report, including approval to send a comment letter to the State Water Resources Control Board, as reported.

President Pierce recognized a friendly amendment by Nicole Elliot, Director, Legislative and Governmental Affairs, City and County of San Francisco, to include in the letter acknowledgment of the parties in the negotiated settlement in seeking time to find balance. The friendly amendment was accepted by Eklund and Lee.

There was no discussion.

There was no public comment.

President Pierce directed the Clerk to conduct a roll call vote.

The aye votes were: Arreguin, Burgis, Campbell Washington, Canepa, Chavez, Cortese, Diep, Eklund, Elliott, Garcia, Gibbons, Gibson McElhaney, Guillen, Gupta, Haggerty, Halliday, Hannigan, Jimenez, Lee, Mackenzie, Mitchoff, Peralez, Pierce, Pine, Rabbitt, Rahaim, Rodoni, Rufo, Scharff.

The nay votes were: None.

Abstentions were: None.

Absent were: Augustine, Hudson, Miley, Ramos, Yee.

The motion passed unanimously.

8. REPORT ON ABAG/MTC OPTION 7 IMPLEMENTATION ACTION PLAN

A. REPORT ON CONTRACT FOR SERVICES

Brad Paul, ABAG Acting Executive Director, presented the draft Contract for Services that will govern how ABAG and MTC will share a consolidated staff and requested members to provide policy guidance, including ABAG statutory authority, employee transition plan, organizational chart, consolidated staff organizational chart, Memorandum of Understanding, and annual budget and work plan, organizational development work, input process, update schedule, ad hoc committee, and employee relations group.

The following individuals gave public comment: Matt Vander Sluice, Greenbelt Alliance; Lee Huo, SEIU Local 1021, ABAG Chapter; Julio Corral, SEIU Local 1021; Ken Bukowski.

Members discussed transition of staff not needing Legislature approval; Legislature approval regarding merger of governance agencies; staff integration and revised job classification report, employee transition plan, employee representation, and retirement and benefits; job classification and organizational development consultants; CalPERS contract and retirement; compensation and benefits, and sick and vacation leave; dispute resolution and policy making; termination for cause provision; stakeholder process and involvement; organizational development contract and agency mission and culture; procuring areas of service from MTC for ABAG, functional work, budget and work plan, and checks and balances, budget shortfall; Regional Planning Committee workshop feedback, maintain local control, protect staff employee benefits, enhance engagement with local planners, economic prosperity on par with housing and transportation issues; classification study and keeping employees whole regarding compensation and benefits; input regarding Memorandum of Understanding and Contract for Services documents; conflict resolution process regarding

policy issues; financial and programmatic accountability for products and services; General Assembly role, engagement, and policy decisions; Option 7 resolution and principles; successor Executive Director selection; \$2.6 million funding gap; provision for General Assembly, Executive Board, and local jurisdictions discussion on consolidation implementation; revenue sources and funding for transportation and land use planning; compilation of General Assembly notes; consolidated staff cost; Executive Board control over staff liaison; staff consolidation and merger of ABAG and MTC governance; cities and counties interests and regional planning; executive management staff work on consolidation; Council of Governments and Metropolitan Planning Organization; trust and working with colleagues; working with past and incoming MTC chair and vice chair.

B. REPORT ON POTENTIAL CONFLICT OF INTEREST

Kenneth Moy, ABAG Legal Counsel, reported on potential conflict of interest and requested the Executive Board to accept a report that staff members negotiating the Contract for Services have a 'remote interest' in the contract. [Govt Code § 1091.5(a)(9)]

President Pierce recognized a motion by Karen Mitchoff, Supervisor, County of Contra Costa, which was seconded by Abel Guillen, Councilmember, City of Oakland, to accept the staff report on potential conflict of interest regarding staff members negotiating the Contract for Services.

There was no discussion.

There was no public comment.

President Pierce directed the Clerk to conduct a roll call vote.

The aye votes were: Arreguin, Burgis, Campbell Washington, Canepa, Chavez, Cortese, Diep, Eklund, Elliott, Garcia, Gibbons, Gibson McElhaney, Guillen, Gupta, Halliday, Hannigan, Jimenez, Lee, Mackenzie, Mitchoff, Pierce, Pine, Rabbitt, Rahaim, Rodoni, Rufo, Scharff.

The nay votes were: None.

Abstentions were: None.

Absent were: Augustine, Haggerty, Hudson, Miley, Peralez, Ramos, Yee.

The motion passed unanimously.

9. ADJOURNMENT

Dave Cortese, Supervisor, County of Santa Clara, commented on the deliberation on staff consolidation process and Contract for Services.

President Pierce adjourned the meeting of the ABAG Executive Board at about 9:30 p.m.

The next regular meeting of the ABAG Executive Board will be on March 16, 2017.

Submitted:

/s/ Brad Paul, Acting Secretary-Treasurer

Date Submitted: March 7, 2017

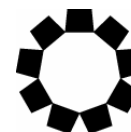
Approved:

For information or to review audio recordings of ABAG Executive Board meetings, contact Fred Castro, Clerk of the Board, at (415) 820 7913 or FredC@abag.ca.gov.

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ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

Date: February 24, 2017

To: ABAG Executive Board

From: Jennifer Berg
Principal Program Manager, Energy

Subject: **Ratification of a Proposal to California Energy Commission—Local Government Challenge**

Executive Summary

The California Energy Commission (CEC) has issued a Grant Funding Opportunity (GFO-404), called Local Government Challenge. ABAG, together with a team of other public agencies and non-profit organizations intends to submit a proposal called *Statewide Benchmarking Collaborative* project. ABAG would be the prime recipient on the team and would serve as the Program Administrator. The award notifications will be made on April 11, 2017. The maximum contract allocation is \$2 million, with a contract termination date in March 2021.

Background

The CEC's Existing Buildings Energy Efficiency Action Plan (Action Plan) provides a roadmap to activate market forces and transform California's existing residential, commercial, and public buildings to become high-performing and energy-efficient. The Action Plan serves as an important tool in the implementation of components of SB 350 (requiring the CEC to establish targets and meet goals to double energy efficiency in buildings), and AB 802 (requiring the CEC to implement a statewide benchmarking program for nonresidential buildings). The Local Government Challenge Program is detailed in Strategy 1.7 of the Action Plan.

In its 2016-2017 budget, the Legislature approved the CEC's expenditure authority to administer repaid and repurposed federal American Recovery and Reinvestment Act of 2009 (ARRA), State Energy Program funds. A total of \$10.2 million has been made available for the Challenge program. The Challenge program will encourage participation from both small and large local governments by separating funding into two categories, the Small Government Leadership Challenge and the Energy Innovation Challenge. ABAG's proposal will fall under the Energy Innovation Challenge category, which expressly allows for proposals from councils of governments.

The goal of this project proposal is to foster the coordination of government implementation of benchmarking and transparency policies in furtherance of the mandates of AB 802 requiring energy benchmarking of commercial and multifamily buildings and use of the data to increase

Ratification of a Proposal to CEC—Local Government Challenge

February 24, 2017

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energy efficiency in buildings. Further the project will support a robust stakeholder engagement strategy that will empower building owners and local governments in their efforts to improve the performance of buildings across the state. Successful deployment of the statewide benchmarking program will largely depend on whether local jurisdictions have access to sufficient capacity, resources, and expertise. By convening regular working group calls, providing a platform for coordination with the CEC, capturing lessons learned, offering technical assistance, and convening in-person meetings, this project initiative will help cities further their own benchmarking efforts and contribute to the ramp-up and implementation of the statewide program.

Key deliverables from the project are:

- Coordinate 6 local governments partners to advance local and state energy benchmarking and transparency policies and programs;
- Ensure alignment between local and state programs as much as possible. Alignment will be necessary across a range of issues, including but not limited to: data infrastructure, time of year of reporting, data storage, Building Department/CEC coordination, and best practices of Benchmarking Help Centers;
- Capture lessons learned by local governments at each stage of the benchmarking and disclosure cycle to share with the CEC and stakeholders to demonstrate the benefits of benchmarking and provide guidance on using the data to reduce energy use;
- Deliver technical, communication, and policy assistance to participating local governments;
- Foster discussion and dissemination of ideas among local governments;
- Assist with outreach to real estate, affordable housing, and building industry groups by leveraging local government partnerships;
- Disseminate the learnings and outcomes through channel partners to a wider market, both within and outside of California.

ABAG has teamed with the following agencies on this proposal:

- City and County of San Francisco
- City of Berkeley
- City of Oakland
- City of San Jose
- City of San Diego
- County of Los Angeles

The term of the contract is from July 2017 through March 2021.

Recommended Action

The Executive Board is requested to ratify the submittal of the proposal by ABAG to the California Energy Commission as the Program Administrator for the Statewide Benchmarking Collaborative Project, and, if approved, authorize the ABAG Acting Executive Director to enter negotiations and execute the necessary agreements in an amount not to exceed \$2 million.

Ratification of a Proposal to CEC—Local Government Challenge

February 24, 2017

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Attachment

Project Narrative

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ATTACHMENT 7

Project Narrative Form

1. Demonstrated Need or Value

Project Overview

The implementation of AB 802 (Williams) will be a national game changer in using benchmarking and the disclosure of building performance data to drive energy savings in existing buildings. While the State of California's new mandates will initiate significant benchmarking activity, many local jurisdictions are currently adopting or implementing their own benchmarking, transparency, and advanced building performance policies. Coordination among local and state benchmarking efforts is critical to minimizing market confusion and maximizing existing building energy savings. Additionally, gathering and applying lessons learned by benchmarking efforts across the United States will increase the likelihood of success for California's state and local efforts. Last, the success of any benchmarking and transparency program, whether locally- or state-driven, relies heavily on local jurisdictions' ability to engage and activate their commercial and multifamily building communities.

The proposed California Energy Data Leadership Project (Project) is designed to address these needs. By bringing California jurisdictions that have active or pending benchmarking policies together with experts in building performance and data transparency, the Project will foster an informed and coordinated deployment of benchmarking policies at the state and local levels. By fostering robust stakeholder engagement and best practice sharing, the Project will empower local governments and building owners in their efforts to improve the performance of buildings across the state. The deep, strategic coordination proposed by this Project will directly support the goals established by AB 758 and SB 350 by bolstering local government leadership efforts and increasing awareness of energy and cost savings potential among existing commercial and multifamily building owners and operators.

Local governments participating in the Project (Berkeley, Los Angeles, Oakland, San Diego, San Francisco, and San Jose) represent a range of diverse communities, and the three member cities that already have local benchmarking policies (Berkeley, Los Angeles and San Francisco) comprise about 45 percent of the buildings in the state that will have to comply with AB 802. The percentage covered by local policies will grow to well over 50 percent of the state's total should the remaining three cities, which are all considering new policies, enact those as well. The successful implementation of both local policies and AB 802 requirements within the cities participating in the Project is critical to the overall success of AB 802. The additional direct funding, technical assistance, access to resources, and networking/collaboration opportunities provided through this project will deliver the key elements necessary to ensure their success.

The Institute for Market Transformation (IMT) brings a national perspective to the project; IMT will help inform California's benchmarking efforts by highlighting best practices established across the country, including in Los Angeles and San Jose, via IMT's co-leadership of the City Energy Project. The Association of Bay Area Governments (ABAG) will leverage its relationships and programs to engage and activate Bay Area jurisdictions and property owners. The Center for Sustainable Energy (CSE) will tap into its education, outreach and policy

ATTACHMENT 7 Project Narrative Form

expertise to engage and inform stakeholders at all levels, from building occupants to state regulators.

a. Project design reflects the goals of the Applicant as stated in their climate action plan, general plan, or other document.

ABAG and the local government Project partners are all committed to reducing climate change impacts and energy use in their jurisdictions. For each of the participating cities, establishing a benchmarking and transparency policy is foundational to prioritizing energy savings and critical for both long term energy strategy planning and achieving climate action goals.

- City of San Diego: The proposed Project will support the City of San Diego in reaching its Climate Action Plan goals of reducing energy consumption at municipal facilities by 15 percent by 2020 and an additional 25 percent by 2035, and achieving 100 percent renewable energy city-wide by 2035. Benchmarking and energy disclosure policies are key components of these Climate Action Plan goals. Alignment and cooperation with other local governments will likely increase resource availability and data quality to better identify opportunities for the City and its commercial sector to reduce energy consumption. Future investments in energy efficiency measures will further reduce the municipal load requirement to achieve 100 percent renewable energy city-wide. By learning from other governments and promoting the benefits of benchmarking, the City will ensure that its residents and businesses are receptive to energy conservation and disclosure ordinances.

- City of Oakland: The proposed Project supports the broad goals of the Oakland Energy and Climate Action Plan (ECAP) by targeting existing buildings, a critical and hard-to-reach market segment of emissions generation. It further supports the ECAP goals of broadly reducing emissions in ways that support broader equity goals, including the creation of green jobs, the reduction in utility costs for small business owners, and increased outreach and coordination with disadvantaged neighborhoods, where many large buildings are located. The ECAP specifies 61 priority actions (PA) to meet its adopted 2020 climate goals. These include several items specifically supported by benchmarking programs and policies, including:
 - PA 42: Engage Largest Electricity Consumers in Energy Retrofits
 - PA 43: Market Energy Retrofit Opportunities to All Oakland Businesses
 - PA 46: Consider Energy Benchmarking Requirements for Commercial Buildings

- City of San Jose: The project supports the City of San Jose's "Green Vision" greenhouse gas reduction goals in existing buildings. As part of their participation in the City Energy Project, San Jose is beginning to implement and expand a set of programs to jump start benchmarking and retrofits in commercial and multifamily buildings.

ATTACHMENT 7 Project Narrative Form

- City of Los Angeles: The City of Los Angeles passed the Existing Buildings Energy and Water Efficiency Program Ordinance in December 2106. The ordinance requires energy and water benchmarking among buildings 20,000 sf and larger and results in the largest number of buildings being required to comply with a local policy anywhere in the nation.
- Cities of San Francisco and Berkeley: These cities have adopted benchmarking policies and have several years of experience to share with both the state and local jurisdictions wishing to pass their own policies. The Energy Data Leadership Project enables these leading jurisdictions to both share best practices and learn from national leaders as they adjust their own policies to align with new state requirements.

b. Application clearly identifies and provides detailed justification for the need and/or value of the project as a whole, as well as justification for the need and/or value of each of the technical tasks or activities proposed.

AB 802 requires benchmarking and reporting to the Energy Commission for most buildings over 50,000 square feet, but the recently published regulations for AB 802 have clarified that where a local jurisdiction collects and reports appropriate benchmarking data to the Energy Commission, those buildings participating in the local program may be considered by the Energy Commission as having complied with the requirements of AB 802. Although AB 802 provides an enormously helpful foundation by regulating utility data access provisions, the responsibility for fully implementing these local programs and engaging with the covered building owners ultimately falls largely upon the cities. In addition, many of the cities that have or are considering local benchmarking measures will incorporate aspects that go well beyond the requirements of AB 802, such as a) including buildings smaller than 50,000 square feet, b) requiring additional actions such as audits or retuning for buildings that that demonstrate poor benchmarking results, or c) delivering targeted messaging and scorecards to individual buildings to help motivate owners to make energy efficiency improvements. The Project members represent the leading cadre of local policy makers in the state who are hoping to use benchmarking and related programs as a means to drive demonstrable energy savings in their local building stock while at the same time, serving as model jurisdictions for others in the state.

This project seeks to support local governments that have existing or emerging ordinances to help them align with and, where appropriate, exceed the state program. Cities that have opted to enact local benchmarking requirements have demonstrated their commitment to the energy efficiency goals underlying SB 350 and AB 802, but because they have or intend to pass policies that to go beyond the requirements of AB 802 they will require additional resources and support to help them execute the initial ramp-up of their programs. Any AB 802-focused trainings, technical resources, data infrastructure solutions, stakeholder engagement campaigns and other activities that the Energy Commission may decide to deliver at the state level will need to be augmented or completely superseded by targeted local efforts within these communities. This is the fundamental gap that will be addressed through this project.

ATTACHMENT 7

Project Narrative Form

Resources for San Diego, San Jose and Oakland are especially critical as these communities will be faced with major change during the contract period. At the start of the Project, building owners will be required to report directly to the state under AB 802. Soon thereafter these jurisdictions are expected to adopt their own benchmarking policies that exceed the state requirements. One of the most valuable components of this project is providing assistance to these jurisdictions to help them align their reporting requirements to those established by the state to minimize market confusion and create a smooth transition for covered building owners. As these jurisdictions adopt their own policies and take on support and outreach responsibilities for their local markets, the need for Energy Commission staff to support covered building owners will be greatly reduced.

Because it includes all six major cities in the state that have or are considering local benchmarking provisions, this project will provide a single touchpoint for the Energy Commission to work with leading cities. Furthermore, federal partners, including the EPA and DOE, have expressed a desire to work with a coordinated group of local governments and the Energy Commission in California. Not only will the Project directly support benchmarking activities within the six participating cities, but local governments across the state will benefit from this project's efforts to bolster awareness around benchmarking, increase coordination with the Energy Commission, provide a peer learning network, and create resources and outreach strategies that are easily transferable.

The proposed project includes three technical tasks. The value for each of the proposed tasks and activities is described below.

- **TASK 2: BENCHMARKING LEADERSHIP CONSORTIUM (BLC):** The BLC will develop solutions to current and future challenges to implementing benchmarking policies and will enable a fast-tracked channel of communication directly to the Energy Commission with recommendations for the statewide benchmarking program. The BLC will identify key partner and stakeholder engagement strategies, and address high-priority needs to ensure building owners are prepared and ready to benchmark their buildings.
- **TASK 3: STAKEHOLDER OUTREACH & ENGAGEMENT:** Local governments participating in the Project represent over half of the buildings in the state that will have to comply with AB 802. Working in a coordinated fashion to engage covered building owners and operators will greatly enhance the Energy Commission's efforts to spread the word about the new requirements and reduce the Energy Commission's workload in informing stakeholders. Engaging this large number of stakeholders with consistent messaging is also valuable to minimize market confusion and increase the success of the statewide program.

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- **TASK 4: TECHNICAL ASSISTANCE:** Many of the technical details regarding coordination between the statewide and local benchmarking policies are still to be addressed. This task will bring national expertise and the experience of cities such as New York, Chicago, and Seattle to California's programs. The task will address general benchmarking implementation and the roles of city staff and covered building communities, data infrastructure alignment and the state and local levels, and moving building owners from benchmarking to energy savings.
- **TASK 5: PUBLIC OUTREACH / BROADCAST RESULTS:** After working together over the course of 2.5 years (mid-2017 through the end of 2019), the group will have much to share with other jurisdictions seeking to better understand the successful approaches to implementing benchmarking and disclosure policies. ABAG's experience as a regional leader will help to inform the best channels of communication for sharing the Project outcomes.

c. Application identifies and discusses any benefits of the proposed project/activities and who will receive those benefits.

This project will provide significant benefits to ensure high compliance rates with benchmarking and support commercial building decision makers to achieve energy savings.

Benefit #1: Participating cities will be able to effectively implement their local benchmarking requirements, and/or support successful local implementation of AB 802, thereby achieving their local climate action and energy efficiency goals

Benefit #2: Because the cities will be able to deliver additional trainings, provide better support resources, and have more robust stakeholder engagement, more building owners will benchmark their buildings and begin to consider cost savings improvements they can implement in their buildings.

Benefit #3: The participating cities will be responsible for activities related to benchmarking of buildings within their jurisdictions, freeing up Energy Commission staff and resources to focus on overseeing AB 802 implementation for the more dispersed buildings across the remainder of the state.

Benefit #4: Energy Commission staff and staff in other California cities will be able to leverage the resources, best practices, and positive experiences of building owners and property managers that will be developed through this project within the participating cities.

d. The grant proposal explains how the project would not be able to move forward without the Challenge grant.

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Without this specific funding opportunity from the Energy Commission, the Project partners would be unable to devote resources to supporting and facilitating a coordinated and informed rollout of the forthcoming statewide and local benchmarking program. The local government partners would proceed in an uncoordinated fashion. For cities that have local policies, this may result in market confusion regarding state and local reporting requirements and have a negative impact on compliance among building owners and operators.

e. Application identifies and discusses any consequences that may result from not doing the proposed project.

The success of any benchmarking program, local or statewide, depends heavily on local leadership, and on establishing robust communication channels to engage with and activate the commercial and multifamily real estate communities at the local level. Without the dedicated funding and support that can be provided under this project, there is a significant risk that the participating cities will be unable to devote adequate resources to support their local benchmarking efforts, which would significantly undermine the ability for local governments and the states to coordinate collaborate on the rollout of coordinated policies. The first few years of any benchmarking program are vital to establishing success, and because this is a statewide program (the first of its kind), it is imperative that local governments are empowered to lead, on behalf of the state, when it comes to outreach, education and technical assistance to their local building communities.

The Local Government Challenge funding opportunity is particularly well-timed; if awarded, the proposed Project will enable local governments interested in adopting local policies to coordinate their efforts with the rollout of the statewide program. Furthermore, the Project partners believe that the Energy Data Leadership Project will create “hot spots” for future regional collaboration, develop institutional knowledge and build capacity at the local level, establishing a foundation of success for advanced building performance policies and energy savings for years to come. As expressed by their climate action plans, it is local governments that sit at the vanguard of possibility when it comes to improving energy efficiency in existing buildings. The project participants believe that local governments will be the key to a successful statewide benchmarking program and without funding for the Project, the future success of the statewide benchmarking program remains uncertain.

2. State Energy Goals

a. Demonstrates how the project will increase compliance with California Building Energy Efficiency Standards.

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In many cases, local building departments play a pivotal role in enforcing compliance with benchmarking policies. For example, the City of Los Angeles is relying on the Department of Building and Safety to enforce the requirements of the Existing Buildings Energy and Water Efficiency Program. Local building departments are also charged with enforcing compliance with the California Building Energy Efficiency Standards. Every interaction between building owners/operators and building departments around benchmarking compliance, whether in person or via web-based data reporting infrastructure, presents an opportunity to increase awareness of the energy efficiency standards. The proposed Project will gather and apply best practices in enforcement and the most advantageous use of local building departments to achieve compliance with both benchmarking policy requirements and Title 24, Part 6. The Project team will collaborate with REN codes and standards programs to engage compliance community stakeholders, by leveraging existing forums, around benchmarking and transparency best practices and practical roles and expectations. Additionally, outreach and education to local building owners and operators about statewide and local benchmarking program compliance requirements presents an opportunity to inform them about energy efficiency code compliance as well.

b. Demonstrates how the project will help meet the goals of SB 350 and AB 802

In the 2016 Existing Buildings Action Plan, the Energy Commission establishes a 10-year plan to achieve the following goals: 1) increased government leadership in energy efficiency; 2) data-driven decision making; 3) increased building industry innovation and performance; 4) recognized value of energy efficiency and upgrades; and 5) affordable and accessible energy efficiency Solutions. The Plan relies on "increased government leadership in energy efficiency," and specifically mentions benchmarking and disclosure as an area of local government leadership. The Vision Statement of the pPlan goes on to state "robust, sustainable efficiency marketplaces that deliver multiple benefits to building owners and occupants through improvements, investments and operation of existing homes, businesses, and public buildings" will result in the "doubling of energy savings from building energy efficiency projects in California. This is equivalent to a 20 percent reduction of statewide building energy use from 2014 levels by 2030." This Project aims to establish such 'robust marketplaces' for energy efficiency in commercial and multifamily buildings, and to drive energy savings that result from increased awareness of building performance. In passing AB 802, the State demonstrated its commitment to annual benchmarking and reporting of building performance, facilitated by a simple process for building owners to get energy usage data from utilities, as an important pathway for driving demand for energy efficient buildings.

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The success of a statewide benchmarking program will depend on a number of factors, such as a) facilitating the development of efficient, streamlined processes for building owners to comply, b) ability to collect high quality benchmarking data, c) high levels of compliance by building owners, d) educating building owners and the real estate community on the value of benchmarking results, e) activating the energy efficiency service provider community to fulfill the market demand generated through benchmarking, and ultimately, f) motivating building owners to take actions to improve the energy performance of their buildings. This project will assist the six participating cities in addressing these, and other key issues, so that the potential value of benchmarking as a driver of energy efficiency can be fully realized in these markets. Best practices will be shared across the state thereby resulting in greater overall compliance with AB 802 while also diminishing the demands on Energy Commission staff responsible for implementation.

c. For Energy Innovation Challenge applicants, demonstrates how the project will create measurable energy savings and greenhouse gas emissions reductions.

The success of the proposed Project will be measured in the level of awareness of benchmarking requirements among covered building owners and operators, as well as the number of complying buildings in the participating jurisdictions. While the Energy Commission did not specifically quantify potential energy consumption reductions from the implementation of AB 802, it was noted that the EPA saw an estimated seven percent reduction in energy use over a period of four years through consistent building benchmarking.¹

A key component of calculating accurate energy savings and greenhouse gas emissions reductions from benchmarking and transparency programs, such as AB 802, is data quality. As noted in the *San Francisco Existing Commercial Buildings Performance Report (2010-2014)*, key factors affecting data quality in their program included unfamiliarity with Portfolio Manager, manual data entry (versus automated benchmarking via a local utility), tenant- or electrical-system reconfiguration, and omission of meters.² Thus, stakeholder engagement and outreach to increase building owner and operator awareness of AB 802 requirements and developing best practices will not only increase compliance rates, but also the quality of the data provided to local and statewide jurisdictions. Increased data quality, in turn, will increase the accuracy of calculations of the energy savings and greenhouse gas emissions reductions realized through the passage of AB 802.

¹ http://docketpublic.energy.ca.gov/PublicDocuments/15-OIR-05/TN216205_20170223T123839_AB_802_Benchmarking_Form_399_Attachment.pdf

² <http://uli.org/wp-content/uploads/ULI-Documents/SFenergybenchmarkingreport.pdf>

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The Project will facilitate additional energy savings and greenhouse gas emissions reductions through coordinating and streamlining data sharing, stakeholder engagement and compliance mechanisms for local policies exceeding state requirements. Furthermore, through increased compliance rates and awareness of building energy consumption, additional savings and reductions could be realized through driving more building owners to pursuing energy efficiency

d. Details activities which implement change and align with state mandates SB 350 and AB 802

The following table details project activities and how they will implement change and/or align with state mandates SB 350 and AB 802.

| Task | Description | How it Implements Change and Aligns with State Mandates |
|-------------|--|--|
| 2 | Benchmarking Leadership Consortium | Activities under Task 2 create a Benchmarking Leadership Consortium, which will provide a unique forum for developing solutions to current and future challenges in implementing benchmarking policies, thus increasing local and statewide benchmarking program compliance among building owners. |
| 3.1 | Develop BLC stakeholder engagement plan | Task 3 activities will help establish strong methodologies for engagement of key stakeholders for both for local and statewide benchmarking programs. By identifying and creating city-specific outreach and engagement plans, the Project will effectively increase awareness of AB 802 requirements, as well as the benefits of benchmarking and energy efficiency, among local building owners. |
| 3.2 | Implement stakeholder engagement plan | |
| 4.1 | Provide benchmarking implementation support | Task 4 activities will leverage IMT's expertise in benchmarking policy development and support in identifying top technical issues hindering compliance with local and statewide benchmarking mandates. By identifying roadblocks to compliance and implementing energy efficiency measures, Task 4 activities will facilitate increased compliance rates, as well as development of a more robust energy efficiency marketplace. |
| 4.2 | Assist with alignment of data infrastructure | |
| 4.3 | Driving building decision makers to action | |
| 5.1 | Develop resource dissemination plan | Documenting project activities and disseminating resources to other jurisdictions will facilitate implementation of best practices for increasing compliance with both local and statewide benchmarking programs (AB 802). Through increased compliance, building owner awareness of individual building energy consumption and performance compared to other similar buildings will increase. This will aid in developing a robust marketplace for energy efficiency and related cost savings in commercial and multifamily buildings (SB 350). |
| 5.2 | Document project activities | |
| 5.3 | Develop information portal | |
| 5.4 | Disseminate best practices per plan | |

3. Technical Approach

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a. Project Narrative describes the technique, approach, and methods to be used in performing the work.

In the following section, we describe the techniques, approaches and methods to be used in implementing the Energy Data Leadership Project. The project team recognizes that the participating cities are in different phases of implementing local benchmarking requirements, have differing aspirational goals, and have different levels of existing resources upon which to draw. Through the tasks described below, the Project will aim to deliver both targeted, individualized assistance to address the unique needs of each city, as well as support collaboration and sharing of best practices across the entire network of cities to address common challenges in an efficient and easily scalable manner.

TASK 2: BENCHMARKING LEADERSHIP CONSORTIUM

The foundational activity of the Energy Data Leadership Project is establishing the Benchmarking Leadership Consortium (BLC), a technical advisory committee comprised of the six partnering local governments (Berkeley, Los Angeles, Oakland, San Diego, San Francisco, and San Jose) and the Association of Bay Area Governments (ABAG). The members of the BLC will work collaboratively to advance state and local energy and water benchmarking and transparency policies and programs. The BLC will convene regularly, both in person and virtually, facilitated by the Center for Sustainable Energy (CSE), with regular participation by the Institute for Market Transformation (IMT), utilities serving the partner cities and, ideally, the Energy Commission.

The BLC proposes to meet with Energy Commission staff quarterly, through years 2017-2019, to discuss progress, provide recommendations, and to relay initial reactions from compliant stakeholders. Project partners feel that this early and often information exchange will result in a timely feedback loop so that local government partners can fulfill their role in the successful implementation of the statewide program.

In the early phase of the Project, the BLC will establish a work plan tailored to the compliance deadlines of the state and local benchmarking programs. The goal of the work plan will be alignment of local and state benchmarking policies and programming across of range of issues pertinent to successful implementation including, but not limited to:

- data access, infrastructure and storage;
- time of year of reporting;
- building department roles and responsibilities (including energy code compliance enhancement opportunities);
- commercial building community engagement;
- multifamily building community engagement;
- benchmarking help centers; and
- violations and enforcement.

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The BLC will develop solutions to current and future challenges to implementing benchmarking policies and will enable a fast-tracked channel of communication directly to the Energy Commission with recommendations for the statewide benchmarking program. The BLC will identify key partner and stakeholder engagement strategies, and address high-priority needs to ensure building owners are prepared and ready to benchmark their buildings.

TASK 3: STAKEHOLDER OUTREACH & ENGAGEMENT

The Energy Data Leadership Project will develop outreach and education methods and materials to drive awareness of and compliance with the statewide and local benchmarking programs. Outreach and engagement methods will likely include regular webinars targeting key stakeholders as well as site visits and on-the-ground assistance for participating local governments and their covered building owners. Outreach and education materials will address compliance with benchmarking policies, as well as point audiences toward resources that will help them achieve energy savings in their buildings, from traditional utility incentives to information on strategic energy management and whole-building retrofits. Many effective education and outreach materials already exist, created by jurisdictions with benchmarking policies both in California and beyond. Rather than develop new materials, this Project will leverage existing resources, including those developed by the Pacific Coast Collaborative Mandatory Benchmarking & Disclosure project and the City Energy Project, and tailor them to address building owners and operators in the covered building sectors.

The Energy Data Leadership Project will collaborate with national, statewide, and regional organizations as part of the group's regular and ongoing stakeholder engagement. Clear communication regarding state and local benchmarking requirements must be shared with a wide variety of stakeholders to minimize market confusion and maximize energy savings. Stakeholders will likely include building owners, property managers, energy service providers, large triple-net lease tenants, and associations of these stakeholder groups. By funding local government partners through this Local Government Challenge, the Project aims to create "regional hubs" that will foster awareness, provide technical assistance, and ensure continuity and a strong foundation for the state benchmarking program, particularly through the early years.

By working with the Institute for Market Transformation, a national leader in benchmarking best practices, the Project will benefit from their exposure to engagement strategies that drive building owners beyond benchmarking to pursuing energy savings. For example, IMT has worked with New York City since the inception of their building performance policy and has intimate familiarity with their policy, which requires both benchmarking and audits. Building upon several years' worth of data, the City launched the Retrofit Accelerator, which "offers free, personalized advisory services that streamline the process of making energy efficiency improvements to your building that will reduce operating costs, enhance tenant comfort, and improve our environment." The Energy Data Leadership Project, while mainly focused on alignment and support of state and local policies, will also establish pathways among local government partners that allow building owners to move fluidly from benchmarking to energy saving actions.

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TASK 4: TECHNICAL ASSISTANCE

The Energy Data Leadership Project will develop technical resources for the Energy Commission and local governments working toward adoption of local benchmarking policies. Development of resources will be informed by both the state regulations and the experiences of the BLC members in pursuing, adopting and implementing local benchmarking policies and programs. This task involves the following three major areas of work:

4.1 General Benchmarking Implementation Technical Assistance – IMT and the Project partners will address critical implementation issues which may include streamlined compliance guidance for building owners, benchmarking help center processes and protocols, and guidance for local jurisdictions as they seek to enforce compliance with local and state requirements.

4.2. Data Infrastructure Alignment Technical Assistance – IMT will work closely with the participating local governments to map out data flows [utility → building owner → Portfolio Manager → jurisdiction → Energy Commission] to better understand how local policies will support the state program and ensure a comprehensive data set at the statewide level. IMT and the Project partners will also assess the potential use of the Standard Energy Efficiency Data (SEED) Platform, an open source platform developed by the DOE, and its ability to facilitate real-time exchange of data between multiple (i.e. local and state) datasets.

4.3. Driving Building Decision Makers to Action – A critical component of this Project is increasing the uptake of energy efficiency improvements in buildings that comply with state and local benchmarking policies. IMT and CSE will work with the partnering jurisdictions in developing resources for covered building owners and operators that drive energy efficiency action. Technical assistance will focus on the full spectrum of benefits of taking action, and point audiences toward resources that help offset the cost of retrofits , like the BayREN’s successful multifamily program.

Technical assistance will be provided in the form of onsite visits with local government partners and building owners, webinars, technical memos, and other delivery formats that best meet the needs of the target audiences. The partners propose that all technical resources will be placed in a central online repository hosted by either ABAG or the Energy Commission, or both. The size and geographic diversity of the partner jurisdictions will help ensure that tools and resources created as a part of the Energy Data Leadership Project will be flexible and tailorable to any sized jurisdiction. By working with a regional organization such as ABAG, the project and its lessons learned will find an institutional home base so that resources can be catalogued, modified, and continually shared in the coming years regardless of staff changes at the city level.

TASK 5: PUBLIC OUTREACH / BROADCAST RESULTS

Information dissemination is a particularly important component of the overall project. By working with six local governments in the early stages of the statewide benchmarking program, the project aims to fast-track the development of solutions for existing benchmarking barriers.

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After working together over the course of 2.5 years (mid-2017 through the end of 2019), the group will have much to share with jurisdictions seeking to better understand the successful approaches to implementing benchmarking and disclosure policies. IMT and CSE will work closely with ABAG to develop an information dissemination plan over the course of the project. ABAG's experience as a regional leader will help to inform the best channels of communication for sharing the Project outcomes. The Project partners intend to work closely with the Regional Energy Networks as well as the Local Government Sustainable Energy Coalition and Green Cities California to broadcast the Project results. The group also plans to submit conference abstracts and hopes to present at workshops and conferences in California and beyond.

b. Project Narrative describes how tasks will be executed and coordinated with various participants and team members.

ABAG has assembled and structured the project team to maximize efficiency and provide quality results. All subcontractors, including staff from CSE, IMT and the six participating jurisdictions, bring necessary technical expertise to the project and are comfortable with the team approach to executing this collaborative project. Individual qualifications are documented in Tab 5 (Project Team) of this proposal. The project partners have agreed upon the general responsibilities for each task as depicted below.

| Energy Data Leadership Project | ABAG | CSE | IMT | LGs | CEC |
|---|------|-----|-----|-----|-----|
| Task 1: Administration | | | | | |
| Administer Contract | A | R | R | R | C |
| Task 2: BLC | | | | | |
| Establish BLC, facilitate meetings, document key issues | R | A | R | R | C |
| Task 3: Stakeholder O&E | | | | | |
| Develop BLC stakeholder engagement plan | C | R | A | C | I |
| Implement stakeholder engagement plan | C | A | C | R | I |
| Task 4: Technical Assistance | | | | | |
| Provide benchmarking implementation support | C | R | A | C | I |
| Assist with alignment of data infrastructure | C | R | A | C | I |
| Drive building decision makers to action | C | R | A | C | I |
| Task 5: Public Outreach / Broadcast Results | | | | | |
| Develop and disseminate information | C | A | R | C | I |

| | |
|----------|---|
| R | Responsible - perform work to support task, report to A |
| A | Accountable - perform and/or delegate work, highest level of responsibility |
| C | Consulted - technical expert, need to know, two way communication with A/R |
| I | Informed - notified of milestones, one way communication typically with A |

c. Project Narrative identifies and discusses factors critical for success, in addition to

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risks, barriers, and limitations, and provides a plan to address them.

The following risk factors will require thoughtful planning and committed partnerships to mitigate.

| Category | Risk | Mitigation |
|-------------|---|--|
| Operational | <p>IF: Geographically and organizationally disparate partners participating in this project are unable to work together efficiently</p> <p>THEN: The project will be unable to fully achieve all desired outcomes.</p> | Develop Project Plan with clearly defined roles and responsibilities for each task and subtask to ensure that each partner is clear on respective responsibilities; hold regular check-ins and establish measurable milestones with responsibilities allocated to project partners as needed for accountability. |
| Regulatory | <p>IF: Statewide utility compliance with AB 802's data access requirements does not occur per the mandated schedule</p> <p>THEN: Building owners, particularly in large multifamily properties, may be unable to benchmark their buildings.</p> | Maintain close relationship with utilities serving the partner cities to track progress and encourage timely deployment of solutions; leverage progress already made by the participating local jurisdictions, through work outside of this project. |
| Operational | <p>IF: Utility data access processes prove to be overly complex and onerous</p> <p>THEN: Building owners will be frustrated with meeting requirements to benchmark their buildings, and compliance rates will be low.</p> | BLC will serve as primary point of contact to keep Energy Commission staff informed of the real-world experiences of building owners, and any need for improvements in data access provisions; project partners will maintain and strengthen existing relationships with local building owners, to ensure utilities hear directly from the real estate community that data access remains an urgent priority. |
| Technical | <p>IF: Energy Commission is delayed in standing up state level benchmarking data collection infrastructure</p> <p>THEN: Local jurisdictions will be unable to complete development of solutions to transfer data to the State.</p> | Focus on developing high level agreement between the Energy Commission and local jurisdictions on data transfer and interoperability standards so that any local IT solutions are future ready. |
| Technical | <p>IF: SEED does not prove to meet technical needs, or is not adopted by the Energy Commission and/or local jurisdictions</p> <p>THEN: Alternative IT solutions must be identified, funded, and developed.</p> | Leverage IMT's role as participant in the SEED Collaborative and as a contractor to DOE to coordinate closely with DOE's SEED development team and with Energy Commission staff, and maximize likelihood that a SEED based platform can achieve all desired functional requirements; maintain an open mind to consider alternative IT solutions that could provide equal or better ability to meet needs of the Energy Commission and local jurisdictions. |

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| | | |
|-------------|---|---|
| Operational | <p>IF: Staffing changes or a shift in priorities further reduces capacity that an individual city can dedicate to benchmarking and energy efficiency</p> <p>THEN: Despite resources of the BLC, that city may be unable to fully implement their local benchmarking program</p> | <p>Sharing of best practices through the BLC, combined with access to experts and capacity provided by local partners will allow participating cities to “do more with less.”</p> |
| Political | <p>IF: Participating cities that do not yet have local policies are unable to enact them and begin implementation during the period of this project</p> <p>THEN: Those cities will not have any requirements that go beyond AB 802 requirements.</p> | <p>Focus on efforts to maximize local compliance with AB 802 in those cities without a local policy, and support activities such as robust challenge programs and targeted messaging that will leverage benchmarking results to drive action.</p> |

4. Project Plan

a. Applicant has a plan to broadcast and/or showcase the project results, when completed, to other local governments (EIC).

The applicant will pursue the activities described in Task 5: Public Outreach / Broadcast Results to inform other local governments of the project results.

b. Applicant has a plan to move forward with implementing projects identified through planning activities (SGLC).

Not applicable

c. Application includes a realistic schedule for completion of the project tasks during the contract period, as well as clearly described products for each task and an appropriate budget.

The applicant team has developed a realistic schedule for completion of the project as depicted below. The applicant team has also developed clearly described products for each task and appropriate budgets to support those tasks. Products are clearly described in 4.d. below.

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| Energy Data Leadership Project | 2017 | | 2018 | | | | 2019 | | | |
|---|------|----|------|----|----|----|------|----|----|----|
| | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Task 1: Administration | | | | | | | | | | |
| Administer Contract | | | | | | | | | | |
| Task 2: BLC | | | | | | | | | | |
| Establish BLC, facilitate meetings, document key issues | | | | | | | | | | |
| Task 3: Stakeholder O&E | | | | | | | | | | |
| Develop BLC stakeholder engagement plan | | | | | | | | | | |
| Implement stakeholder engagement plan | | | | | | | | | | |
| Task 4: Technical Assistance | | | | | | | | | | |
| Provide benchmarking implementation support | | | | | | | | | | |
| Assist with alignment of data infrastructure | | | | | | | | | | |
| Drive building decision makers to action | | | | | | | | | | |
| Task 5: Public Outreach / Broadcast Results | | | | | | | | | | |
| Develop and disseminate information | | | | | | | | | | |

d. Project tasks are separate and distinct, clearly defined and logically presented, with appropriate goals, objectives and products.

The Project tasks, goals, objectives and products are described below.

| Technical Task | Goals & Objectives | Deliverables/Products |
|---|---|---|
| 2. Benchmarking Leadership Consortium (BLC) | <ul style="list-style-type: none"> Develop solutions to current and future challenges to implementing benchmarking policies. Enable a fast-tracked channel of communication directly to the Energy Commission with recommendations for the statewide benchmarking program. Align local and state benchmarking policies and programming across of range of issues pertinent to successful implementation. | <ul style="list-style-type: none"> Quarterly meetings of the Benchmarking Leadership Consortium; meeting notes BLC Guiding Principles BLC Work Plan |
| 3. Stakeholder Outreach and Engagement | <ul style="list-style-type: none"> Develop outreach and education methods and materials to drive awareness of and compliance with the statewide and local benchmarking programs among city staff and departments, as well as commercial and multifamily real estate communities in partnering cities. | <ul style="list-style-type: none"> Six city-specific stakeholder engagement plans Outreach materials, including webinars, fliers, fact sheets, email blasts, web copy, etc. |
| 4. Technical Assistance | <ul style="list-style-type: none"> Develop technical resources that assist partnering local governments, the Energy Commission, and building owners and | <ul style="list-style-type: none"> Benchmarking implementation gap analysis Data infrastructure gap |

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| | | |
|--|---|--|
| | <p>operators effectively implement and comply with benchmarking policies and programs.</p> <ul style="list-style-type: none"> • Provide technical assistance to partnering local governments, the Energy Commission, and building owners and operators as they navigate the challenges of implementing and complying with local and statewide benchmarking policies and programs concurrently. | <p>analysis Benchmarking to action gap analysis</p> <ul style="list-style-type: none"> • Technical resources, likely to include webinars, fact sheets, technical specifications, guidance documents, case studies, etc. • Technical assistance, likely to include webinars, virtual meetings, in-person meetings, etc. |
| 5. Public Outreach / Broadcast Results | <ul style="list-style-type: none"> • Develop a plan for broadcasting/showcasing the project results and to make the knowledge gained, results and lessons learned from Agreement tasks available to other local governments. | <ul style="list-style-type: none"> • Draft Public Outreach Plan • Final Public Outreach Plan |

e. Project Narrative describes quantifiable/measurable technical, administrative, and economic performance goals and objectives for the project, including what criteria and metrics will be used to determine project successes and failures.

The project team proposes to continually measure success of the Energy Data Leadership Project as part of a comprehensive quality assurance and quality control (QC/QC) plan. Our success in achieving objectives will be measured using the following evaluation criteria and tactics.

| Performance Goal | Measurable Objective | Evaluation Methodology |
|--|--|--|
| Establish the BLC to provide a single point of contact between the participating cities and the Energy Commission. | Quarterly coordination meetings with project partners and Energy Commission staff are held consistently. | Minutes of each meeting are distributed, with agendas available in advance of each meeting. |
| Cities have achieved high levels of compliance for reporting of benchmarking results by building owners. | Minimum 85% annual compliance rate is achieved for the buildings within each partner city, regardless of whether they have a local policy or are enforcing requirements of AB 802. | Measure number of buildings that have successfully submitted a benchmarking report for the June 2019 reporting deadline as a percentage of those required to report. |
| Benchmarking results for buildings subject to local polices are reported to the Energy Commission. | Required data for buildings in cities whose programs have been approved by the Energy Commission is reported to the Commission. | Measure number of buildings whose completed benchmarking reports have been received by the Energy Commission from partner cities by June 1, 2018, as a percentage of those required to |

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| | | |
|---|--|--|
| | | report. |
| Building owners are motivated to act upon the knowledge gained through benchmarking and invest in energy efficiency improvements. | Develop strategies to drive action. | Each city has developed a plan to target poor performing buildings, and has identified resources that will be shared with those owners to encourage them to take action. |
| Lessons learned and best practices are made widely available. | Resources are disseminated to parties outside of the project participants. | Minimum of three case studies are produced, and shared with Energy Commission and other cities through at least four webinars. |

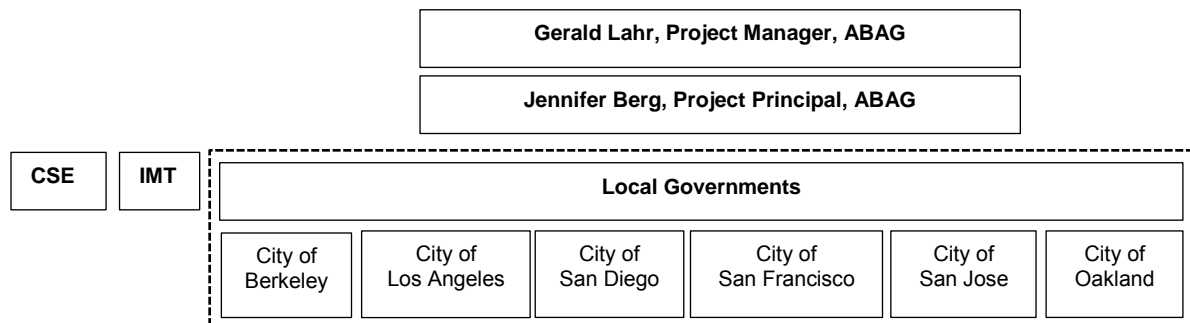
5. Team Qualifications

a. Describes the organizational structure of the applicant and the project team.

Prime Organization Structure: ABAG will be the project lead and responsible for all deliverables and project outcomes, budgeting and reporting to the Energy Commission. ABAG will implement subcontractor agreements with our proposal partners, CSE, IMT, Berkeley, Los Angeles, San Diego, San Francisco, San Jose and Oakland for their portions of the overall scope of work. The proposed organizational structure supports ABAG's project management best practices allowing for clear and streamlined client communications as well as delineation of project responsibilities by support staff and subcontracting partners.

Team Organization Structure: The team proposed herein is composed of five contractors, including the Prime consultant. All firms and contractors (depicted in Figure 1) have been carefully selected to provide the breadth of expertise required to meet the work requirements under this GFO.

Figure 1: Project Team Organization Chart



b. Identifies key team members, including the project manager and principal investigator.

ATTACHMENT 7

Project Narrative Form

Key team members, including the project manager and principal investigator are identified in Attachment D. Project Team. Qualifications, experience, capabilities and credentials for each of the key team members above provided in Attachment 5. Organizational qualifications are provided below.

Project Manager's Technical Expertise: Jerry Lahr is the Energy Programs Manager at ABAG and has management oversight over all energy programs. Since 2000, he has served as the manager of the ABAG POWER Joint Powers Agency, the principle goal of which is to conduct pooled purchasing of electricity and natural gas on behalf of local governments and special districts. As the Department Manager, Mr. Lahr will have oversight over this program team.

Project Principal's Technical Expertise: Jennifer Berg has been the Program Administrator of BayREN since it was approved to launch in January 2013. Ms. Berg oversaw all aspects of the launch of BayREN from contracts, decision-making structures, responding to and helping to develop CPUC reports, stakeholder engagement, and other elements of overall program management. Ms. Berg manages all consultants and BayREN members (county agencies) and has developed effective systems for gathering data from multiple contractors for inclusion in regulatory reporting. She has effectively developed and implemented an organizational structure of regular meetings, invoicing and reporting schedules, and clear assignment of responsibilities among the large team to allow for the smooth BayREN operations. Ms. Berg is the Co-Chair of the statewide Energy Upgrade California™, Home Upgrade Working Group, is a member of the California Energy Efficiency Coordinating Committee (CAEECC) and serves as co-chair of the CAEECC Residential Subcommittee.

c. Includes resumes for key team members.

Resumes for all key team members are provide in Attachment D. Project Team.

d. Explains how the various tasks will be managed and coordinated, and how the project manager's technical expertise will support the effective management and coordination of all projects in the application.

Our project management teams follow established professional project management principles, including dedicated and accountable staff, tracking of goals and metrics, strict budget control and ongoing client reporting. Each project is assigned a dedicated project manager and at least one dedicated project associate. Project teams meet weekly to measure progress on contract deliverables and engage funding sources, partners and other stakeholders to ensure work products and deliverables are high quality and on time. Issues and concerns are flagged for immediate resolution and/or escalation as needed. Monthly project status reports are distributed by ABAG's finance department to assist project managers with budget tracking.

e. Describes the team's history of successfully completing projects and deploying results.

ATTACHMENT 7 Project Narrative Form

ABAG has both the experience and capacity to serve in this role. ABAG administers many programs with multiple partners, including the BayREN, and has the experience and staff to ensure that program goals are met, reporting is done accurately, and that the program is administered efficiently and effectively.

6. Budget and Cost Effectiveness

a. Overall project cost is consistent with the proposed work and products to be provided.

ABAG has deep experience in the administrative requirements for successful project management and execution. The total project costs associated with the proposed scope of work include project administration, creation of the Benchmarking Leadership Consortium, stakeholder outreach and engagement, technical assistance and public outreach. A project of the magnitude and complexity of the proposed project requires dedicated project management staff as well as full support from technical and administrative personnel. ABAG has the necessary personnel and structure in place.

b. Personnel rates/costs, operating expenses, and overhead rates/costs are reasonable for the proposed work and consistent with the experience of the project team.

ABAG's subcontractors are similarly utilizing vetted indirect rates for project labor costs. Furthermore, ABAG has worked diligently throughout the proposal development and preparation period in order to ensure that the hours and costs for services in support of the project goals provided by subcontractors are reasonable and justifiable.

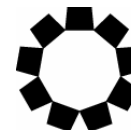
7. Disadvantaged Communities

a. Projects will receive additional points if part or all of the project benefits disadvantaged communities (disadvantaged communities as defined by CalEnviroScreen).

The Project will benefit disadvantaged communities. Each partnering city has commercial and multifamily buildings located in disadvantaged communities of 71 percent or higher as defined by CalEnviroScreen. Working with partners and with the Energy Commission to develop straightforward reporting requirements for both the statewide and local benchmarking programs will place less burden on building owners and operators in disadvantage communities to comply with new requirements. Helping these building owners and operators move from benchmarking to energy efficiency improvements will increase community resiliency against energy price spikes and heat-related disasters.

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

Date: March 2, 2017

To: ABAG Executive Board

From: Darcie Luce
Environmental Planner, San Francisco Estuary Partnership

Subject: **Authorization to Enter into New Contract with Canopy for the *Healthy Watersheds, Resilient Baylands* Project**

Executive Summary

In September 2016 SFEP/ABAG was awarded a grant from U.S. EPA for the *Healthy Watersheds, Resilient Baylands* project in the amount of \$1,667,683. This grant application was completed in close partnership with SFEI, which will be leading multiple components of the project.

Healthy Watersheds, Resilient Baylands: Multi-Benefit Urban Greening and Tidal Wetlands Restoration in Silicon Valley is an effort to catalyze and demonstrate how resilience to climate change can be enhanced through implementation of multi-benefit projects. Outcomes will include 10 multi-benefit urban greening projects in Sunnyvale, Mountain View, and East Palo Alto, reducing stormwater runoff and creating 13 acres of wetland, riparian, and native plant habitat; two creeks realigned to deliver sediment to a restored tidal marsh; 10 acres of tidal transition zone and seasonal wetlands; reduced risk of flooding and associated contamination to the community of Alviso; reduced PCB and mercury delivery to the Bay; reduced methylmercury production in the baylands; and reduced risk of landfill contamination to the Bay.

Through this grant, Canopy, a nonprofit organization, will work with San Francisco Estuary Partnership (SFEP), San Francisco Estuary Institute (SFEI), Grassroots Ecology, Peninsula Open Space Trust (POST), and other partners to plan and install urban greening projects in East Palo Alto schools, parks, and neighborhoods. These activities will be informed by the development of the Multi-Benefit Urban Greening Strategy and are intended to produce three acres of native riparian trees (live oak, valley oak, sycamore, willow, or other similar native trees) in urban greening projects; riparian functions and habitat connectivity over three acres provided for native birds, bats, and insects; reduced runoff by over 400,000 gallons per year from increased tree canopy; and decreased stormwater runoff to the Bay through canopy interception.

Authorization to Enter into New Contract with Canopy for the *Healthy Watersheds, Resilient Baylands* Project

March 2, 2017

Page 2

The total project cost is \$3,335,366. The total amount of federal funding expected under this grant is \$1,667,683. Match funds of approximately 50% of the project total will be provided by project partners. ABAG and SFEP are not contributing match to this project. When executed, the contract term will be 1/1/17-7/31/20.

Recommended Action

The Executive Board is requested to authorize the Acting Executive Director or designee to enter into a new Subrecipient Agreement with Canopy for the Healthy Watersheds, Resilient Baylands Project in the amount not to exceed \$38,000.

Attachment

Canopy Draft Subrecipient Agreement

SF Bay Area Water Quality Improvement Fund - Healthy Watersheds, Resilient Baylands
U.S. EPA Grant Agreement #W9-99T53101-0 [CFDA # 66.126]
Subrecipient Agreement
- Base Document -

This Subrecipient Agreement is made and entered into as of the Effective Date by and between the Association of Bay Area Governments (ABAG), a joint powers agency acting on behalf of the San Francisco Estuary Partnership, a program of ABAG and Canopy, a nonprofit corporation.

Recitals

A. Whereas, the U. S. Environmental Protection Agency (EPA) and ABAG entered into Grant Agreement #W9-99T53101-0 (Grant Agreement) for One Million, Six Hundred Sixty-Seven Thousand, Six Hundred Eighty-Three Dollars (\$1,667,683) of federal funding for the implementation of the Healthy Watersheds, Resilient Baylands project for multi-benefit urban greening and tidal wetlands restoration in Silicon Valley, including completing the Methane Monitoring for Blue Carbon Project (Grant Project).

B. ABAG and SFEP and Canopy desire to establish and/or acknowledge the governing rules, regulations, terms and conditions for Canopy's participation in the Grant Project.

NOW THEREFORE, based upon the foregoing recitals, ABAG and Canopy further agree as follows:

1.0 Applicable Documents

The following are attached and incorporated by this reference:

- 1.1.1 Exhibit 1 Canopy Scope of Work
- 1.1.2 Exhibit 2 Invoicing Procedure
- Exhibit 2a Insurance Requirements
- 1.1.3 Exhibit 3 Grant Agreement
- 1.1.4 Exhibit 4 Special Conditions to Grant Agreement
- 1.1.5 Exhibit 5 Standard Form LLL - Disclosure of Lobbying Activities

1.2 The Subrecipient Agreement is comprised of this Base Document and Exhibits 1 through 5, inclusive, and is the complete and exclusive statement of understanding between ABAG and Canopy, and supersedes any and all previous understandings or agreements, whether written or oral, and all communications between the parties relating to the subject matter of this Subrecipient Agreement.

2.0 Term of Agreement

The Subrecipient Agreement shall commence as of January 1, 2017 (Effective Date) and continue until July 31, 2020, or until terminated by the EPA pursuant to the terms of the Grant Agreement or by ABAG pursuant to the terms of this Subrecipient Agreement.

3.0 Subaward Amount

ABAG will disburse a portion of the Grant to Canopy for carrying its responsibilities as part of the Grant Project as described in Exhibit 1. **The maximum amount to be funded by the EPA and disbursed through ABAG to Canopy shall be Thirty-eight Thousand Dollars and Zero Cents (\$38,000.00) (Subaward Amount).**

4.0 ABAG Obligations

4.1 ABAG shall be the program lead and fiscal agent for the Grant Project. ABAG shall disburse Grant funds as required or permitted by the Grant Agreement. Notwithstanding the foregoing, ABAG is not obligated to disburse any funds to Canopy unless and until such are authorized and disbursed from EPA to ABAG.

4.2 ABAG shall coordinate the activities of all subrecipients, including Canopy, so as to implement the Grant Project in accordance with the terms of the Grant Agreement.

4.2.1 ABAG shall promptly notify Canopy of any notices given or actions taken by the EPA if such notices or actions are likely to affect Canopy's performance, duties, obligations or funding under this Subrecipient Agreement. To the extent practicable, ABAG shall consult with Canopy in carrying out ABAG's responsibilities.

5.0 Canopy Obligations

5.1 Canopy is, and at all times will continue to be, in full compliance with the terms and conditions of the Grant Agreement that are applicable to it. Canopy understands and agrees that for purposes of the foregoing, any requirements imposed upon ABAG as Recipient in the Grant Agreement are hereby passed-through and adopted by Canopy as obligations of Canopy, excepting only ABAG's obligations as described in section 4.

5.1.1 Without limiting subsection 5.1, Canopy shall comply with the scope of any and all authorizations, limitations, exclusions, and/or exceptions for use of the Subaward Amount, including without limitation, the Grant Agreement, the Administrative Conditions and Programmatic Conditions of the Grant Agreement, the General Conditions of the Grant Agreement and all applicable statutes, regulations and regulatory guidance referenced in any of the foregoing.

5.2 Canopy shall carry out all the tasks set forth in Exhibit 1 as it may be amended or modified. Canopy shall carry out all tasks in accordance with the Grant Agreement, the Administrative Conditions and Programmatic Conditions of the Grant Agreement, the General Conditions of the Grant Agreement, and the Special Conditions in Exhibit 4.

5.3 Canopy shall not cause ABAG to be in violation of the Grant Agreement or any of its requirements whether by act or omission.

5.4 Canopy shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, now existing and as such may change from time-to-time.

6.0 Indemnification and Ineligible Claims

6.1 To the fullest extent allowed by law, Canopy shall defend, indemnify, save harmless and waive subrogation against ABAG and its members, officers, employees, and agents (excluding agents who are design professionals), if any, (collectively, Indemnitees), from any and all claims, demands, causes of action, damages, costs, expenses, actual attorneys' fees, losses or liabilities, in law or in equity arising out of or in connection with its performance of this Contract (collectively, Claims) for bodily injury, personal injury,

property damage or any violation of Federal, State or local laws, with the exception that this section shall in no event be construed to require indemnification by Canopy to a greater extent than permitted under the public policy or laws of the State of California.

6.2 These defense and indemnification obligations are undertaken in addition to, and shall not in any way be limited by, the insurance obligations set forth in Exhibit 2. Any inspection of the work by an Indemnitee is not a waiver of full compliance with these obligations. These defense and indemnification obligations shall survive the termination or expiration of the Contract for the full period of time permitted by law.

7.0 Insurance

7.1 Canopy shall comply with the Insurance Requirements set forth in Exhibit 2.

8.0 Termination

8.1 Upon termination of the Grant Agreement, this Subrecipient Agreement shall terminate effective the same date as the Grant Agreement and in accordance with the terms and conditions for the termination of the Grant Agreement, unless this Subrecipient Agreement is terminated sooner in accordance with its terms.

8.2 ABAG may terminate this Subrecipient Agreement upon written approval for same from EPA in accordance with the terms and conditions of such approval.

8.3 If, through any cause, Canopy fails to fulfill in timely and proper manner its obligations under the Agreement, or if Canopy shall violate any covenants, conditions, or stipulations of the Agreement, and should such failure or violation continue unremedied for a period of thirty (30) days after receipt of ABAG's written notice to Canopy specifying the details of such failure or violation, then ABAG may terminate the Agreement by giving not less than five (5) days prior written notice of such termination which specifies the effective date thereof. Upon termination under this paragraph, all unfinished or finished documents, data, studies, surveys, drawings, models, photographs, reports, and other materials prepared by Canopy under the Agreement, shall, at the option of ABAG, become ABAG's property and Canopy shall be entitled to receive just and equitable compensation for satisfactory work completed to the date of termination. Notwithstanding the above, Canopy shall not be relieved of liability to ABAG for damages sustained by ABAG by virtue of any breach of the agreement by Canopy, and ABAG may withhold any payment to Canopy for the purpose of set-off until such time as the exact amount of damage due ABAG from Canopy is determined.

8.4 ABAG may terminate the Agreement at any time by giving not less than thirty (30) days prior written notice of termination to Canopy which shall specify the effective date thereof. Upon termination under this paragraph, all finished or unfinished documents and other materials described in paragraph 8.3 shall at the option of ABAG become its property. If the contract is terminated by ABAG as provided in this paragraph, Canopy shall be paid for services actually performed at the rate set forth in Exhibit A; provided that, if the Agreement is terminated due to the fault of Canopy, only the paragraph relative to termination for cause shall apply.

9.0 Notices and Administrative Contacts

9.1 All notices or notifications under this Subrecipient Agreement shall be in writing addressed to the persons set forth in this section.

9.2 All notices or notifications to ABAG shall be sent to:

Darcie Luce
San Francisco Estuary Partnership
1515 Clay Street, Suite 1400
Oakland, California 94612
510-622-2448
darcie.luce@sfestuary.org

9.3 All notices or notifications to Canopy shall be sent to:

Catherine Martineau
Canopy
3921 East Bayshore Road
Palo Alto, CA 94303
650-964-6110
catherine@canopy.org

10.0 Amendments and Changes

This Subrecipient Agreement may be changed only by a written amendment duly signed by ABAG and Canopy.

11.0 Assignment and Delegation

Canopy shall not assign its rights or delegate its duties under this Subrecipient Agreement. Any attempted assignment or delegation shall be null and void, and constitute a material breach of this Subrecipient Agreement.

12.0 Governing Law and Venue

This Agreement shall be governed by, and construed in accordance with, the substantive and procedural laws of the State of California. Canopy further agrees and consents that the venue of any action brought between Canopy and ABAG shall be exclusively in the County of Alameda.

13.0 Validity and Severability

If any provision of this Subrecipient Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Subrecipient Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

14.0 No Waiver

No waiver by either party of any event of breach and/or breach of any provision of this Subrecipient Agreement shall constitute a waiver of any other event of breach and/or breach. Either party's non-enforcement at any time, or from time to time, of any provision of this Subrecipient Agreement shall not be construed as a waiver thereof.

15.0 Record Retention and Inspection/Audit Settlement

15.1 Canopy shall maintain accurate and complete financial records of its activities and operations relating to this Subrecipient Agreement in accordance with the RFIP and Grant Agreement and generally accepted accounting principles.

15.2 Canopy agrees that ABAG, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Subrecipient Agreement. All such material, including, but not

limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by Canopy and shall be made available to ABAG during the term of this Subrecipient Agreement and for a period of five (5) years thereafter unless ABAG's written permission is given to dispose of any such material prior to such time.

15.3 Canopy shall deliver all materials described in subsection 15.2 and specified by ABAG to a location to be determined by ABAG. Canopy shall bear its own costs and expenses in this regard. However, Canopy shall not be responsible for the costs or expenses incurred by ABAG to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Subrecipient Agreement.

15.4 If an audit of Canopy is conducted specifically regarding this Subrecipient Agreement by any Federal auditor, or by any auditor or accountant employed by Canopy or otherwise, then Canopy shall file a copy of such audit report with ABAG within thirty (30) days, unless otherwise provided by applicable Federal or State law or under this Subrecipient Agreement.

16.0 Lobbying and Litigation Prohibition

16.1 Canopy shall ensure that no grant funds awarded under this assistance agreement are used to engage in lobbying of the Federal Government or in litigation against the United States unless authorized under existing law. Canopy shall abide by 2 CFR 225 (OMB Circular A-87), which prohibits the use of federal grant funds for litigation against the United States or for lobbying or other political activities.

16.2 Canopy agrees to comply with Title 40 CFR Part 34, New Restrictions on Lobbying. Canopy shall include the language of this provision in award documents for all subawards exceeding \$100,000, and require that sub-subrecipients submit certification and disclosure forms accordingly. In accordance with the Byrd Anti-Lobbying Amendment, any subrecipient who makes a prohibited expenditure under Title 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

16.3 If applicable, Canopy shall complete and submit Exhibit 5, Standard Form LLL - Disclosure of Lobbying Activities.

17.0 Authorization Warranty

Canopy represents and warrants that the person executing this Subrecipient Agreement on its behalf is an authorized agent who has actual authority to bind Canopy to each and every term, condition, and obligation herein.

END OF BASE DOCUMENT
SIGNATURE PAGE TO FOLLOW

National Estuary Program-San Francisco Estuary Program
U.S. EPA Grant Agreement #W9-99T53101-0 [CFDA # 66.126]
Subrecipient Agreement
- Base Document -

* * * * *

Authorized Signatures

IN WITNESS WHEREOF, Canopy has duly executed this Agreement, or caused it to be duly executed, and ABAG has duly executed this Agreement, or caused it to be duly executed.

DUNS No. 961376738

Canopy

Catherine Martineau, Executive Director

Association of Bay Area Governments

Brad Paul, Acting Executive Director

Approved as to form:

Kenneth K. Moy, Legal Counsel

Exhibit 1

U.S. EPA Grant Agreement #W9-99T53101-0

Canopy

Healthy Watersheds, Resilient Baylands Project for Multi-Benefit Urban Greening and Tidal Wetlands Restoration in Silicon Valley
Scope of Work

Canopy will work with San Francisco Estuary Institute (SFEI), San Francisco Estuary Partnership (SFEP), Grassroots Ecology, Peninsula Open Space Trust (POST), and other partners to plan and install urban greening projects in East Palo Alto schools, parks, and neighborhoods. These activities will be informed by the development of the Multi-Benefit Urban Greening Strategy and are intended to cumulatively produce approximately three acres of native riparian trees (live oak, valley oak, sycamore, willow, or other similar native trees) in urban greening projects; riparian functions and habitat connectivity over approximately three acres provided for native birds, bats, and insects; reduced runoff by over 400,000 gallons per year from increased tree canopy; and decreased stormwater runoff to the Bay through canopy interception.

Task 1: Urban Greening Implementation – East Palo Alto

Task 1.1: Working with the City of East Palo Alto, San Francisco Estuary Institute (SFEI), and Grassroots Ecology, Canopy will assist with planning and installation of urban greening projects in East Palo Alto schools, parks, and neighborhoods. Site and species selection will be planned to achieve, to the extent possible given local constraints, three types of wetland/riparian habitat and water quality benefits: (1) using native riparian trees to expand functional riparian habitat in neighborhoods along San Francisquito Creek; (2) creating willow groves, which provide high habitat value for wetland and riparian species; and (3) emphasizing trees and understory with maximum hydrological benefits. As part of these installations, soil conditions and understory habitat will be improved to maximize water retention, pollution capture, rainfall infiltration, and ecological value of the existing streetscape and parkways. These projects will be designed to achieve ecological and water quality objectives as guided by the Urban Greening Strategy, input from SFEI, and expertise from the Design Advisory Team members.

As part of the Urban Greening Implementation, Canopy staff will meet with SFEI staff a minimum of two times to review projects and development of the Urban Greening Strategy as part of the iterative process of informing both scientific/technical research and project implementation. These meetings will identify opportunities for achieving multi-benefit ecological objectives in the projects and will inform the Urban Greening Strategy. Canopy staff will participate in one or more meetings of the Design Advisory Team, or a subset of the Team, to take advantage of Design Advisory Team expertise in improving project outcomes of the project. Canopy staff will also provide review comments on the draft Urban Greening Strategy.

Deliverables:

- 1.1a: Summary of urban greening scientific/design guidance meetings *July 31, 2018*
- 1.1b: Summary of review comments for Urban Greening Strategy *July 31, 2018*
- 1.1c: Final designs for 2-3 projects (adding up to a total of five, when combined with similar implementation projects carried out in collaboration with Grassroots Ecology) *June 30, 2018*
- 1.1d: 5 East Palo Alto tree planting/tree care volunteer workdays *July 31, 2020*

1.1e: Before-and-after photo documentation of 2-3 constructed projects (adding up to a total of 5 when combined with implementation projects carried out in collaboration with Grassroots Ecology) *July 31, 2020*

Task 1.2: Canopy staff will attend at least one meeting each year of project partners and grant sub-recipients during the grant period.

Task 1.3: Canopy will also assist San Francisco Estuary Institute with completion of a Quality Assurance Plan or Sampling and Analysis Plan (QAPP), by providing documentation on monitoring and other information required to complete the QAPP.

Task 1.4: Canopy staff will provide general project administration including project workflow, contract management, invoicing, and project coordination. Canopy will submit progress reports to the SFEP Project Manager as described in Exhibit 2.

Canopy staff will also produce a brief summary report, documenting the incorporation of ecological and water quality benefits into the implementation of the project, as described in the Urban Greening Strategy or with guidance from SFEI. The report will also include expected achievement of short-term outcomes, and any expected long-term multi-benefit outcomes.

Deliverables:

1.4a: Invoices and Progress Reports

10th of month following end of month or quarter

1.4b: Final report

July 31, 2020

Budget: \$38,000

Subaward Deliverables Table

| Task # | Sub-Task # | Deliverable # | Deliverable | Deadline |
|--------|------------|---------------|--|---|
| Task 1 | 1.1 | 1.1a | Summary of urban greening scientific/design guidance meetings | 7/31/2018 |
| | | 1.1b | Summary of review comments for Urban Greening Strategy | 7/31/2018 |
| | | 1.1c | Final designs for 2-3 projects | 6/30/2018 |
| | | 1.1d | 5 East Palo Alto tree planting/tree care volunteer workdays | 7/31/2020 |
| | | 1.1e | Before-and-after photo documentation of 2-3 constructed projects | 7/31/2020 |
| | 1.2 | N/A | N/A | N/A |
| | 1.3 | N/A | N/A | N/A |
| | 1.4 | 1.4a | Invoices and progress reports, submitted monthly or quarterly | 10 th of month following end of month or quarter |
| | | 1.4b | Final Report | 7/31/2020 |

Subaward Budget Table

| Canopy | | | | |
|---------------|--|---------------------|--------------|--------------|
| Task | Description | Grant Amount | Match | Total |
| 1 | Urban Greening Implementation – East Palo Alto | \$38,000.00 | \$0.00 | \$38,000.00 |
| TOTAL | | \$38,000.00 | \$0.00 | \$38,000.00 |

EXHIBIT 2 Invoicing Procedure

A. Subrecipient Responsibilities:

1. Subrecipient will prepare and submit to ABAG/SFEP an invoice for approval, no more frequently than one per month, to cover the services provided during the prior service period. Invoice must include a brief progress report, providing a detailed summary of work performed under the tasks described in the Scope of Work that are being invoiced for that period. Progress reports should include a discussion of the activities conducted during the service period and progress towards milestones, problems encountered and their resolution, and activities planned for the next service period. In addition, progress reports should provide a financial accounting of costs incurred during the service period and cumulative project costs by subtask.
2. Direct labor: Invoice must itemize names of staff, number of hours worked, and hourly billing rates for each task showing individual calculations and total for each task.
3. Subrecipient can only bill for actual expenses incurred at the subrecipient's actual direct labor rates, fringe benefit rates, and indirect cost rates, not to exceed the task budgets specified in the budget included in Exhibit 1.
3. Consultant or Vendor costs: Invoice must include consultant or vendor labor costs, fringe benefit cost, and indirect costs described for the monthly service period in the same manner as the subrecipient costs described above. The actual consultant or vendor invoice must be submitted to document the charges included on the subrecipient invoice.
4. Other Direct Costs (direct project expenses) are to be invoiced at cost with supporting documentation. Backup documentation must include copies of all receipts necessary to document the charges. No costs should exceed the budgeted limits delineated in the task budget without a contract amendment. No ineligible costs (such as entertainment, etc.) are allowed. Mileage will be paid at the current federal reimbursement rate (for example, the 2017 rate is 53.5 cents/mile).
5. Subrecipient invoices must summarize total contract budget, amount expended in the invoice period, and contract balance.
6. Management fees or similar charges (mark-ups) in excess of the direct costs and approved indirect rates are not allowable. This refers to any mark-up added to any direct project costs including consultant or vendor costs or other direct costs.
7. Match Costs: Subrecipient is responsible for the match share cost identified in budget included in Exhibit 1. Match funds should be reported in the monthly invoices in the same manner as the direct project costs described above including backup documentation detailing the source of the match (actual cash and/or in-kind services). Subrecipient invoices should detail match budget, match expended in the invoice period and amount remaining.
8. Electronic copies of complete invoices signed by the subrecipient contract manager including all backup documentation may be submitted in lieu of hard copy to Darcie Luce, Project Manager at darcie.luce@sfestuary.org.

ABAG/SFEP Responsibilities:

1. The ABAG/SFEP Project Manager or designee will review the submitted invoice for completeness, verify math figures, ensure the task budget is not exceeded and prepare a check requisition for approval by the SFEP Executive Director for submittal to ABAG accounts receivable.
2. ABAG accounts receivable will enter the invoice into the ABAG financial accounting system and bill the funding agency U.S. EPA monthly following completion of the prior month financial statements.
3. ABAG will pay invoices within 14 days of receipt of funds from the U.S. EPA.

4. Budget Reallocations

- a. All task budget reallocations and/or increases must be approved in advance by the SFEP Project Manager, ABAG and the U.S. EPA Program Manager.
- b. The budget reallocation, if any, cannot substantially change the scope of work without approval from the SFEP Project Manager, ABAG and the U.S. EPA Program Manager.
- c. A budget reallocation, if any, may only involve moving funds between tasks, line items, or categories not to exceed the total contract amount.

Exhibit 2a

U.S. EPA Grant Agreement #W9-99T53101-0
Subrecipient Agreement

Insurance Requirements

Canopy shall maintain insurance as required by this contract to the fullest amount allowed by law and shall maintain insurance for a period of 5 years following the completion of this project. In the event Canopy fails to obtain or maintain completed operations coverage as required by this agreement, ABAG, at its sole discretion, may purchase the coverage required and the cost will be paid by Canopy. The limits of Insurance required in hereunder may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the Indemnitees (if agreed to in a written contract or agreement) before the any Indemnitee's own Insurance or self-insurance shall be called upon to protect it as a named insured.

(a) Minimum Scope of Insurance. Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001).

Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto).

Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

Errors and Omissions Liability insurance appropriate to Canopy's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

(b) Minimum Limits of Insurance. Canopy shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General 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.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Errors and Omissions Liability: \$1,000,000 per claim/aggregate.

(c) Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by ABAG. The insurer shall reduce or eliminate such deductibles or self-insured retentions as respects ABAG, its members, officers or employees (Indemnitees); or Canopy shall satisfy any such deductibles or self-insured retentions. In addition, policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named Insured or any of the Indemnitees.

(d) Other Insurance Provisions. The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

(i) The Indemnitees are to be covered as additional insureds as respects: liability arising out of work or operations performed by or on behalf of Canopy; completed operations; or automobiles owned, leased, hired or borrowed by Canopy.

(ii) For any claims related to this project, Canopy's insurance coverage shall be primary insurance as respects the Indemnitees.

(iii) Any insurance or self-insurance maintained by the Indemnitees shall be excess of Canopy's insurance and shall not contribute with it.

(iv) Except for General Liability and Automobile Liability, each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty(30) days' prior written notice by certified mail, return receipt requested, has been given to ABAG. For General Liability and Automobile Liability, Canopy shall provide ABAG with thirty (30) day's prior notice of cancellation by either the insurer or Canopy.

(v) Coverage shall not extend to any defense or indemnity coverage for the active negligence of the Indemnitees in any case where an agreement to defend and indemnify the Indemnitees would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

(e) Other Insurance Provisions – Workers Compensation. The Workers Compensation insurance shall be endorsed to waive subrogation against the Indemnitees.

(f) Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to ABAG.

(g) Verification of Coverage. Canopy shall furnish the ABAG with original certificates and amendatory endorsements effecting coverage required by this clause. All certificates and endorsements are to be received and approved by ABAG before work commences. ABAG reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.


Contractors and Lower Tier Subcontractors

Canopy shall include the same requirements and provisions of this Attachment, including the section, with any contractor to the extent they apply to the scope of the contractor's work. Any contractor further agrees to include the same requirements and provisions of this Attachment, including the section, with any lower tier subcontractor to the extent they apply to the scope of the lower tier subcontractor's work. Canopy will give a copy of this Attachment to any contractor, or lower tier subcontractor upon request.

Exhibit 3
 U.S. EPA Grant Agreement #W9-99T53101-0
 Subrecipient Agreement

Grant Agreement

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| | | | |
|--|---|--|---|
|  | U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement | GRANT NUMBER (FAIN): 99T53101 MODIFICATION NUMBER: 0 PROGRAM CODE: W9 | DATE OF AWARD 09/27/2016 |
| | | TYPE OF ACTION New PAYMENT METHOD: ASAP | MAILING DATE 10/04/2016 ACH# 90017 |
| RECIPIENT TYPE: Intermunicipal | | Send Payment Request to: Las Vegas Finance Center email: lvc-grants@epa.gov | |
| RECIPIENT: Assoc of Bay Area Governments P.O. Box 2050 Oakland, CA 94604 EIN: 94-2832478 | | PAYEE: Executive Director Assoc of Bay Area Governments P.O. Box 2050 Oakland, CA 94604 | |
| PROJECT MANAGER Caitlin Sweeney P.O. Box 2050 Oakland, CA 94604 E-Mail: caitlin_sweeney@estuary.org Phone: 510-622-2362 | EPA PROJECT OFFICER Luisa Valleia 75 Hawthorne Street, WTR-3 San Francisco, CA 94105 E-Mail: Valleia.Luisa@epa.gov Phone: 415-972-3400 | EPA GRANT SPECIALIST Maria Rovero Grants Management Section, EMD-6-1 E-Mail: rovero.maria@epa.gov Phone: 415-972-3573 | |
| PROJECT TITLE AND DESCRIPTION San Francisco Bay Area Water Quality Improvement Fund This agreement provides federal funding in the amount of \$1,667,683 to create 10 multi-benefit urban greening projects in Sunnyvale, Mountain View, and East Palo Alto, reducing stormwater runoff and creating 13 acres of wetland, riparian, and native plant habitat, realign 2 creeks to deliver an estimated ~50,000 cubic yards/year of sediment to restored tidal marsh, reducing maintenance costs and increasing permitting efficiency; create 10 acres of tidal transition zone and seasonal wetlands; reduce risk of flooding and associated contamination to the community of Alviso; reduce PCB and mercury delivery to the Bay; reduce methylmercury production in the baylands; and reduce risk of landfill contamination to the Bay. | | | |
| BUDGET PERIOD 10/01/2016 - 09/30/2020 | PROJECT PERIOD 10/01/2016 - 09/30/2020 | TOTAL BUDGET PERIOD COST \$3,335,366.00 | TOTAL PROJECT PERIOD COST \$3,335,366.00 |
| NOTICE OF AWARD | | | |
| Based on your Application dated 08/17/2016 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$1,667,683. EPA agrees to cost-share 50.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$1,667,683. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA regulatory and statutory provisions, all terms and conditions of this agreement and any attachments. | | | |
| ISSUING OFFICE (GRANTS MANAGEMENT OFFICE) | | AWARD APPROVAL OFFICE | |
| ORGANIZATION / ADDRESS U.S. EPA, Region 9 Grants Management Section, EMD 6-1 75 Hawthorne Street San Francisco, CA 94105 | | ORGANIZATION / ADDRESS U.S. EPA, Region 9 Water Division 75 Hawthorne Street San Francisco, CA 94105 | |
| THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY | | | |
| Digital signature applied by EPA Award Official Craig A. Willis - Grants Management Officer | | | DATE 09/27/2016 |

EPA Funding Information

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| FUNDS | FORMER AWARD | THIS ACTION | AMENDED TOTAL |
|-------------------------------|--------------|--------------|---------------|
| EPA Amount This Action | \$ | \$ 1,667,683 | \$ 1,667,683 |
| EPA In-Kind Amount | \$ | \$ | \$ 0 |
| Unexpended Prior Year Balance | \$ | \$ | \$ 0 |
| Other Federal Funds | \$ | \$ | \$ 0 |
| Recipient Contribution | \$ | \$ | \$ 0 |
| State Contribution | \$ | \$ | \$ 0 |
| Local Contribution | \$ | \$ 1,567,683 | \$ 1,567,683 |
| Other Contribution | \$ | \$ 100,000 | \$ 100,000 |
| Allowable Project Cost | \$ 0 | \$ 3,335,366 | \$ 3,335,366 |

| Assistance Program (CFDA) | Statutory Authority | Regulatory Authority |
|---|---------------------------|---------------------------------------|
| 66.126 - San Francisco Bay Water Quality Improvement Fund | Clean Water Act: Sec. 320 | 2 CFR 200 2 CFR 1500 and 40 CFR 33 |

| Fiscal | | | | | | | | | |
|-----------|------------|------|--------------|---------------------|--------|--------------|--------------|-------------------|---------------------------|
| Site Name | Req No | FY | Approp. Code | Budget Organization | PRC | Object Class | Site/Project | Cost Organization | Obligation / Deobligation |
| - | 1609W22024 | 1617 | B | 09LE | 202BK4 | 4158 | | | 1,667,683 |
| | | | | | | | | | 1,667,683 |

Budget Summary Page

| Table A - Object Class Category (Non-construction) | Total Approved Allowable Budget Period Cost |
|---|--|
| 1. Personnel | \$97,895 |
| 2. Fringe Benefits | \$62,247 |
| 3. Travel | \$2,000 |
| 4. Equipment | \$0 |
| 5. Supplies | \$2,025 |
| 6. Contractual | \$3,159,768 |
| 7. Construction | \$0 |
| 8. Other | \$0 |
| 9. Total Direct Charges | \$3,323,935 |
| 10. Indirect Costs: % Base <u>various rates apply</u> | \$11,431 |
| 11. Total (Share: Recipient <u>50.00</u> % Federal <u>50.00</u> %.) | \$3,335,366 |
| 12. Total Approved Assistance Amount | \$1,667,683 |
| 13. Program Income | \$0 |
| 14. Total EPA Amount Awarded This Action | \$1,667,683 |
| 15. Total EPA Amount Awarded To Date | \$1,667,683 |

Administrative Conditions

The recipient agrees to comply with the current EPA general terms and conditions available at:

<https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-march-29-2016-or-later>. These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions or restrictions cited throughout the award. The EPA repository for the general terms and conditions by year can be found at <http://www.epa.gov/grants/grant-terms-and-conditions>.

A. Annual Federal Financial Report (FFR) - SF 425

For awards with cumulative project and budget periods greater than 12 months, the recipient will submit an annual FFR (SF 425) covering the period from "project/budget period start date" to **September 30** of each calendar year to the U.S. EPA Las Vegas Finance Center (LVFC). The FFR will be submitted electronically to lvfc-grants@epa.gov no later than **December 30** of the same calendar year. The form with instructions can be found on LVFC's website at <http://www2.epa.gov/financial/forms>.

B. Procurement

The recipient will ensure all procurement transactions will be conducted in a manner providing full and open competition consistent with 2 CFR Part 200.319. In accordance 2 CFR Part 200.323 the grantee and subgrantee(s) must perform a cost or price analysis in connection with applicable procurement actions, including contract modifications.

C. Six Good Faith Efforts 40 CFR Part 33, Subpart C

Pursuant to 40 CFR Section 33.301, the recipient agrees to make the following good faith efforts whenever procuring construction, equipment, services and supplies under an EPA financial assistance agreement, and to require that sub-recipients, loan recipients, and prime contractors also comply. Records documenting compliance with the six good faith efforts shall be retained:

(a) Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local and Government recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.

(b) Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.

(c) Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For Indian Tribal, State and local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.

(d) Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.

(e) Use the services and assistance of the SBA and the Minority Business Development Agency of the Department of Commerce.

(f) If the prime contractor awards subcontracts, require the prime contractor to take the steps in paragraphs (a) through (e) of this section.

D. Utilization of Disadvantaged Business Enterprises

General Compliance, 40 CFR Part 33

The recipient agrees to comply with the requirements of EPA's Disadvantaged Business Enterprise (DBE) Program for procurement activities under assistance agreements, contained in 40 CFR Part 33.

Fair Share Objectives, 40 CFR Part 33, Subpart D

A recipient must negotiate with the appropriate EPA award official, or his/her designee, fair share objectives for MBE and WBE participation in procurement under the financial assistance agreements.

In accordance with 40 CFR Section 33.411 some recipients may be exempt from the fair share objective requirements as described in 40 CFR Part 33, Subpart D.

Recipients should work with their DBE coordinator if they think their organization may qualify for an exemption.

The dollar amount of this assistance agreement, or the total dollar amount of all of the recipient's financial assistance agreements in the current federal fiscal year from EPA is \$250,000 or more. The recipient accepts the applicable MBE/WBE fair share objectives/goals negotiated with EPA by the [California State Water Resources Control Board \(CSWRCB\)](#), as follows:

| | MBE | WBE |
|--------------|-----|-----|
| Construction | 2% | 1% |
| Equipment | 1% | 1% |
| Services | 1% | 1% |
| Supplies | 1% | 1% |

The recipient accepts the fair share objectives/goals stated above and attests to the fact that it is purchasing the same or similar construction, supplies, services and equipment, in the same or similar relevant geographic buying market as [CSWRCB](#),

Negotiating Fair Share Objectives/Goals, Section 33.404

The recipient has the option to negotiate its own MBE/WBE fair share objectives/goals. If the recipient wishes to negotiate its own MBE/WBE fair share objectives/goals, the recipient agrees to submit proposed MBE/WBE objectives/goals based on an availability analysis, or disparity study, of qualified MBEs and WBEs in their relevant geographic buying market for construction, services, supplies and equipment.

The submission of proposed fair share goals with the supporting analysis or disparity study means that the recipient is **not** accepting the fair share objectives/goals of

another recipient. The recipient agrees to submit proposed fair share objectives/goals, together with the supporting availability analysis or disparity study, to the Regional MBE/WBE Coordinator, Joe Ochab at Ochab.Joe@epa.gov, within 120 days of its acceptance of the financial assistance award. EPA will respond to the proposed fair share objective/goals within 30 days of receiving the submission. If proposed fair share objective/goals are not received within the 120 day time frame, the recipient may not expend its EPA funds for procurements until the proposed fair share objective/goals are submitted.

Contract Administration Provisions, 40 CFR Section 33.302

The recipient agrees to comply with the contract administration provisions of 40 CFR Section 33.302.

Bidders List, 40 CFR Section 33.501(b) and (c)

Recipients of a Continuing Environmental Program Grant or other annual reporting grant, agree to create and maintain a bidders list. Recipients of an EPA financial assistance agreement to capitalize a revolving loan fund also agree to require entities receiving identified loans to create and maintain a bidders list if the recipient of the loan is subject to, or chooses to follow, competitive bidding requirements. Please see 40 CFR Section 33.501 (b) and (c) for specific requirements and exemptions.

E. MBE/WBE Reporting

General Compliance, 40 CFR Part 33, Subpart E – Reporting Condition

MBE/WBE reporting is required annually. Reporting is required for assistance agreements where there are funds budgeted for procuring construction, equipment, services and supplies, including funds budgeted for direct procurement by the recipient or procurement under subawards or loans in the "Other" category, that exceed the threshold amount of \$150,000, including amendments and/or modifications.

Based on EPA's review of the planned budget, this award meets the conditions above and is subject to Disadvantaged Business Enterprise (DBE) Program reporting requirements. Conversely, the recipient must submit to the GrantsRegion9@epa.gov a justification and budget detail within 21 days of the award date demonstrating that this award is not subject to the DBE reporting requirements.

The recipient agrees to complete and submit a "MBE/WBE Utilization under Federal Grants, Cooperative agreements" report (EPA Form 5700-52A) on an annual basis. All procurement actions that are reportable, not just that portion which exceeds \$150,000.

When completing the annual report, recipients are instructed to check the box titled "annual:" in section 1B of the form. For the final report, recipients must check the box indicated for the "last report" of the project in section 1B of the form. Annual reports are due by October 30th of each year. Final reports are due by October 30th or 90 days after the end of the project period, whichever comes first.

The reporting requirement is based on total procurements. Recipients with expended and/or budgeted funds for procurement are required to report annually whether the planned procurements take place during the reporting period or not. If no budgeted procurements take place during the reporting period, the recipient should check the box in section 5B when completing the form.

MBE/WBE reports should be sent to GrantsRegion9@epa.gov . The current EPA Form 5700-52A can be found at the EPA Office of Small Business Program's Home Page at http://www.epa.gov/osbp/dbe_reporting.htm .

This provision represents an approved deviation from the MBE/WBE reporting requirements as described in 40 CFR Part 33, Section 33.502; however, the other requirements outlined in 40 CFR Part 33 remain in effect, including the Good Faith Effort requirements as described in 40 CFR Part 33, Subpart C, and Fair Share Objectives negotiation as described in 40 CFR Part 33, Subpart D.

F. Indirect Costs

If the recipient does not have a previously established indirect cost rate, it agrees that it will prepare its indirect cost rate proposal and/or cost allocation plan in accordance with the Cost Principles under 2 CFR Part 200, Subpart E. For proposal preparation, the recipient may use the appropriate completeness checklist located at: <http://www.aqd.nbc.gov/services/ICS.aspx>

The local government recipient whose cognizant federal agency has been designated by the Office of Management and Budget (OMB) must develop and submit its indirect cost rate proposal to its cognizant agency within six (6) months after the close of the governmental unit's fiscal year. If the cognizant federal agency has not been identified by the OMB, the local government recipient must still develop (and when required, submit) its proposal within that period.

The interstate agency recipient must send its proposal to its cognizant federal agency within six (6) months after the end of its fiscal year. If EPA is the cognizant federal agency of the interstate agency, local government, or special district, the recipient must send its indirect cost rate proposal within six (6) months after the end of its fiscal year to:

Regular Mail

Office of Grants and Debarment
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW, MC 3903R
Washington, DC 20460
Attn: OGD Indirect Cost Rate Proposal Control Desk

Mail Courier (e.g. FedEx, UPS, etc.)

Office of Grants and Debarment
U.S. Environmental Protection Agency
1300 Pennsylvania Avenue, NW, 5th floor
Washington, DC 20004
Attn: OGD Indirect Cost Rate Proposal Control Desk

Electronic submissions of proposals may be sent via email to OGD_IndirectCost@epa.gov.

Recipients are entitled to reimbursement of indirect costs, subject to any statutory or

regulatory administrative cost limitations, if they have a current rate agreement or have submitted an indirect cost rate proposal to their cognizant federal agency for review and approval. Recipients are responsible for maintaining an approved indirect cost rate throughout the life of the award. Recipients may draw down grant funds once a rate has been approved, but only for indirect costs incurred during the period specified in the rate agreement. Recipients are not entitled to indirect costs for any period in which the rate has expired.

Recipients with differences between provisional and final rates are not entitled to more than the award amount. Recipients may request EPA approval to rebudget funds from direct cost categories to the indirect cost category (to grants which have not expired or been closed out) to cover increased indirect costs.

The recipient agrees to comply with the audit requirements prescribed in 2 CFR Part 200, Subpart F, Audits of States, Local Governments, and Non-Profit Organizations.

G. Non-Federal Third-Party Contributions

This award includes \$1,667,683 of estimated non-federal third party contributions. Third party contributions counting towards satisfying a cost sharing or matching requirement must be verifiable from the records of grantees and subgrantees. As applicable, these records must reflect how the value is placed on third party contributions. The value of third party contributions must be applicable to the period to which the cost sharing or matching requirement apply (2 CFR Part 200.306).

Programmatic Conditions

a. Reporting

The recipient shall submit quarterly progress reports to the EPA Project Officer within 30 calendar days after the end of each Federal fiscal quarter (January 30, April 30, July 30, and October 30). These reports should include a discussion of the activities conducted during the quarter and progress towards milestones, problems encountered and their resolution, and activities planned for the next quarter. In addition, quarterly reports should identify any special EPA assistance needed, as well as provide a financial accounting of costs incurred during the quarter and cumulative project costs by task. The progress reports should include:

- a discussion of the activities conducted during the quarter (including a comparison of actual accomplishments with the anticipated outputs and outcomes specified in the workplan),
 - progress towards milestones,
 - problems encountered with achieving outputs and outcomes, and their resolution,
 - activities planned for the next quarter,
 - a financial accounting of costs incurred during the reporting period, and
 - cumulative project costs (EPA and match amounts) since the beginning of the project, by task.
- identification of any special EPA assistance needed, and an explanation of any cost overruns. The recipient will notify the EPA Project Officer if something materially impairs their ability to complete the tasks and deliver the products, outputs and outcomes identified in the workplan.

Within 90 days of the end of the project period, the recipient must submit 1 hardcopy of the final report, documenting project activities over the entire project period and the

recipient's achievements with respect to the project's purposes and objectives. The final report must also be submitted electronically (by Email) to the EPA Project Officer.

b. QAPP

This grant includes the performance of environmental measurements, therefore, a QA Plan or Sampling and Analysis Plan must be prepared. The recipient should consult with the Region 9 Quality Assurance Office to determine what type of QA documentation would be most appropriate and what QA guidance should be followed. The QA Plan must be approved by the EPA Project Officer, the Region 9 Quality Assurance Manager, and the recipient's Quality Assurance Officer before measurement activities are undertaken. Emergency measurements may be taken without a QA Plan being prepared if the Region 9 Quality Assurance Manager agrees that the nature of the data collection activity required due to the emergency warrants an exemption. Contact the QA Office at 415-972-3411.

c. Grant Source Recognition

The recipient should publicly acknowledge the US EPA San Francisco Bay Water Quality Improvement Fund as the funding vehicle for the projects when the grantee is asked by public entities, federal agencies or state and local agencies about the projects and on-going results.

d. Subaward Reporting Requirement

The recipient must report on its subaward monitoring activities under 2 CFR 200.331(d). Examples of items that must be reported if the pass-through entity has the information available are:

1. Summaries of results of reviews of financial and programmatic reports.
2. Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance.
3. Environmental results the subrecipient achieved.
4. Summaries of audit findings and related pass-through entity management decisions.
5. Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.331(e), 2 CFR 200.207 and the 2 CFR Part 200.338 Remedies for Noncompliance.

e. Cybersecurity

(a) The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all State or Tribal law cybersecurity requirements as applicable.

(b)(1) EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure. For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or EPA's Central Data Exchange, the recipient agrees

to contact the EPA Project Officer (PO) no later than 90 days after the date of this award and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet EPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the recipient into systems operated and used by EPA's regulatory programs for the submission of reporting and/or compliance data.

(b)(2) The recipient agrees that any subawards it makes under this agreement will require the subrecipient to comply with the requirements in (b)(1) if the subrecipient's network or information system is connected to EPA networks to transfer data to the Agency using systems other than the Environmental Information Exchange Network or EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in subaward agreements; and during subrecipient monitoring deemed necessary by the recipient under 2 CFR 200.331(d), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and EPA.

END OF DOCUMENT

Exhibit 4

U.S. EPA Grant Agreement #W9-99T53101-0 Subrecipient Agreement

Special Conditions

A. Nondiscrimination. Canopy shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. Canopy shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by Canopy to carry out these requirements is a material breach of the Agreement which may result in the termination of the Agreement or other legally available remedies.

B. Prompt Payment. Canopy must pay any contractors or subcontractor for satisfactory performance no more than 30 days from Canopy's receipt of payment from ABAG.

C. DBE Contractor/Subcontractor. ABAG must be notified in writing by Canopy prior to any termination of a DBE subcontractor for convenience by Canopy.

If a DBE contractor or subcontractor to Canopy fails to complete work under the subcontract for any reason, Canopy must employ the six good faith efforts described in 40 CFR §33.301 if soliciting a replacement subcontractor even if Canopy has achieved its fair share objectives under 40 CFR Part 33, subpart D.

If applicable, Canopy must provide EPA Form 6100-2—DBE Program Subcontractor Participation Form to all of its DBE subcontractors and have its DBE subcontractors complete EPA Form 6100-3—DBE Program Subcontractor Performance Form. Canopy must then require its prime contractor to include all completed forms as part of the prime contractor's bid or proposal package. Canopy must require its prime contractor to complete and submit EPA Form 6100-4—DBE Program Subcontractor Utilization Form as part of the prime contractor's bid or proposal package. Copies of EPA Form 6100-2—DBE Program Subcontractor Participation Form, EPA Form 6100-3—DBE Program Subcontractor Performance Form and EPA Form 6100-4—DBE Program Subcontractor Utilization Form may be obtained from EPA OSDBU's Home Page on the Internet or directly from EPA OSDBU.

Canopy must maintain all records documenting its compliance with the requirements of 40 CFR Part 33, including documentation of its, and its prime contractors', good faith efforts and data relied upon in formulating its fair share objectives. Such records must be retained in accordance with applicable record retention requirements for the Grant Agreement.

D. Clean Air Act and the Federal Water Pollution Control Act. Canopy shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Regional Office of EPA.

Exhibit 5

U.S. EPA Grant Agreement #W9-99T53101-0
Subrecipient Agreement

Standard Form LLL-Disclosure of Lobbying Activities

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

**DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET**

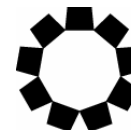
Approved by OMB
0348-0046

Reporting Entity: _____ Page _____ of _____

Authorized for Local Reproduction
Standard Form - LLL-A

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

Date: March 2, 2017

To: ABAG Executive Board

From: Athena Honore
Contract Manager, San Francisco Estuary Partnership

Subject: **Ratification of Web Support Contract Modification No. 7 with San Francisco Estuary Institute**

Executive Summary

San Francisco Estuary Institute (SFEI) began providing support in 2011 for www.sfestuary.org, San Francisco Estuary Partnership (SFEP)'s website. Services in the agreement include website hosting, backups, partial content updating, updates, and refreshes to the test site. The initial agreement provided \$8000.00 for one year of support, and it has been renewed each year under funding from EPA grant agreement CE-00T47801, the NEP base funds. With the latest modification, the agreement total amount exceeded \$50,000.00, and this memo serves to request retroactive approval from the Executive Board. The contract was executed prior to securing approval because of the business need to keep the SFEP website up and running. The contract term is now 3/1/11-9/30/17 and the contract total is \$57,000.00, funded entirely by the EPA grant mentioned above. There is no match from SFEP or ABAG for this agreement.

Recommended Action

The Executive Board is requested to ratify Contract Modification No. 7 to the agreement with San Francisco Estuary Institute to provide web support to San Francisco Estuary Partnership in the amount of \$57,000 for the contract term from March 1, 2011 through September 30, 2017.

Attachment

Contract Modification No. 7

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**ASSOCIATION OF BAY AREA GOVERNMENTS
EPA Agreement CE-00T47801**

CONTRACT MODIFICATION NO. 7

DATE: December 29, 2016

CONTRACTOR: San Francisco Estuary Institute

This contract modification serves to add additional funds to and extend the San Francisco Estuary Institute's contract with ABAG to cover services through September 30, 2017 for website support services for the San Francisco Estuary Partnership website.

TIME OF PERFORMANCE:

The term of the contract is extended through September 30, 2017 (hereafter, the period between January 1, 2017 and September 30, 2017 is the "Extension Period"). **SFEI's final billing must be received by ABAG by October 6, 2017 or it cannot be paid, as the grant funds will liquidate.**

SCOPE OF WORK

Services will include providing the following:

- Host site (bandwidth costs)
- Backups
- Content updates for areas that are not readily admin-accessible
- Refresh parallel site for testing
- Updates to plug-ins and WordPress core

COMPENSATION

The contract task budget for completion of the work described above is \$10,000 (ten thousand dollars) bringing the total contract budget for SFEI website support to \$57,000 (fifty-seven thousand dollars).

OTHER CONTRACT PROVISIONS:

All other provisions of the original contract remain in force.

IN WITNESS WHEREOF, the Contractor by signature indicates acceptance of this Contract Modification and agrees to comply with all terms set forth in the subcontract and the modification.

Dated: 1-10-17

CONTRACTOR: San Francisco Estuary Institute



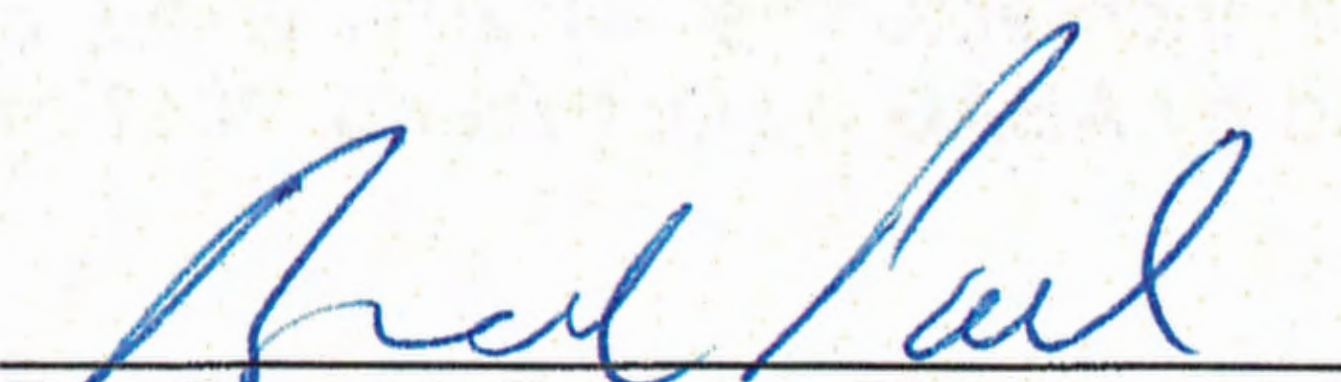
By: Warner Chabot, Executive Director

94-2931373
Tax ID No.

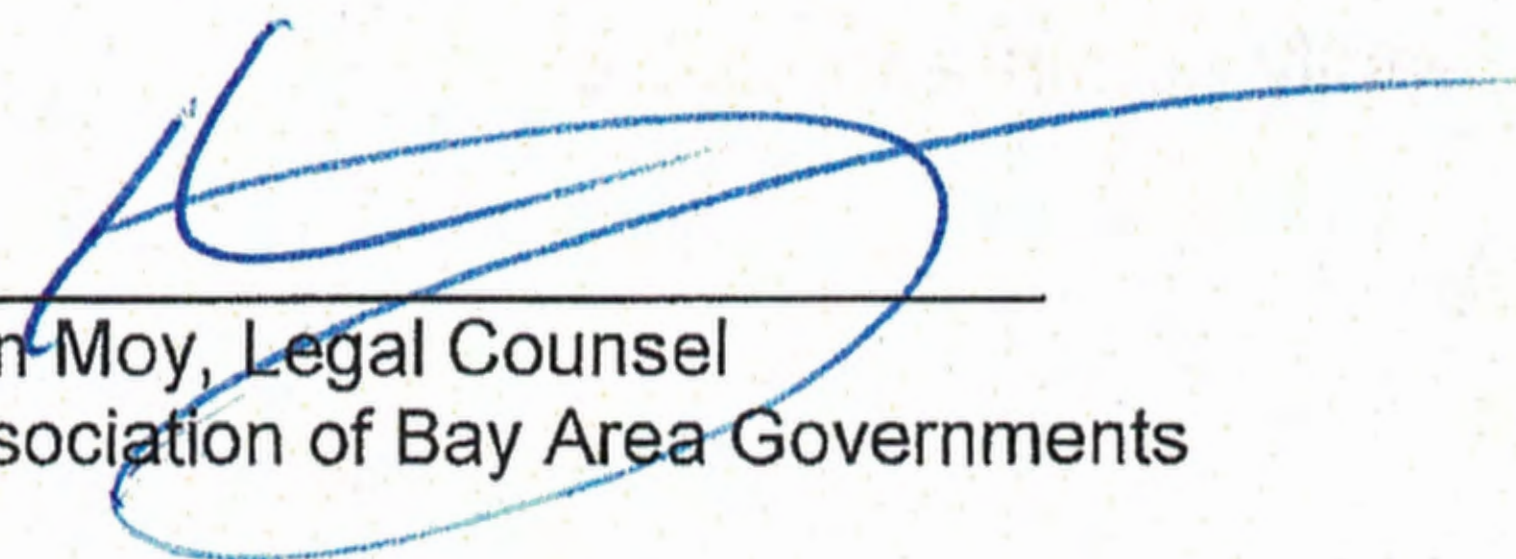
510-746-7396
Telephone

Dated: 1/11/17

ASSOCIATION OF BAY AREA GOVERNMENTS

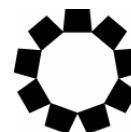
for 
Ezra Rapport, Executive Director

Approved as to legal form and content:


Ken Moy, Legal Counsel
Association of Bay Area Governments

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

Date: March 8, 2017

To: ABAG Executive Board

From: Marti Paschal,
Interim Assistant Director of Administrative Services

Subject: **Approval of ABAG Management Pay Schedule and Monthly Salary Schedule of Represented Staff**

Executive Summary

Pursuant to the California Public Employees Retirement Law (PERL), 2 CCR §570.5, Requirement for a Publicly Available Pay Schedule, ABAG must have a publicly available pay schedule for every employee position. The pay schedule is used by the Board of Administration of the Public Employees' Retirement System to determine "compensation earnable," i.e., the payrate and special compensation of each member. The pay schedule should identify the position title for every employee position, the payrate for each identified position, and the time base (e.g., daily, monthly, annually). The pay schedule must be approved and adopted by the Executive Board in accordance with the applicable public meetings laws and must be retained and available for public inspection for at least five years, either accessible and available for public review in ABAG's offices or posted on the ABAG website. We will do both.

The purpose of this item is to effect compliance with PERL and to avoid potential problems validating salaries reported by ABAG retirees.

Recommended Action

The Executive Board is requested to approve the attached ABAG Management Pay Schedule listing existing management salaries and ABAG Monthly Salary Schedule listing existing represented staff salaries.

Attachment

ABAG Management Pay Schedule, as of January 1, 2017
ABAG Monthly Salary Schedule Effective January 1, 2017 (represented staff)

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**ABAG PAY SCHEDULE FOR MANAGEMENT
EFFECTIVE JANUARY 1, 2017**

| CLASS/POSITION | RATE | PAY TYPES |
|---|--------------|------------------|
| EXECUTIVE DIRECTOR | \$16,542.00 | Monthly |
| | \$198,504.00 | Annual |
| | | |
| LEGAL COUNSEL | \$15,471.98 | Monthly |
| | \$185,663.76 | Annual |
| | | |
| DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES | \$13,968.54 | Monthly |
| | \$167,622.53 | Annual |
| | | |
| DIRECTOR OF PLANNING & RESEARCH | \$13,968.53 | Monthly |
| | \$167,622.36 | Annual |
| | | |
| DIRECTOR OF SFEP | \$11,587.50 | Monthly |
| | \$139,050.00 | Annual |
| | | |
| ASSISTANT DIRECTOR OF PLANNING & RESEARCH | \$11,352.50 | Monthly |
| | \$136,230.00 | Annual |
| | | |
| FINANCIAL SERVICES MANAGER | \$11,250.00 | Monthly |
| | \$135,000.00 | Annual |
| | | |
| ENERGY PROGRAMS MANAGER | \$10,833.33 | Monthly |
| | \$129,999.96 | Annual |
| | | |
| ASSISTANT DIRECTOR OF ADMINISTRATIVE SERVICES | \$10,000.00 | Monthly |
| | \$120,000.00 | Annual |

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ASSOCIATION OF BAY AREA GOVERNMENTS
MONTHLY SALARY SCHEDULE EFFECTIVE JANUARY 1, 2017

| CLASS | EXAMPLE TITLES | STEP A | STEP B | STEP C | STEP D | STEP E | STEPS F&G |
|-------|---|--------|--------|--------|--------|--------|--------------------------|
| P5* | Principal | 8,645 | 9,077 | 9,530 | 10,006 | 10,507 | |
| P4 | Senior Administrative Officer Senior Environmental Specialist Senior Communications Officer Senior Regional Planner Senior Regional Analyst | 6,832 | 7,174 | 7,533 | 7,909 | 8,305 | 8,720 (F)* 9,156 (G)* |
| P3 | Administrative Officer III Environmental Specialist III Programmer III Communications Officer III Regional Planner III | 6,218 | 6,529 | 6,856 | 7,198 | 7,558 | |
| P2 | Administrative Officer II Environmental Specialist II Programmer II Communications Officer II Regional Planner II | 5,174 | 5,433 | 5,704 | 5,990 | 6,288 | |
| P1 | Administrative Officer I Environmental Specialist I Programmer I Communications Officer I Regional Planner I | 4,508 | 4,735 | 4,971 | 5,220 | 5,480 | |
| S4 | Accounting Technician Administrative Secretary | 4,083 | 4,300 | 4,514 | 4,741 | 4,977 | |
| S3 | Accounting Clerk Secretary Supply Clerk III | 3,547 | 3,725 | 3,911 | 4,108 | 4,312 | |
| S2 | Supply Clerk II | 3,215 | 3,376 | 3,547 | 3,725 | 3,911 | |
| S1 | Supply Clerk I | 2,765 | 2,908 | 3,061 | 3,215 | 3,376 | |

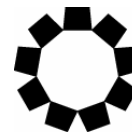
* At discretion of Executive Director

Salaries for all represented classifications were increased by 3.0% on January 1, 2017.

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ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

AGENDA

LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE

Thursday, March 16, 2017, 3:30 p.m. to 5:00 p.m.

Location:

Bay Area Metro Center
Board Room
375 Beale Street
San Francisco, California

The ABAG Legislation and Governmental Organization Committee may act on any item on this agenda.

Agenda and attachments available at abag.ca.gov

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

- 1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM**
- 2. PUBLIC COMMENT**
INFORMATION
- 3. COMMITTEE ANNOUNCEMENTS**
INFORMATION
- 4. APPROVAL OF ABAG LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE SUMMARY MINUTES OF MEETING ON JANUARY 19, 2017**
ACTION
Attachment: Summary Minutes of January 19, 2017
- 5. REPORT ON HOUSING BILLS**
INFORMATION/ACTION
Duane Bay, ABAG Assistant Planning and Research Director
[AB 71](#) (Chiu), Taxes: Credits: Low-income housing: allocation increase
[AB 73](#) (Chiu), Planning and Zoning: Housing sustainability districts
[AB 74](#) (Chiu), Housing for a Healthy California Program
[AB 1423](#) (Chiu), Housing data

ABAG Legislation and Governmental Organization Committee

March 16, 2017

2

[SB 2](#) (Atkins), Building Homes and Jobs Act

[SB 3](#) (Beall), Affordable Housing Bond Act of 2018

[SB 540](#) (Roth), Workforce Housing Opportunity Zone

[SB 35](#) (Wiener), Planning and Zoning: Affordable housing: Streamlined approval process

Attachment: Legislation Summary

6. REPORT ON WATER BILLS SAVINGS ACT

INFORMATION/ACTION

Jerry Lahr, ABAG Energy Programs Manager

[SB 564](#) (McGuire), Joint powers authorities: Water Bill Savings Act

7. REPORT ON LEGISLATION

INFORMATION/ACTION

Brad Paul, Acting Executive Director

The following legislation will be discussed:

[AB 18](#) (Garcia), California Clean Water, Climate, and Coastal Protection and Outdoor Access for All Act of 2018

[AB 30](#) (Caballero), Planning and Zoning: Specific plan: Housing

[AB 59](#) (Thurmond), Local Housing Trust Fund Matching Grant Program

[AB 184](#) (Berman), Sea level rise planning: Databases

[AB 358](#) (Grayson), Regional economic development areas

[AB 890](#) (Medina), Local land use initiatives: Environmental review

[AB 915](#) (Ting), Planning and zoning: Housing

[AB 932](#) (Ting), Housing: Affordable housing

[AB 1086](#) (Daly), Local government: Housing

[AB 1397](#) (Low), Local planning: Housing element: Inventory for land for residential development

[AB 1404](#) (Berman), California Environmental Quality Act: Categorical exemption: Infill development

[AB 1433](#) (Wood), Climate Adaptation and Resilience Based on Nature Act

[AB 1585](#) (Bloom), Planning and zoning: Affordable housing: Single application

[SB 5](#) (De Leon), California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018

[SB 435](#) (Dodd) Williamson Act: payments to local governments.

Attachment: Legislation Summary

ABAG Legislation and Governmental Organization Committee

March 16, 2017

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8. REPORT ON DEVELOPMENT OF JOINT ABAG AND MTC STATEMENT OF HOUSING PRINCIPLES

INFORMATION/ACTION

Rebecca Long, MTC Government Relations Manager, and Georgia Gann Dohrmann, MTC Assistant Government Relations Manager

9. REPORT ON LEGISLATIVE WORKSHOP AND RECEPTION ON MARCH 22, 2017

INFORMATION/ACTION

Attachment: Draft Legislative Workshop Agenda

10. ADJOURNMENT

The next meeting of the ABAG Legislation and Governmental Organization Committee will be on May 18, 2017.

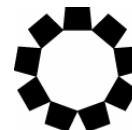
Submitted:

/s/ Brad Paul, Acting Executive Director

Date Submitted: March 10, 2017

Date Posted: March 10, 2017

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FINANCE AND PERSONNEL COMMITTEE

Thursday, March 16, 2017, 5:00 p.m. to 6:00 p.m.

Location:

Bay Area Metro Center
Board Room
375 Beale Street
San Francisco, California

The ABAG Finance and Personnel Committee may act on any item on this agenda.

Agenda and attachments available at abag.ca.gov

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

- 1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM**
- 2. PUBLIC COMMENT**
INFORMATION
- 3. COMMITTEE ANNOUNCEMENTS**
INFORMATION
- 4. APPROVAL OF ABAG FINANCE AND PERSONNEL COMMITTEE SUMMARY MINUTES OF MEETING ON JANUARY 19, 2017**
ACTION
Attachment: Summary Minutes of January 19, 2017
- 5. REPORT ON FINANCIAL REPORTS FOR JANUARY 2017**
ACTION
Attachments: Memo Financial Reports; Indices
- 6. REPORT ON PAYMENT OF MEMBERSHIP DUES FOR FISCAL YEAR 2016-2017**
ACTION
Attachment: Memo Membership Dues

ABAG Finance and Personnel Committee

March 16, 2017

Page 2

7. REPORT ON AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2015-2016

ACTION

Attachments: Memo Audit Reports; Basic Financial Statements; Memorandum Internal Control; Single Audit Report

8. REPORT ON PROPOSED NEW JOINT POWERS AUTHORITY—ABAG FINANCE AUTHORITY

INFORMATION

Staff will report on a proposed new joint powers authority to be created by ABAG FAN and ABAG to serve as conduit issuer.

Attachment: (Memo on Proposed ABAG FAN to be sent under Separate Cover)

9. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Brad Paul, Acting Executive Director; Kenneth Moy, Legal Counsel; Courtney Ruby, Finance and Administrative Services Director; Marti Paschal, Assistant Director of Administrative Services

Employee organization: SEIU Local 1021

10. CLOSED SESSION

PUBLIC EMPLOYEE APPOINTMENT

Title: Post Consolidation Legal Counsel

11. ADJOURNMENT

The next regular meeting of the ABAG Finance and Personnel Committee is on May 18, 2017.

Submitted:

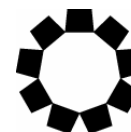
/s/ Courtney Ruby, Finance and Administrative Services Director

Date Submitted: March 10, 2017

Date Posted: March 10, 2017

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

Date: March 10, 2017
To: ABAG Executive Board
From: Miriam Chion
Director, Planning and Research
Subject: **Planning and Research Department Overview**

Similar to other ABAG Departments' presentations, this is an overview of the Planning and Research Department to describe how we fulfill our legal mandates, serve our cities and bring new knowledge and innovation. Different from the other programs presented in fall and winter 2016-2017, the ABAG Planning and Research Department will be fully integrated with the MTC Planning Department as part of the staff consolidation of the two agencies. Transportation expertise and funding combined with solid housing, infrastructure and land use strategies, and thoughtful local engagement can strengthen our regional planning efforts. The MTC Integrated Planning Department will serve both the MTC Commission and the ABAG Executive Board. The ABAG Board will maintain its land use, housing, open space, and other legal responsibilities as the Council of Governments. In an effort to commit to a successful integration, we are looking for your input:

- What actions are needed to **ensure continuity for current planning work** that serves your community, and to **ensure that ABAG effectively meets its legal mandates as the Council of Governments** (i.e. RHNA and SCS growth distribution)?
- What are **the greatest opportunities** for the Council of Governments in this staff consolidation?

Assets and Challenges

As the Council of Governments for the San Francisco Bay Area, ABAG's efforts have focused on creating a collaborative regional land use and housing planning process that supports our valuable assets: cultural diversity, technological innovation and natural resources. Moving forward, our programs should continue to support these valuable assets while addressing the region's most pressing challenges.

Today, concerted efforts are essential to begin resolving our critical housing needs. While the region has experienced high job growth for more than seven years, most workers have experienced lower wages along with limited and unaffordable housing, which in turn is triggering historic congestion and longer commutes. These challenges are compounded by an aging infrastructure, climate change, and the probability of a major earthquake. Housing our population requires a comprehensive local and regional approach to creating complete

Planning and Research Department Overview

March 10, 2017

Page 2

communities where new homes are affordable to all income groups and provide access to transit, schools, services, and open space.

Five Programs, Two Teams

Based on an understanding of these assets and challenges and in response to our legal mandates, the work program for the Planning and Research Department is organized into five interconnected programs and two teams. This provides a comprehensive institutional platform of knowledge and innovation to serve our towns, cities and counties. The five programs include: Housing, Jobs and Workforce, Complete Communities, Resilience, and Open Space and Trails. These five programs are supported by the two cross-cutting teams, Local Engagement and Research; this allows ABAG staff to be responsive to the needs of our cities and to bring substantial knowledge and innovation to projects and programs. Local Engagement gathers and synthesizes input on local priorities such as housing investment needs, support for middle-wage jobs, technical assistance on soft-story buildings, completion of trails, design of public space, and earthquake resilience. Our Research Team brings a solid foundation of data on economic, demographic and land use trends as well as state of the art analytical tools.

The two attached documents describe these five programs and two teams. Attachment 1 provides a summary of key tasks, resources, and tools for each program and team. Attachment 2 provides a list of major outcomes and proposed future targets.

Moving forward, these five existing programs will be incorporated into the new Integrated Regional Planning Program in ways that build on the strengths of ABAG's existing programs and initiatives and capture synergies with related programs in MTC's current Planning Section.

Regional Mainstays

The mainstays of our planning work are the locally-designated Priority Development Areas (PDAs) and Priority Conservation Areas (PCAs). These areas, which cut across the work program and Plan Bay Area, integrate local input into regional planning. The PDAs are places of focused growth that make good use of existing public infrastructure, offer more mobility choices and strengthen local history and culture. The PCAs recognize jurisdictions' high priority for preserving the natural environment and creating healthy communities. These two designations will soon be complemented by Priority Production Areas, a third program being developed in response to local requests. The current Plan Bay Area update will be completed by fall 2017. The next Plan Bay Area will be developed in conjunction with the Regional Housing Need Allocation (RHNA) by 2021.

Your input and leadership in shaping the regional planning and research projects and processes for our COG are essential in ensuring a successful ABAG/MTC staff consolidation over the next few months.

Recommended Action

Information

Planning and Research Department Overview

March 10, 2017

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Attachments

1. Challenges Cross City Boundaries
2. Summary of Key Tasks, Resources, and Tools

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Challenges Cross City Boundaries

That’s why Bay Area cities and counties formed ABAG in 1961, creating California’s first Council of Governments (COG). We plan regionally to provide solutions to shared challenges identified by member cities and to meet ABAG’s legal mandates as the region’s COG.

ABAG’s planning services are delivered by two cross-cutting teams, Research and Local Engagement, that work collaboratively on five programs to provide innovative, locally-tailored strategies.

| | | |
|-------------------------|--|---|
| Research |  Housing | <ol style="list-style-type: none"> 1. Regional Housing Needs Allocation (RHNA)* 2. Plan Bay Area land use pattern* 3. Best practices, & funding strategies 4. Housing needs and production analysis |
| |  Jobs & Workforce | <ol style="list-style-type: none"> 1. Regional growth forecast* 2. Regional Economic Development District 3. Priority Production Areas |
| |  Resilience | <ol style="list-style-type: none"> 1. Natural disaster preparation and recovery 2. Safe housing & communities 3. Resilient regional infrastructure and water |
| |  Trails & Open Space | <ol style="list-style-type: none"> 1. Bay Trail & Water Trail* 2. Plan Bay Area open space* 3. Priority Conservation Areas (PCAs) 4. SF Bay Restoration Authority* |
| |  Complete Communities | <ol style="list-style-type: none"> 1. Priority Development Area (PDAs) 2. Placemaking 3. Planning grants & local technical support 4. Corridors & Centers |
| Local Engagement | | |

* ABAG legal mandate

Others planning services created through Executive Board Action



Housing

The ABAG Housing Program applies a blended skillset of convening, research, tool-building and resource development to help cities and counties realize their local visions in ways that, taken together, yield a regional housing supply that is simply big enough to accommodate our population, and is affordable, sustainable, hazard resilient, accessible, and located in stable, full-service neighborhoods near jobs and transit, where residents are secure against involuntary displacement



PROGRAM SPOTLIGHT

Impact Information

We develop compelling information to promote awareness about housing challenges and solutions; promote housing consensus; and provide policy implementation tools for city/county staff and elected officials

Technical Assistance

We support local and subregional efforts to adopt and implement endorsed best practices, such as the Grand Boulevard Initiative's housing policy toolkit, the East Bay Corridor Initiative's soft-story safe housing ordinance upgrade project, and the regional housing trust fund project.

Consensus for Action

ABAG's Housing Committee brings housing advocates from diverse and sometimes conflicting perspectives together to shape and advance a regional housing action agenda to produce more homes at all income levels, preserve more affordable homes, and protect residents from displacement



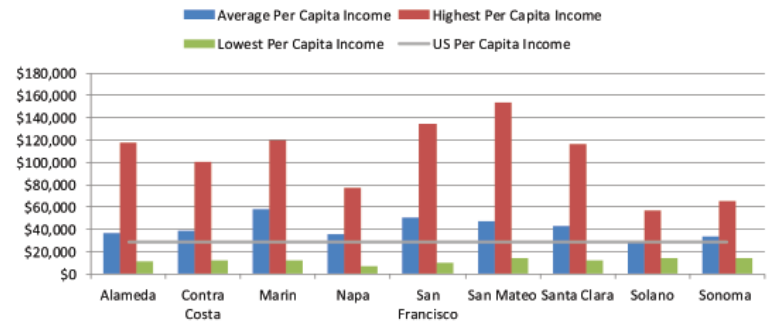
Additional Resources and Tools

- Regional Housing Need Allocation (RHNA) Progress Reports
- Housing Opportunity Sites Inventories (where housing is planned)
- Housing Units Permitted by Location (where housing is being built)
- Bay Area Housing Policy Database (database of housing policies in the region)
- Maintaining Housing Affordability (a distillation of 13 housing solution implementation toolkits)
- Accessory Dwelling Unit Guidance

Jobs & Workforce

ABAG's Jobs and Workforce Program aims to increase opportunities for collaboration among economic and workforce development organizations in the Bay Area. We engage broadly with stakeholders at the regional and local level, and provide a regional platform to support local actions. The program provides also a forum for addressing problems and pursuing regionwide goals of maintaining competitiveness of the region while expanding access to opportunities for all Bay Area residents and workers.

Highest and Lowest Levels of Per Capita Income, County Census Tract, 2015



PROGRAM SPOTLIGHT

Regional Economic Development District

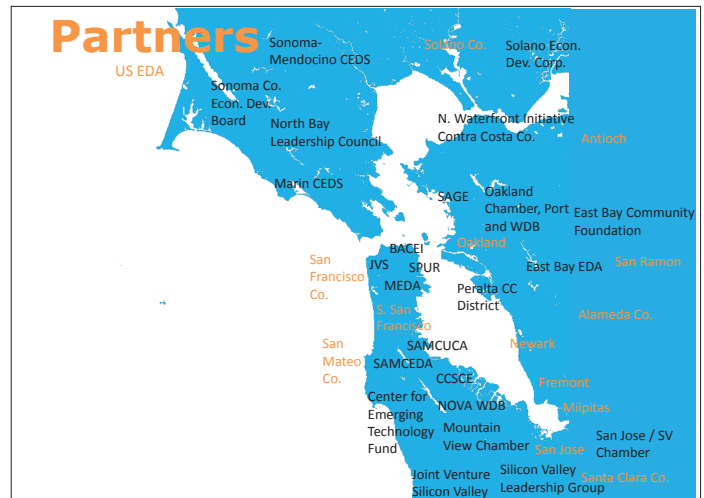
- A program of US Economic Development Administration to provide funding support and technical assistance
- Economic Strategy Technical Advisory Committee oversees the development of Comprehensive Economic Development Strategy
- Region strategic action plan as a framework for local actions

Priority Production Area Framework

- UC Berkeley Industrial Land and Jobs Study
- Recognizing the need for conserving industrial land where critical to production, goods movement, and repair activities.
- PPA--future implementation tool for Plan Bay Area implementation

Regional Collaboration

- Providing a forum to work with regional and local business and economic support organizations, workforce development organizations, educational institutions, foundations, community based organization and private businesses.
- Developing tools to share regional best practices in economic and workforce development



Resilience

The ABAG Resilience Program is a unique effort to continually improve the Bay Area's capacity to recover from natural disasters. Resilience Program staff collaborate closely with Bay Area cities and counties to reduce the impacts of climate change and natural hazards, including: drought, earthquake, extreme heat, flooding, landslides, sea level rise, and wildfires. The program is dedicated to supporting and engaging local decision makers, offering technical assistance around local resilience implementation, and serving as a regional convener for life-saving resilience planning.



PROGRAM SPOTLIGHT

Safe Housing

Keeping Bay Area residents in their communities is critical to a strong recovery. We lead efforts at both the local and regional level to ensure all Bay Area residents—including those who live in vulnerable or fragile housing—can stay in their homes and communities even after a disaster.

Infrastructure

In the wake of a major disaster, bringing major infrastructure systems back on line will be key to overall recovery. We assist cities in understanding the interconnectedness among infrastructure systems and planning to address their impending, connected failures as a result of an earthquake or other natural disaster.

Mitigation

We focus on the connections between mitigation and recovery, supporting investments pre-disaster to reduce the long term impacts post-disaster. We also offer organizational guidance and policy direction to support local cities in developing tangible recovery plans.

1.68 million

visits to the ABAG Resilience Program website since 2011

80+

city and county administrators participated in Hazard Mitigation Plan workshops

15

cities have received support for soft story inventories, policies and model ordinances



Additional Resources and Tools

- Mitigation & Adaptation Plan Workshops
- Best Practices Policy Database
- Regional Resilience Support Directory
- Hazard Viewer and Open Data
- Stronger Housing, Safer Communities Study
- Cascading Failures, Infrastructure Interdependencies
- Loma Prieta 25 Symposium
- Bay Area Water Confluence

Trails & Open Space

ABAG's Trails and Open Space programs are regional projects coordinated by ABAG and implemented by local agencies and organizations to advance the protection and stewardship of natural resources and expand the system of urban trails, parks, bikeways and bay access to increase the quality of life, health and economic prosperity of the region.



PROGRAM SPOTLIGHT

Bay Trail

We are working with communities in all 9 Bay Area counties to create a 500 mile walking and cycling path around the shoreline of the San Francisco Bay. The trail connects bustling places such as the San Francisco Embarcadero to sanctuaries like the Tubbs Island Trail in Sonoma County.

Water Trail

We are expanding a network of launch and landing sites to inspire people in human-powered boats to enjoy the historic, scenic, cultural and environmental richness of the Bay Area.

Priority Conservation Areas (PCAs)

We work with local entities to designate open spaces that provide agricultural, natural resource, recreational, and health benefits while supporting the region's PDA focused growth strategy. OBAG grant funding will preserve and enhance PCAs.

350

Miles of Bay Trail completed

31

Water Trail sites designated

165

Priority Conservation Areas adopted by Bay Area cities, counties and park districts

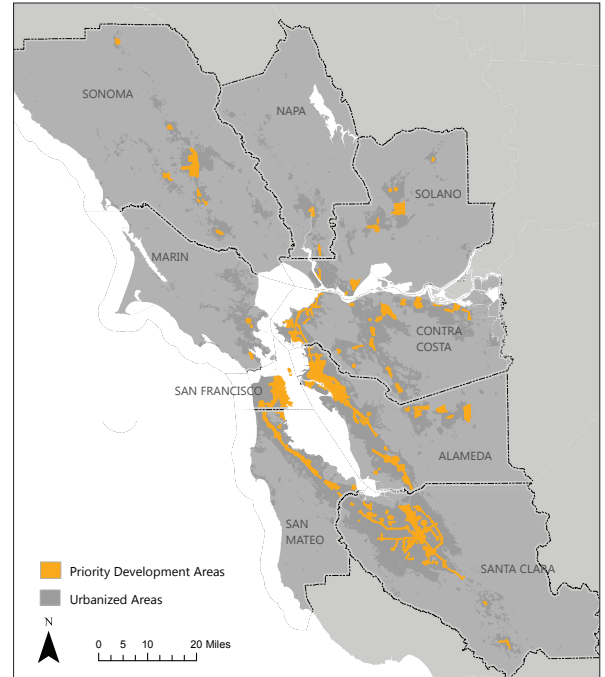
\$19.5 Million

Grand funds acquired by ABAG to build the Bay & Water Trails



Complete Communities

Complete Communities are the key to sustainable, equitable regional growth. ABAG and Bay Area communities pursue complete communities through Priority Development Areas that are places identified by jurisdictions for investment, new homes, and job growth. Together with Priority Conservation Areas (PCAs), PDAs are the foundation for sustainable regional growth and Plan Bay Area. A partnership between MTC and ABAG, the Priority Development Area program supports community-based PDA plans across the region and provides focused implementation initiatives to achieve shared goals for Bay Area PDAs.



PROGRAM SPOTLIGHT

PDA Planning Grants

We support grants that allow Bay Area cities and counties to deliver locally adopted plans for PDAs that address a full range of issues and set the stage for a transparent development process consistent with the community's vision. To date, adopted plans with programmatic EIRs have created capacity for 72,000 new homes and 115,000 jobs.

Placemaking

We work with a cross-section of local staff, design professionals, developers, schools, and community organizations to develop placemaking strategies including urban greening, best practices and forums for regional dialogue about community assets and aspirations for PDAs.

Corridors and Centers

We facilitate collaboration between cities connected by transit corridors, and between the region's three largest cities, to identify common challenges and pursue shared opportunities. The program coordinates the East Bay Corridor Initiative and supports the Grant Boulevard Initiative.



70,000

New housing units within walking distance of transit zoned through PDA planning grants

110,000

New jobs within walking distance of transit zoned through PDA planning grants

Research

ABAG's Research Team provides the analytic tools and data to support Bay Area regional and local planning. The research team provides a unique understanding of conditions and trends. We put local conditions in a regional context, address a comprehensive set of economic and demographic factors at a regional level, and are sensitive to their interactions with land use, housing, transportation, environmental, and economic policy.



PROGRAM SPOTLIGHT

Regional Forecasts

The program develops methods and projections of

- Employment
- Population
- Households
- Income

Regional Analysis

The team tracks Bay Area trends and produces:

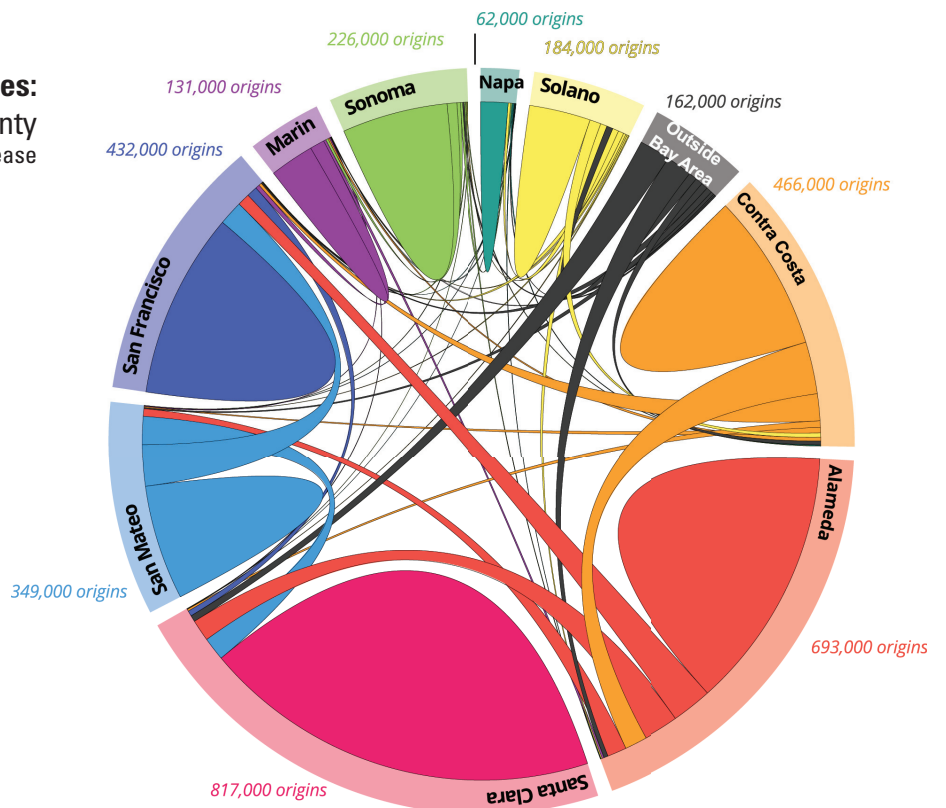
- State of the Region report
- Housing market analysis
- Comprehensive Economic Development Strategy profile report
- Economic impact analysis

Data Services

We gather, organize and analyze data from a variety of sources, and make them widely available:

- Employment, prices
- Population size and movement
- Maps & GIS services

How the Bay Area Commutes:
Origins and Destinations by County
ABAG from US Census Bureau, CTP 2006-10 release



Local Engagement

ABAG's Local Engagement Team collaborates directly with elected officials, staff and residents of the region's 101 cities and 9 counties to understand local needs and shape responsive regional planning policy. Each ABAG planner is assigned to the cities of a county to provide day-to-day support, convene local planning staff to address shared challenges, and gather input from elected officials through ABAG delegate meetings. Our engagement also involves regional events that bring local staff and elected officials together with experts in a key policy area.



PROGRAM SPOTLIGHT

Local Planning Liaisons

Each ABAG planner works directly with staff and elected officials from the cities of a Bay Area county to understand unique local issues, engage staff in regional policy such as Plan Bay Area and RHNA, and support PDA planning grants. This approach helps build the relationships necessary for meaningful local input.

Regional Convenings

Through the General Assembly, Regional Planning Committee, Bay Area Planning Directors Association and Executive Board, we provide a forum for the difficult conversations necessary to address our region's most complex challenges. The Executive Board provides oversight of regional planning activities and helps shape our approach to local engagement.

County and community outreach

ABAG hosts delegate meetings in all nine counties to gather the perspectives of elected officials that serve on the ABAG Executive Board or attend the ABAG General Assembly as delegates.

101

Cities and towns with ABAG local staff liaison

9

County planning director and Delegate organizations

180

Priority Development Areas



Additional Resources and Tools

- PDA Showcase website
- Bay Area Planning Innovations forums and website
- Places of the Bay Area website
- Bay Area Planning Directors Association

1. Housing

| | Milestones and Accomplishments | Proposed Work Plan and Next Steps |
|---------------------------------------|--|---|
| Regional Housing Data | <ul style="list-style-type: none"> ▪ Report: 2007- 2014 RHNA Progress Report ▪ Report: Annual Building Permit data collected from the 109 jurisdictions ▪ Database: Geocoded and mapped permit data from 2013, 2014 and 2015 ▪ Report: Annual Development permits categorized by housing in PDA/Non-PDA, RHNA/non RHNA Sites, as well as housing type single family, multi-family, and affordability | <ul style="list-style-type: none"> ▪ Survey local jurisdictions to shape and revise collection of permit data by location and affordability. ▪ Revise building data collection process for ease and accuracy ▪ Identify strategies to fill data gaps ▪ Develop uniform region wide database of building permits ▪ Engagement: Work with HCD to improve data collection from jurisdictions ▪ Engagement: Pursue legislative changes to improve data collection processes, accuracy and scope ▪ Design platform for regional housing production data base |
| Housing policies and practices | <ul style="list-style-type: none"> ▪ Housing Policy Database: Developed regional housing policy database ▪ Resource: Housing policy database accessible through website for practitioners, advocates, and policy makers to use | <ul style="list-style-type: none"> ▪ Update Database: Survey to jurisdictions with expanded set of policies, and request for links to local ordinances ▪ Upgrade Database: Expand the display/search functionality of database: make information more visual, and provide more information through search function ▪ Resource: Housing Policy Toolkit identifying best practices, model ordinances etc. and analysis/content to make available through website. |

Attachment 2

| | | |
|------------------------------------|---|--|
| <p>Technical Assistance</p> | <ul style="list-style-type: none"> ▪ Resource: Provide consultative services to planning/housing staff and policy leaders in cities, counties and institutions who are working to advance specific ABAG endorsed land use policies and practices ▪ Advise: OBAG Planning Grant Program – provided input for housing related requirements for PDA planning grant program ▪ Advise: As Technical Advisory Committee (TAC) member for PDA’s and BART | <ul style="list-style-type: none"> ▪ Resource: Expand consultative services to planning/housing staff and policy leaders in cities, counties and institutions who are working to advance specific ABAG endorsed land use policies and practices ▪ Support State mandated plans: SCS, Housing elements, Climate Action Plan, Local Hazard Mitigation Plan etc. ▪ Engagement: Pro-actively engage jurisdictions' elected officials and staff, practitioners and advocates to advance conversations that promote housing production, preservation, affordability and neighborhood stabilization. |
| <p>Housing Resources</p> | <ul style="list-style-type: none"> ▪ Engagement: State coordination on housing grants for East Bay Corridors ▪ Engagement: Formed Housing Committee to build consensus on housing strategies | <ul style="list-style-type: none"> ▪ Engagement: Develop funding infrastructure Regional Housing Trust Fund, Infrastructure Fund, etc. ▪ Engagement: Develop CASA Initiative in collaboration with stakeholders |

2. Jobs and Workforce

| | Milestones and Accomplishments | Work Plan and Next Steps |
|--|--|---|
| <p>Regional Collaboration</p> | <ul style="list-style-type: none"> ▪ Reports: Worked with regional stakeholders in a number of studies and reports, such as Economic Prosperity Plan, and Industrial Land and Job Study. ▪ Engagement: ABAG regional economic development district work started with ABAG's engagement with EBEDA, and has enabled ABAG to engage and establish partnerships with diverse organizations in the region on economic and workforce development issues | <ul style="list-style-type: none"> ▪ Web Tool: Developing website tools to share regional best practices in economic and workforce development ▪ Continue providing a forum to increase opportunities for collaboration among economic and workforce development organizations in the Bay Area |
| <p>Regional Economic Development District (EDD)</p> | <ul style="list-style-type: none"> ▪ Engagement: Initial meeting and planning with USEDPA and EBEDA to understand and undertake the work of establishing of regional Economic Development District (EDD) for the nine-County Bay Area ▪ Advise: Formed Economic Strategy Technical Advisory Committee that oversees the development of Comprehensive Economic Development Strategy (CEDS) ▪ Report: Completed draft of CEDS profile, SWOT analysis and strategies, and Regional Economic Strategy ▪ Engagement: Presented to business and economic groups, academic institutions, and workforce development organizations, community based organizations and jurisdictions and other stakeholders across the region ▪ White Paper: Industry clusters, business dynamics, transportation, jobs/housing balance, | <ul style="list-style-type: none"> ▪ Report: Develop performance metrics and action plan, and complete official draft of CEDS report for public comment <ul style="list-style-type: none"> ○ Present final report to county boards of supervisors for adoption ○ Continue collaboration with Bay Area Council/Bay Area Council Economic Institute and other stakeholders to create a proposed governance structure for the regional EDD ○ Submit Regional EDD application to USEDPA ▪ Ongoing Engagement <ul style="list-style-type: none"> ○ Megaregion meetings with adjacent counties ○ Subregional Economic and business support organizations ○ 11 workforce development boards ○ 20 cities |

Attachment 2

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| Priority Production Areas (PPA) | <ul style="list-style-type: none">▪ Report: Industrial Land and Job Study with Karen Chapple, UC Berkeley<ul style="list-style-type: none">○ Supply and demand study of industrial land in the region○ Supply and demand study of industrial building space in the region○ Evaluation of potential VMT impacts from industry relocating to outside the region▪ Engagement: Presentation to Regional Planning Committee, Executive Board, and discussions with MTC, the Economic Strategy Committee and sub-regional advanced manufacturing and manufacturing associations and jurisdictions | <ul style="list-style-type: none">▪ Program Development:<ul style="list-style-type: none">○ Develop criteria for PPA designation at local level○ Develop and prepare proposal for descriptions of place types of PPA○ Develop support programs and incentives |
|--|--|--|

3. Resilience

| | Milestones and Accomplishments | Work Plan and Next Steps |
|---|--|--|
| Safe, Smart Growth Framework and Pilot | <ul style="list-style-type: none"> ▪ Guidance handbook: Risk Assessment and Strategy Evaluation Handbook | <ul style="list-style-type: none"> ▪ Five white papers: short issue papers describing the five phases of the Safe, Smart Growth Framework ▪ Guidance handbooks: revised, more detailed guidebooks for cities and regions to guide them through a resilience-building process ▪ Pilot process: partnership with EPA and FEMA to pilot and test the process and tools throughout the western US |
| Resilient Housing | <ul style="list-style-type: none"> ▪ Guidance document: soft story retrofit program development ▪ Workshop: soft story workshop to build local capacity and identify policy priorities ▪ Model ordinance: soft story retrofit model ordinance; support to local jurisdictions for implementation | <ul style="list-style-type: none"> ▪ New housing loss numbers: update housing loss numbers from 2003 for 16 earthquake and 2 flood scenarios ▪ Online housing quiz: update 2003 housing quiz to help users identify if their house is fragile ▪ Housing field guide: develop easy-to-use online and print tool to help users easily identify fragile housing types ▪ Policy tools: model ordinances, guidance, and other policy tools to implement soft-story and other safer housing policies |
| Resilient Infrastructure | <ul style="list-style-type: none"> ▪ Technical Advisory Committee: Convened ABAG RPC TAC to discuss obstacles to providing adequate water for PDAs and resilience following disasters | <ul style="list-style-type: none"> ▪ PDA Infrastructure Policies: identify and propose for joint adoption policies by cities and water and energy providers to overcome infrastructure-related obstacles to PDA implementation ▪ Pilot projects and partnerships: through TAC, develop partnerships with utilities and cities to pilot projects that develop, test, and expand the capacity of utilities to serve cities after major disasters |

Attachment 2

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| <p>Mitigation and Adaptation Plan Assistance</p> | <ul style="list-style-type: none"> ▪ Workshops: convened nine workshops throughout the Bay Area to assist jurisdictions with Local Hazard Mitigation Plan development ▪ One-on-one technical assistance: provided ad-hoc assistance | <ul style="list-style-type: none"> ▪ Workshops: five workshops focused on implementation of resilience-building strategies developed in previous phase of project ▪ One-on-one technical assistance: assist jurisdictions one-on-one or in cohorts (like EBCI) to develop tailored policy and planning tools |
| <p>Regional Resilience Assessment</p> | <ul style="list-style-type: none"> ▪ Analysis: researched resilience actions for 10 Bay Area cities and documented findings | <ul style="list-style-type: none"> ▪ Analysis: Identify and research resilience actions in 10 additional cities ▪ Online dashboard: develop online dashboard to display assessment outcomes, coordinated with other existing databases and dashboards created by ABAG and other partners |
| <p>Rockefeller 100 Resilient Cities (RC) Partnership</p> | <ul style="list-style-type: none"> ▪ CRO convening: established partnerships and common goals with 100RC Chief Resilience Officers | <ul style="list-style-type: none"> ▪ Workshops: leverage the 100RC model and local investments to catalyze resilience implementation in all Bay Area jurisdictions |
| <p>Statewide Policy Partnerships</p> | | <ul style="list-style-type: none"> ▪ Policy white paper: develop statewide resilience policy platform aligned with key partners ▪ Strengthened partnerships: work with existing partners, and build new partnerships, to advance state policy adoption |
| <p>USGS Partnership</p> | | <ul style="list-style-type: none"> ▪ Regional briefings and workshops: six regional briefings and/or workshops to tell the story of a major Hayward earthquake and its impacts on several sectors, plus how cities can respond |
| <p>Wildland Fire Study</p> | | <ul style="list-style-type: none"> ▪ Report: identify the region’s vulnerability to wildland fire and its capacity to reduce this vulnerability ▪ Strategies for reducing risk: targeted actions for reducing wildland fire risk |

4. Trails and Open Space

| | Milestones and Accomplishments | Work Plan and Next Steps |
|------------------|---|--|
| Bay Trail | <ul style="list-style-type: none"> ▪ Bay Trail Construction and Development: <ul style="list-style-type: none"> ○ 7 miles constructed, reaching the milestone of 350 miles and 70% complete ○ Bay Trail Design Guidelines & Toolkit released to shoreline partners outlining the principles for designing and developing the remaining sections of Bay Trail ○ Created 6 new Bay Trail smart audio phone tours ○ \$15,000 grant secured from Google to complete a tour at the Google campus in Mountain View ▪ Collaboration and Partnership: <ul style="list-style-type: none"> ○ Managed active planning and construction grants and worked with the Coastal Conservancy to award contracts under block grant ○ Advocated and supported with regional partners the passage of Measure AA ○ Partnered with PG&E, Facebook and Cargill ○ Participated in sea level rise working groups around the region and provide input on climate action plans | <ul style="list-style-type: none"> ▪ Seek and provide funding to implementing agencies to significantly advance the development of the Bay Trail, including but not limiting to adding more trail mileage, installing signs along all sections, creating new mobile phone audio tours ▪ Expand awareness of the Bay Trail through new smart phone audio tours, <i>Migrations</i> regional art program and other outreach tools ▪ Develop a strategy to analyze the condition of existing segments of Bay Trail in coordination with shoreline partners ▪ Expand partnerships with private corporations for specific gap closures, and explore new partnerships with public health, recreation, tourism and alternative transportation partners |

Attachment 2

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| <p>Water Trail</p> | <ul style="list-style-type: none"> ▪ Designated the 30th Water Trail site ▪ Allocated over \$490,000 for water access improvements ▪ Completed East Bay Regional Park District Water Trail Implementation Plan | <ul style="list-style-type: none"> ▪ Designate up to 50 Water Trail sites ▪ Complete a set of Water Trail maps and update the Water Trail website ▪ Develop a detailed list of projects and assist partners with applying for available funds ▪ Explore new partnerships with public health, recreation, tourism and alternative transportation partners |
| <p>Priority Conservation Area (PCA)</p> | <ul style="list-style-type: none"> ▪ 165 designated PCAs | <ul style="list-style-type: none"> ▪ Solicit applications and manage a competitive grant program under the One Bay Area Grant (OBAG) program in partnership with MTC and the State Coastal Conservancy to fund eligible projects within PCA boundaries ▪ Update and maintain a comprehensive and informative PCA website with county-specific PCA maps as a public and local agency resource |

5. Complete Communities & PDAs

| | Milestones and Accomplishments | Work Plan and Next Steps |
|---|---|---|
| PDA Planning Grants & Technical Assistance | <ul style="list-style-type: none"> ▪ Completed Grants: 18 ▪ New grants: 11 ▪ Development: Adopted plans create capacity for 28,000 dwelling units | <ul style="list-style-type: none"> ▪ Survey local jurisdictions to shape revised guidelines ▪ Update planning and technical assistance guidelines retaining successful elements of program and addressing emerging implementation issues and opportunities ▪ Complete 15+ grants ▪ Award 10+ new grants |
| PDA Guidelines & Designations | <ul style="list-style-type: none"> ▪ Guidelines: adopted revised PDA standards (<i>e.g. size, density</i>) ▪ Updates PDAs: 29 PDAs updated to include new areas and/or reflect recently adopted plan ▪ New PDAs: 3 new PDAs adopted | <ul style="list-style-type: none"> ▪ Place Types: review and prepare proposal for revision to place types (based on consultation with local staff) ▪ Guidelines: prepare proposal for new guidelines consistent with updated place types |
| Planning Innovations | <ul style="list-style-type: none"> ▪ Forums: 3 forums focusing on Infrastructure, Placemaking, and Housing ▪ Website: Established Planning Innovations website | <ul style="list-style-type: none"> ▪ 10 forums on themes identified by local PDA planners ▪ Expanded Planning Innovations website providing a compendium of best practices, model plans and codes, reports and videos, and discussion forums |
| Regional Studies | <ul style="list-style-type: none"> ▪ Report: Annual development permits, categorized by PDA/Non-PDA locations ▪ Report: PDA feasibility study ▪ Report: Enhanced infrastructure finance districts | <ul style="list-style-type: none"> ▪ Reports: Studies addressing emerging challenges and opportunities for region's PDAs |

Attachment 2

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| Entitlement Efficiency/ CEQA Streamlining | <ul style="list-style-type: none">▪ Database: Electronic inventory and map of PDAs by “development readiness” (completed planning and environmental review)▪ Guidance document: Entitlement Efficiency Advisory for Infill Development▪ Report: local use of infill streamlining provisions in PDAs | <ul style="list-style-type: none">▪ Local SB743 implementation: Partner with state, cities and CMAs to support adoption SB743 VMT-based standards of significance in at least 10 jurisdictions, provide data and direct technical assistance▪ Website: Launch infill streamlining website to increase development in PDAs |
|--|--|--|

| | | |
|-------------------------------------|--|---|
| <p>Corridors and Centers</p> | <ul style="list-style-type: none"> ▪ East Bay Corridors Initiative <ul style="list-style-type: none"> ▪ MOU establishing Initiative adopted by city councils of 14 member jurisdictions ▪ 2015-16 Priorities document & website ▪ \$600K in grants to ABAG and cities to overcome obstacles to infill and shared opportunities, including brownfields and urban greening ▪ \$90M in successful Affordable Housing & sustainable transportation grant applications (<i>supported</i>) ▪ Catalyst project pipeline list and website; partnership with CDFIs to build out pipeline ▪ Soft-story building standards for East Bay cities along Hayward fault. ▪ Regional Centers (SF, Oakland, SJ) <ul style="list-style-type: none"> ▪ Established forum between planning directors and regional staff ▪ Developed shared PDA priorities ▪ Partner Initiatives <ul style="list-style-type: none"> ▪ Technical Advisory Committee (TAC) member for adopted BART Affordable Housing & TOD Policy ▪ TAC member for Grand Boulevard Initiative | <ul style="list-style-type: none"> ▪ East Bay Corridors Initiative <ul style="list-style-type: none"> ▪ Complete EPA Brownfields Grant, leading to at least 5 entitled projects previously held up by contamination issues ▪ Complete EPA Urban Greening Grant, leading to corridor-level priority projects included in local plans and CIPs (<i>partners: cities, CMAs</i>) ▪ Obtain new grants to support priorities identified by corridor cities, including urban greening projects, housing studies and other needs ▪ Adopt soft-story ordinances based on model code in 5 corridor cities ▪ Expand Partnerships: directly involve regional agencies and economic development agencies ▪ Regional Centers <ul style="list-style-type: none"> ▪ Identify and advance 2-3 implementation partnerships between Regional Centers and the regional agencies ▪ Collaborative Initiatives <ul style="list-style-type: none"> ▪ TOD at Transit: Provide support to BART and VTA to advance major mixed-use projects at transit stations ▪ Grand Boulevard Initiative: Identify opportunities to support expanded GBI issues such as housing ▪ Great Communities Collaborative: Partner on cross-sector Initiatives identified by Bay Area TOD Implementation group |
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Attachment 2

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|------------------------------|--|---|
| <p>Placemaking</p> | <ul style="list-style-type: none"> ▪ Report: Placemaking in the Bay Area ▪ Place-based outreach: Established <i>Places of the Bay Area website</i> and outreach program to gather resident input on PDAs; gathered input at Plan Bay Area workshops and engagement with high schools ▪ Report: Contributed to Air District's <i>Planning for Healthy Places</i> document | <ul style="list-style-type: none"> ▪ Places of the Bay Area: Expand web-based platform for residents of PDAs to contribute unique perspectives and express aspirations for their communities ▪ Urban greening projects in high-need PDAs to create public space, improve air quality, community health, safety, energy efficiency, and pedestrian and bicycle mobility ▪ Implementation of <i>Planning for Healthy Places</i> standards in PDAs through outreach to local staff and partnership with the Air District |
| <p>Infrastructure</p> | <ul style="list-style-type: none"> ▪ Technical Advisory Committee: Convened ABAG RPC TAC to discuss obstacles to providing adequate water for PDAs and resilience following disasters (<i>with resilience program</i>) | <ul style="list-style-type: none"> ▪ PDA Infrastructure Policies: identify and propose for joint adoption policies by cities and water and energy providers to overcome obstacles to PDA implementation (<i>with resilience program</i>) |



TO: Joint MTC Planning Committee and ABAG Administrative Committee

DATE: March 17, 2017

CC: ABAG Executive Board
Metropolitan Transportation Commission

FR: Brad Paul, ABAG Acting Executive Director
Steve Heminger, MTC Executive Director

RE: Approval of the Contract for Services for the MTC/ABAG Staff Consolidation and Memorandum of Understanding Related to Future Governance

Summary and Requested Action

The Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) jointly retained Management Partners (MP) to conduct a study on the potential merger of the two agencies. MP presented the Options Analysis and Recommendation Report dated April 18, 2016 with seven options. The agencies joined in expressing policy support for Option 7 that proposes ABAG and MTC enter into (1) a contract to consolidate staff functions under the MTC executive director (CS) and (2) a memorandum of understanding regarding new governance options (MOU).

Further, the agencies adopted an Implementation Action Plan (IAP) designed by Management Partners to guide the staff consolidation. The ABAG and MTC senior staffs have been working on the IAP under the policy direction provided by our respective policy bodies. At the February 24th meeting of the Joint MTC Planning and ABAG Administrative Committee, staff presented a draft contract for services (CS) for your review and input. We have made a number of revisions to the CS as recommended at your meeting and as summarized below. In addition, we are now returning with a few key attachments to the CS as well as a draft Memorandum of Understanding related to future governance for action – we are requesting that you refer the CS and the MOU to the ABAG Executive Board and Commission for approval.

Background and Discussion

A. Revisions to the Contract for Services based on your input

We appreciate the input and comments at the ABAG Executive Board and Joint MTC Planning and ABAG Administrative Committees in February. Based on the comments received and to correct a few errors, we have made changes as attached with track changes and summarized below:

- Revisions to section 13 Dispute Resolution: The dispute resolution section was revised to clarify that policy issues will not go to binding arbitration.
- Addition in section 6.1 of language related to CalPERS: As discussed later in the memo, to address some continued ambiguity as it relates to how CalPERS treats common law employees, we have added language to protect both MTC and ABAG and the employees should CalPERS make a determination in the future contrary to our current understanding. To that end, MTC and ABAG agree to make each other whole such that the final financial consequences to each party of the CalPERS determination shall reflect the financial assumptions made at the time the contract was executed.
- Addition to section 2 to acknowledge that cities and counties are important partners in regional planning and that regional land use planning must be coordinated with local land use planning in order to succeed in building high quality neighborhoods.
- Addition of social equity, open space, and energy efficiency to the list of key issue areas and identifying stakeholder engagement in section 2.2 as one of the key responsibilities and duties.
- Addition in section 4.1 Development and Approval (Operating Budgets and Work Plans) to clarify the process for potential refinancing of the current Financing Authority for Non-Profits debt portfolio.
- Minor technical corrections to the start date of the budget process, addition of the definition of MTC, and the zip code for the Bay Area MetroCenter.

B. Key Exhibits – Organization Chart and Transition Plan

We noted at the joint committee meeting that the draft contract was missing some attachments, the two most important being (1) an organization chart reflecting the consolidated staff operation, and (2) a “Transition Plan” laying out the salary and benefit package for those ABAG staff members transitioning to MTC employment. These items are now attached to the Contract for Services as Exhibits B and C. Each exhibit requires a few words of explanation.

Organization Chart

The proposed organization chart relies on the legal nomenclature that all members of the consolidated staff will be MTC employees. As shown on the organization chart, the existing MTC employees are depicted in blue and the soon-to-be-former ABAG employees are depicted in green. This is the first and last time that we will draw any distinction between existing and transitioning MTC employees, and we do so here only to illustrate how the consolidation will occur. After the transition takes place this summer, we will be one staff working for the betterment of the San Francisco Bay Area as a whole.

The organization chart rests on a few assumptions. First, as we have stated repeatedly to both staffs, every represented ABAG employee will be offered a comparable position in the new consolidated organization. The attached chart assumes that all of those offers will be accepted, which may or may not prove true. For those offers that are not accepted, the MTC Executive Director will consider at a later date how and whether to fill those positions at the new organization. For the non-represented (management-level) ABAG positions, there is obviously some redundancy between that management structure and the comparable positions at

MTC. The proposed organization chart reflects some of the efficiencies we will gain by addressing that redundancy in an appropriate manner.

Brad Paul will be the third MTC Deputy Executive Director in the consolidated staff operation. Brad will oversee the diverse local government services and programs that ABAG has provided to its members for many decades. The other large swath of green on the attached chart are the ABAG planners who will join the MTC planners in a new integrated regional planning department overseen by Director Ken Kirkey and Deputy Executive Director for Policy Alix Bockelman. A proposed organization structure for the integrated planning department is being finalized and will be provided for information to the Boards. There are some other important changes to the organization structure to address the larger agency and evolving work in the Administration and Facilities and Finance Sections.

Transition Plan

As noted above, the Transition Plan outlines the salary and benefit package for the incoming ABAG employees. You will note that on page 1 of the plan, there is an amount (7%) for the minimum salary increase that will be offered to the transitioning employees to compensate for any definable differences in the ABAG and MTC benefit packages. We are committed to ensuring that no transitioning employee will experience a net reduction in salary and benefits. Some of the benefit differences are difficult to monetize, but we have done our best to address some concerns that have emerged – such as the legal requirement to pay employees for vacation balances – by providing three additional days of personal leave in the first six months as well as starting the tenure for vacation accrual consistent with the ABAG tenure. We have also agreed to transfer sick leave balances so these balances can be used if needed for sick leave once the employees transition to MTC.

C. Memorandum of Understanding (MOU) on Governance

Another important piece of the staff consolidation approval package that is being provided this month is the proposed MOU related to future governance. The governing boards' approval of Option 7 called for a MOU to set a date certain by which the ABAG Executive Board and the Commission would consider future governance options.

ABAG's Resolution No. 07-16 contains certain language regarding the selection of the successor to the current MTC Executive Director. The ABAG President and MTC Chair have negotiated and agreed on an alternative approach that is summarized in the key points below, and in the proposed language for the MOU in Attachment A:

- **Deadline to Initiate Discussions on Governance:** ABAG Executive Board and Commission begin discussion of future governance options no later than July 1, 2019.
- **Commencement of Information Gathering and Staff Support for Discussion on Governance:** Staff to begin gathering information to support the governance discussion no later than July 1, 2018.
- **Termination of Employment of the Incumbent Executive Director:** If the current executive director terminates his employment before July 1, 2018, the information gathering and staff support related to it is triggered immediately.

D. CalPERS Discussion Update

Staff continues to work with CalPERS staff to provide the detail needed for CalPERS to understand the unique staff consolidation that is being proposed. To date, the conversations have focused on the issue of common law employees and ensuring that the consolidated staff is reporting to and getting daily direction from the MTC Executive Director. We have a meeting set up with the executive director of CalPERS early next week and will provide a status report on the discussion at your meeting on March 24th.

Next Steps

As a reminder, we are getting to the home stretch of the implementation steps with the following key dates between now and achieving the staff consolidation at the beginning of the next fiscal year:

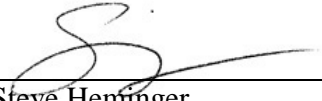
- March 24: Joint ABAG Administration/MTC Planning Committee – referral of the CS and MOU for approval
- April 20: ABAG Executive Board approval of the CS and MOU
- April 26: MTC Commission approval of the CS and MOU
- May-June: Offers and acceptances of employment
- July 1: Transition of employees

Recommendation

We recommend that the Joint MTC Planning and ABAG Administrative Committee refer the Contract for Services for the MTC/ABAG staff consolidation and Memorandum of Understanding related to future governance, as described in the memo above, to the Commission and Executive Board for approval.



Brad Paul



Steve Heninger

BP / SH: ab / bp

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MEMORANDUM OF UNDERSTANDING
between
ASSOCIATION OF BAY AREA GOVERNMENTS
and
METROPOLITAN TRANSPORTATION COMMISSION

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (MOU) is made and entered into as of the ___ day of _____, 2017, by and between the Association of Bay Area Governments, (ABAG), a Council of Governments established by agreement among its members pursuant to the Joint Exercise of Powers Act, California Government Code §§ 6500, *et seq.* and the Metropolitan Transportation Commission (MTC), a regional transportation planning agency established pursuant to California Government Code § 66500.

RECITALS

- A. ABAG was created in 1961 and serves as the Council of Governments for the 101 cities/towns and nine counties that make up the region with powers and responsibilities granted to it under the laws of the State of California.
- B. MTC is the federally designated Metropolitan Planning Organization (“MPO”), pursuant to Section 134(d) of Title 23 of the United States Code (USC) for the nine-county San Francisco Bay Area region (the “Bay Area” or “region”).
- C. In November 2015 MTC and ABAG agreed to a jointly retain Management Partners to conduct a merger study and to propose a merger implementation plan.
- D. At the June 2016 meeting of the ABAG Executive Board, it adopted Resolution 07-16 stating its support for merger options 4 and 7 and their respective implementation action plans as presented by Management Partners with the ABAG Executive Board acknowledging moving forward with merger option 7.
- E. On May 25, 2016 MTC adopted Resolution No. 4245 approving an implementation plan dated May 17, 2016 for merger option 7.
- F. ABAG and MTC have concluded that this MOU and the concurrent Contract for Services is the preferred means for ABAG and MTC to jointly pursue their respective missions and to carry out their respective responsibilities for the benefit of the San Francisco Bay region.

STATEMENT OF MUTUAL UNDERSTANDING

1. **Option 7**

ABAG and MTC have agreed to pursue the implementation of Option 7 through a mutually agreed upon Contract for Services that governs how ABAG and MTC will share the use of a consolidated staff to carry out their respective missions and statutory powers and responsibilities and a mutually agreed upon memorandum of understanding to pursue with MTC new governance options.

2. **This Memorandum of Understanding**

This MOU is the memorandum of understanding required by Option 7.

3. **Concurrent Contract for Services**

ABAG and MTC have agreed upon the Contract for Services required by Option 7 which is attached as _____

4. **Deadline to Initiate Discussions on Governance**

No later than July 1, 2019, ABAG and MTC will begin discussions on whether the two agencies can restructure their governing boards to better serve the region and to better utilize the consolidated staff. These discussions may be conducted directly through the Executive Board of ABAG and the Commission of MTC, or their respective designated policymakers or designated policy bodies.

5. **Commencement of Information Gathering and Staff Support for Discussion on Governance**

No later than July 1, 2018, ABAG and MTC will direct the consolidated staff to begin collecting information on the governance structures of regional planning agencies with a focus on those with both land use and transportation planning powers and responsibilities, including transportation funding and investment.

6. **Termination of Employment of the Incumbent Executive Director**

If MTC receives notice prior to July 1, 2018 from its incumbent Executive Director that he will be terminating his employment with MTC, the consolidated staff will promptly begin implementation of section 5.

End of Document
Signature Page to Follow

**MEMORANDUM OF UNDERSTANDING
BETWEEN
ASSOCIATION OF BAY AREA GOVERNMENTS
AND
METROPOLITAN TRANSPORTATION COMMISSION
* * * * *
AUTHORIZED SIGNATURES**

IN WITNESS WHEREOF, ABAG and MTC have caused this MOU to be duly executed on its behalf.

Association of Bay Area Governments

Julie Pierce, President

Approved as to Form:

Kenneth K. Moy, Legal Counsel

Metropolitan Transportation Commission

Jake Mackenzie, Chair

Approved as to Form:

Adrienne Weil, General Counsel

Draft March 15, 2017

CONTRACT FOR SERVICES

between

METROPOLITAN TRANSPORTATION COMMISSION

and

ASSOCIATION OF BAY AREA GOVERNMENTS

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CONTRACT FOR SERVICES

THIS CONTRACT FOR SERVICES (this "Agreement") is made and entered into as of the ___ day of Month, 20___, by and between the Metropolitan Transportation Commission (herein called "MTC"), a regional transportation planning agency established pursuant to California Government Code § 66500 and the Association of Bay Area Governments, (herein called "ABAG"), a Council of Governments established by agreement among its members pursuant to the Joint Exercise of Powers Act, California Government Code Sections 6500, *et seq.*

RECITALS

MTC is the federally designated Metropolitan Planning Organization ("MPO"), pursuant to Section 134(d) of Title 23 of the United States Code (USC) for the nine-county San Francisco Bay Area region (the "Bay Area" or "region").

ABAG was created in 1961 and serves as the Council of Governments for the 101 cities/towns and nine counties that make up the region with powers and responsibilities granted to it under the laws of the State of California.

In November 2015 MTC and ABAG agreed to jointly retain Management Partners to conduct a merger study and to propose a merger implementation plan.

At the June 2016 meeting of the ABAG Executive Board, it adopted Resolution 07-16 stating its support for merger options 4 and 7 and their respective implementation action plans as presented by Management Partners, with the ABAG Executive Board acknowledging moving forward with merger option 7.

On May 25, 2016 MTC adopted Resolution No. 4245 approving an implementation plan dated May 17, 2016 for merger option 7.

ABAG and MTC have concluded that this Agreement is the preferred means for ABAG and MTC to jointly pursue their respective missions and to carry out their respective responsibilities for the benefit of the San Francisco Bay region.

TERMS AND CONDITIONS

1. DEFINITIONS

ABAG is a joint powers agency that serves as the region's Council of Governments with the statutory responsibilities and powers granted by the California Legislature including, but not limited to, (a) responsibility for preparation of portions of the region's sustainable communities strategy and (b) authority to adopt the regional housing need allocation (RHNA) plan. The ABAG Executive Board and/or its standing committees and Local Collaboration Program governing boards are referenced from time to time in this Agreement in order to represent the interests of ABAG.

ABAG Legacy Employees means the individuals identified in Section [5] of this Agreement, each of whom, as of the Effective Date, is currently an employee of ABAG and is expected, in accordance with the Employee Transition Plan, to accept an offer of employment at MTC.

Effective Date means the effective date of this Agreement as set forth above.

Employee Transition Plan means the plan for transitioning ABAG Legacy Employees to employment at MTC as described in Exhibit [B] to this Agreement.

Enterprise Board means the governing board of a LCP.

Local Collaboration Program (LCP) means, individually or collectively as the context may require, each of the following entities created by ABAG in collaboration with local governments to implement a regional program:

Bay Area Regional Energy Network (BayREN);

San Francisco Estuary Partnership (SFEP);

San Francisco Bay Trail (BayTrail) and Water Trail (Water Trail);

ABAG Finance Authority for Nonprofit Corporations (FAN);

ABAG Finance Authority (ABAG FA);

ABAG PLAN Corporation (PLAN);

ABAG Publicly Owned Energy Resources (POWER);

Shared Agency Risk Pool (SHARP); and

San Francisco Bay Restoration Authority (SFBRA).

MTC is a regional transportation planning agency established pursuant to California Government Code § 66500 and is the federally designated Metropolitan Planning Organization ("MPO"), pursuant to Section 134(d) of Title 23 of the United States Code (USC) for the nine-county San Francisco Bay Area region.

MTC ICAP Rate means the indirect cost allocation plan, as approved by the appropriate MTC oversight agency.

Operating Budget and Work Plan means each annual operating budget and work plan for ABAG prepared and submitted by MTC in accordance with Section [4] of this Agreement and approved by the ABAG Executive Board and, to the extent applicable, each LCP governing body. Each operating budget and work plan will describe, in detail, the scope of work to be performed by MTC and the compensation to be paid to MTC for services rendered.

Transitioned Employee means each ABAG Legacy Employee who, after cessation of his or her employment at ABAG, voluntarily accepts an offer of employment at MTC and becomes an employee of MTC.

2. PRESERVATION OF RESPONSIBILITIES AND MISSIONS OF ABAG AND THE LCPs

The parties agree to use their best efforts to preserve, serve and secure the statutory powers and responsibilities of ABAG and the mission of ABAG as the region's Council of Governments following the Effective Date, and similarly to preserve, serve and secure the respective goals and missions of the LCPs. The activities and responsibilities described in this section should be approached in a manner that acknowledges that cities and counties are important partners in regional planning and that regional land use planning must be coordinated with local land use planning in order to succeed in building high quality neighborhoods.

A list of ABAG's statutory responsibilities is attached as Exhibit [A] and may be revised to reflect changes to those responsibilities and powers made by the California Legislature without formal amendment of this contract. To ensure that the services provided under this Agreement serve the goals and missions of ABAG and the LCPs, the parties agree as follows:

2.1 The Executive Director of MTC will perform the following duties and functions with respect to ABAG and the LCPs:

- (a) attend all regular meetings of the ABAG Executive Board and key committees (Administrative Committee, Finance and Personnel Committee, Legislation and Government Operations Committee, Regional Planning Committee) unless excused in advance by the President of such board or chair of the committee, or the attendance of another MTC senior manager is mutually agreed upon;
- (b) attend meetings of the LCP governing boards at which Operating Budgets and Work Plans are adopted by and for the LCPs; and
- (c) ensure that the approved Operating Budgets and Work Plans for ABAG and for each LCP will be implemented as approved, or as modified by ABAG or the LCP, as applicable;
- (d) attend the ABAG General Assembly(ies).

2.2 The Executive Director, the Deputy Executive Director for Local Government Services, the Deputy Executive Director of Policy, and other members of the MTC senior executive team will perform the following duties and functions on behalf of ABAG and the LCPs with the help of other appropriate MTC staff as needed:

- (a) keep local elected officials, government officials and stakeholders informed on key issues of concern to the Council of Governments including land use, housing, economic development, social

equity, resilience, transportation, open space, energy efficiency, RHNA, Plan Bay Area, and ABAG's Local Collaboration Programs in part, by:

- (i) meeting regularly with City Managers and Planning Directors at the county level;
- (ii) meeting with elected officials at regular countywide meetings of mayors and city council members;
- (iii) meeting with ABAG delegates at the county level on a regular basis; and
- (iv) conducting a robust stakeholder engagement process.

(b) serve as the primary links between ABAG's Executive Board, Committees and Local Collaboration Programs (LCP) and the MTC executive team and staff regarding issues such as Plan Bay Area, RHNA, housing, land use and LCP programs.

(c) work with appropriate MTC staff to help coordinate the work of MTC staff and ABAG Executive Board related to creating the Annual Budget & Work Plan for ABAG and its Local Collaboration Programs.

2.3 The members of ABAG and LCP's and the members of the policy bodies of ABAG and of the LCPs will continue to have access to, and ability to interact with, the MTC staff who provide services to them, that is commensurate with their respective roles as policymakers and staff.

2.4 ABAG shall provide written reports to the Commission regarding the quality and manner in which ABAG services, programs and work products are delivered, observations on the potential reasons for any deficiencies and suggestions for improvements. The Commission will respond to such reports within 60 calendar days and take them into account when reviewing MTC's satisfactory execution of its duties under the contract.

3. SERVICES

3.1 Standard of Professional Care

In the performance of services under this Agreement, MTC will exercise professional care, skill, efficiency, and judgment commensurate with that of consultants with expertise in providing such services.

3.2 Operating Budgets and Work Plans

Except as otherwise identified in this Agreement or the applicable Operating Budget and Work Plan, MTC will assume responsibility for and perform all services and functions necessary to perform ABAG's annual Work Plan. MTC and ABAG will develop, present, seek approval for, and implement Operating Budgets and Work Plans as provided in Section [4].

3.3 Financial Services

All ABAG finance and accounting functions, including the treasury function, will be assigned to MTC to be completed within the period from the execution date to a year thereafter, in such fashion to close out the transition of all legacy systems in an orderly manner for MTC finance.

ABAG and MTC will develop a transition plan for all ABAG financial systems, including but not limited to: (1) treasury; (2) general ledger, including accounts payable and receivable; (3) budget; and (4) payroll. The transition will occur and MTC will be responsible for all financial systems on or about July 1, 2017.

MTC rules for administration, personnel, payroll, employee relations, purchasing, contracting and other business operations shall apply to the services provided here under, to the extent to which they are compatible with ABAG policies. Notwithstanding the foregoing, ABAG contracts exceeding \$50,000 or such other amount dictated by the ABAG Executive Board, shall be approved by the ABAG Executive Board.

MTC will provide necessary financial reports prior to each ABAG Finance and Personnel Committee meeting, provided, however that such reports shall not be required more often than on a monthly basis.

3.4 Legal Services

The MTC Legal Department will provide general legal support services to ABAG and the LCPs.

- (a) Potential Legal Conflicts of Interest. If ABAG, a LCP, or MTC determines in good faith that an actual or potential conflict of interest would exist if the MTC Legal Department were to provide legal services on a specific matter, then, unless the actual or potential conflict of interest is waived by the affected entities, then the affected entity whose matter gave rise to the actual or potential conflict of interest will obtain separate legal counsel. MTC shall not withhold consent or resources to hire outside counsel for ABAG in the event a legal conflict of interest; provided that ABAG independently obtains such separate outside counsel.
- (b) Obtaining Outside Specialized Legal Services. ABAG or a LCP may request that the MTC Legal Department retain outside legal counsel to provide specialized legal services. The MTC Legal Department shall promptly respond to any such request in writing by either (i) agreeing to engage outside legal counsel and commencing to work with ABAG or the LCP, as applicable, to retain such counsel on terms and conditions acceptable to MTC, the MTC Legal Department, and the requesting party or (ii) declining to engage outside legal counsel and providing a brief explanation of the reason(s) such request is being denied.
- (c) Nothing in this Agreement prevents or impairs the ability of ABAG or the LCP to directly retain outside legal counsel, at its own respective expense.

3.5 Progress Reports

MTC will provide to the ABAG Executive Board and to the governing bodies of the LCPs quarterly progress reports in form and substance reasonably acceptable to those bodies, detailing the services provided by MTC in the preceding fiscal quarter as well as major activities anticipated in the coming quarter.

4. OPERATING BUDGETS AND WORK PLANS; STAFFING

4.1 Development and Approval

No later than ~~February~~January 1 of each year, the program managers of each program that is implemented, in whole or in part, for ABAG and of each program implemented for the LCPs will develop a schedule for the development of the Budget and Work Program for their respective program for the next fiscal year. Each schedule will take into account the processes and timelines for the applicable MTC, ABAG and LCP policy bodies to approve a Budget and Work Plan.

Each Budget and Work Program will include all of the following that is applicable to that program for that year:

- (a) description of programmatic activities for that fiscal year;
- (b) proposals for expansion of a current programmatic activity;
- (c) proposals for a new program (see section 4.2 regarding funding new programs);
- (d) description of programmatic activities that will be discontinued in that fiscal year;
- (e) a budget showing the revenue(s) needed to support the proposed Work Plan for that budget year;
- (f) identification of the source of the revenue(s) described in subsection (e) and
- (g) any contingency plan(s) needed to address programmatic uncertainties or budgetary shortfalls.

Each Budget and Work Plan that is approved by all the applicable MTC, ABAG and LCP policy bodies will be implemented in accordance with section 4.2. The Deputy Executive Director for Local Government Services will be responsible for securing the approval of the LCP policy bodies.

If a Budget and Work Plan is not approved by all the applicable MTC, ABAG and LCP policy bodies, the prior year's Budget and Work Plan will remain in effect until the new Budget and Work Plan is approved. The parties may at their discretion use the dispute resolution procedures contained in Section 13 to resolve any differences on proposed new Budget and Work Plans.

Following consultation with ABAG and the FAN Executive Committee, MTC will administer the current FAN portfolio in runout mode such that there will be no new debt issuance under the FAN name. During the FAN runout mode, MTC will evaluate the current FAN debt portfolio for refinancing opportunities and make recommendations to the FAN Executive Committee to authorize refinancing of debt issues that meet credit and economic conditions developed and approved by the FAN Executive Committee. The consolidated staff working for MTC will, no later than _____, create a successor ABAG-affiliated conduit financing authority, which shall be a new legal entity with a new name and a new governing body (the ABAG Executive Board or its designee), to continue to meet the conduit financing needs of the region and of ABAG's member jurisdictions.

4.2 Revenues

The ABAG Executive Board and the LCP governing bodies will collaborate and agree on annual work plans and budgets that identify existing revenues needed to support the current work plans and obligations set forth in Section 4.1. As part of this annual process, the ABAG Executive Board and the LCP governing bodies will make best efforts and adopt strategies to identify and secure any additional revenues that may be needed to support the anticipated work plans and obligations set forth in Section 4.1 for that fiscal year. With regard to any new programs proposed by ABAG, if that program is one that solely supports ABAG's services, programs and mission, ABAG will be responsible for securing the funding for that program. If a new program is one that is jointly proposed by ABAG and MTC, the two agencies will agree on how to jointly fund the program.

4.3 MTC Staffing

The MTC employees identified as part of the Budget approval process (which shall contain an organization chart) will be responsible, commencing as of the Effective Date, for providing the services under this Agreement, both to ABAG and to the LCPs. Except as provided in section 6, MTC may remove, replace or add to the list of MTC employees below at any time as needed in the judgment of MTC.

5. COMPENSATION AND METHOD OF PAYMENT

5.1 Compensation

For the first fiscal year in which services under this Agreement commence, ABAG will pay to MTC compensation equal to the amounts scheduled to be paid under pre-existing adopted work plans and budgets for ABAG in that fiscal year.

For all subsequent fiscal years, ABAG will compensate MTC based upon amounts specified in each of the approved Operating Budget and Work Plan for such fiscal year.

Compensation structures may include, subject to budget discussions between MTC and ABAG:

- (a) total or partial cost recovery by MTC, based upon a breakdown of personnel costs, direct costs, and indirect costs;
- (b) total funding by MTC of select entities or programs;
- (c) subsidy of select entities and programs by MTC;
- (d) subsidy of select entities and programs by ABAG; and/or
- (e) subsidy of programs by one or more LCP.

5.2 Overhead and Administrative Costs

The overhead and administrative rate applied to work performed by MTC staff will be the MTC ICAP Rate except for the San Francisco Estuary Partnership (SFEP) and as the parties may otherwise agree in the applicable Budget and Work Plan or under section 5.1.

5.3 Payment Procedure and Method

ABAG will compensate MTC promptly in accordance with the payment schedule set forth in each Operating Budget and Work Plan, without netting or set-off except as agreed to in writing, in advance, by MTC in its sole discretion.

Payment to MTC will be made by wire transfer.

6. EMPLOYMENT OF ABAG LEGACY PERSONNEL

ABAG Legacy Employees are expected to become employees of MTC in accordance with the Employee Transition Plan. Each Transitioned Employee's general duties and responsibilities will be equivalent to his or her prior duties and responsibilities as an ABAG employee.

ABAG represents and warrants that: (a) there are no current open disciplinary actions related to employees proposed to transition to MTC and (b) the information regarding employee benefits, including its CalPERS account, retiree medical benefits, and sick account accruals provided by ABAG and inserted in the Transition Plan is complete and accurate.

~~The following individuals are hereby identified~~ Exhibit B1 identifies as ABAG Legacy Employees.;

~~{Insert List or attach schedule – include name, current ABAG title and program affiliation}~~

6.1 Pension Obligations and Other Employee Benefits

ABAG Legacy Employees are currently represented by the Service Employees' International Union (SEIU), Local 1021, and are part of the California Public Employees' Retirement System (CalPERS). ABAG and MTC will cooperate and coordinate their discussions with SEIU Local 1021 and CalPERS to facilitate the transition of ABAG Legacy Employees from ABAG employment to MTC employment.

The parties hereby agree with respect to any and all Transitioned Employees that ABAG shall have no direct control over any such Transitioned Employees. Such Transitioned Employees shall be treated for all purposes as common law employees of MTC.

ABAG agrees that it will not at any time during the term of this Agreement take any action to terminate its existing contractual relationship with CalPERS and will take all steps necessary to maintain its existing contractual relationship with CalPERS, including but not limited to making annual payments to CalPERS as required by under such contractual arrangements.

In the event CalPERS should make a determination contrary to the intent of this Agreement in respect to the common law status of the Transferred Employees, MTC and ABAG agree to make each other whole such that the final financial consequences to each party of the CalPERS determination shall reflect the financial assumptions made at the time the contract was executed.

6.2 Changes in Employment Status

During the first fiscal year after the Effective Date, prior to making any employment change (including but not limited to termination, reassignment, or promotion) with respect to any Transitioned

Employee, MTC will provide the ABAG Executive Board with 30 days prior written notice of the intended change before any action is taken. No Transitioned Employee may be terminated, reassigned, or promoted during such period without prior written notice to the ABAG Executive Board and the affected LCP, if applicable.

6.3 Employee Transition Plan

MTC will follow the terms of the Employee Transition Plan set forth in Exhibit [B], which sets forth various one-time provisions applicable to Transitioned Employees.

6.4 Plan for Staff Consolidation

Transitioned Employees will transition to MTC by ~~May~~July 1, 2017.

6.5 LCP Staffing and Officers

ABAG agrees to make best efforts to work with the LCPs to formally modify any relevant agreements to allow staffing at the LCPs to be contracted to MTC. In those instances in which one or more former ABAG staff members serve in “dual capacities,” sitting as officers of LCPs by virtue of their former positions within ABAG, all reasonable efforts will be made to formally modify relevant agreements or otherwise put legal arrangements in place such that MTC staff, will serve as officers of such LCPs.

6.6 SFEP Staff

The current existing staff, with the exception of the three staff performing permit work for the Regional Water Quality Control Board, will move the location of their employment from 1515 Clay Street, Suite 1400, Oakland, CA to 375 Beale Street, San Francisco, CA, at such time as the space at 375 Beale Street is ready for occupancy. MTC will pay for the costs of moving the SFEP staff to 375 Beale Street.

6.7 Pension and Medical Benefits

ABAG will retain all liability for meeting its annual obligation for outstanding CalPERS pension obligations and retiree medical benefits, and will make meeting such obligations a budgetary priority.

7. RESPONSIBILITIES OF MTC PERSONNEL

7.1 Personnel

Attached as Exhibit [~~DC~~] is the MTC organization chart identifying all of the employees of the consolidated staff as of the Effective Date. This organization chart will be updated annually or as changes are made so that the ABAG policy bodies and LCP governing boards have up to date information on people staffing their programs.

8. GOVERNANCE STUDY

MTC and ABAG agree to conduct a governance study on the ABAG LCPs and to present the findings to the ABAG Executive Board and appropriate LCP Boards for consideration. The objective of the governance study will be to increase accountability to the ABAG Executive Board and efficiency in the operation of the LCPs.

9. RELEASE OF CLAIMS

ABAG, the LCPs, and MTC mutually agree to indemnify and hold each other harmless for any breach of this Agreement, and agree to release any and all claims between or amongst each other arising out of this agreement.

10. INSURANCE AND RISK ALLOCATION

10.1 Engagement of Consultant(s)

MTC and ABAG will jointly engage a professional risk manager and an insurance broker (who may be the same party) to develop a proposed allocation of legal risk (claims from third parties) between and among MTC, ABAG and the LCPs during the term of the Agreement. The process for selecting and engaging such party or parties will be as follows:

- (a) Not more than 60 days after the Effective Date, MTC will initiate, by procurement procedures employed by MTC in the ordinary course of business, a request for proposals/qualifications (the "Solicitation") for the services described above and to assist and advise MTC in procuring and implementing the policies and practices set forth in subsection 10.2.
- (b) MTC staff will review responses to the Solicitation and evaluate them based on factors such as responsiveness, qualifications/reputation, and cost, and will select one or more preferred providers.
- (c) MTC staff will present the choice of the selected provider(s) to the MTC Administration Committee and the ABAG Finance and Personnel Committee for approval.

10.2 Insurance Policies

Upon retention of the consultant retained pursuant to subsection 10.1, MTC will work with the consultant to undertake the following:

- (a) ABAG, the LCPs, and MTC will be insured under one blanket comprehensive general liability policy, professional errors and omissions policy (if applicable) and crime and fidelity policy. ABAG, the LCPs, and MTC will be insured under separate public officials and directors and officers errors and omissions policy
- (b) The allocation of the costs of deductibles under the policy described in the immediately preceding paragraph will be determined on a case by case bases under criteria and processes to be agreed upon by the parties after the Effective Date;
- (c) MTC will be insured under a separate employment practices policy; and
- (d) The costs of any uninsured claims made against either of the parties will be allocated on a case by case basis under criteria and processes to be agreed upon by the parties after the Effective Date.

10.3 Business and Programmatic Risks

The parties agree that existing business and programmatic risks will remain with the entity responsible for the relevant business or program.

11. NOTICES

All notices or other communications to either party by the other will be deemed given when made in writing and delivered, mailed, emailed, or faxed to such party at their respective addresses as follows:

| | |
|----------|--|
| To MTC: | Attention: Alix Bockelman Metropolitan Transportation Commission 375 Beale Street, Suite 800 San Francisco, CA 946105 Email: ABockelman@mtc.ca.gov |
| To ABAG: | Attention: ABAG President ABAG Vice President Chair, ABAG Finance Committee ABAG Administrative Committee members address: home address for each person Email: email address for each person cc: MTC Deputy Dir. for Local Gov't Services |

12. DURATION OF AGREEMENT

This agreement and the services hereunder will continue unless terminated in accordance with the terms herein.

13. DISPUTE RESOLUTION

- (a) ABAG and MTC shall use good faith efforts to resolve all disputes informally. In the event such efforts are unsuccessful, either party may request that MTC provide a written determination as to the proposed resolution of the dispute. Within 30 calendar days of the request, the MTC Administration Committee shall provide a written determination as to the dispute, including the basis for its decision.

Upon the ABAG Administrative Committee's written acceptance of the MTC Administration Committee's determination, the Agreement may be modified and the determination implemented.

If the MTC Administration Committee's determination is not accepted by the ABAG Administrative Committee, the matter shall promptly be referred to the joint MTC board and the ABAG Executive Board for consideration.

If the joint MTC board and ABAG Executive Board cannot agree, they shall retain a facilitator to assist them in reaching a joint resolution.

- (b) For disputes described in subsection (c), if the joint MTC board and ABAG Executive Board cannot agree, said dispute shall be referred to binding arbitration using a JAMS

binding arbitration panel of three (3) individuals with Governmental/Public Agency expertise selected in accordance with JAMS Rule 15 and using JAMS' Expedited Procedures without right of appeal.

(c) Binding arbitration, as described in subsection (b), may only be used for disputes that meet the following criteria:

(i) limited to the interpretation of this Agreement and

(ii) do not arise out of, or have potential impacts on, the exercise of policy prerogatives, statutory powers or responsibilities, of either or both ABAG and/or MTC.

~~(b) If the joint MTC board and ABAG Executive Board cannot agree, the dispute shall be referred to binding arbitration using an arbitration board supplied by JAMS. Each party shall bear the costs and expenses incurred by it in connection with such binding arbitration. The cost shall be shared equally; provided, however, that should the arbitrator(s) find specific fault by one party, then that party shall bear the entire cost. The arbitration shall determine the final outcome of the dispute, including whether and when a termination of this Agreement may occur.~~

14. TERMINATION

14.1 Termination for Cause

If (i) MTC does not deliver the work products specified in this Agreement in accordance with the mutually agreed upon delivery schedule or fails to perform in the manner called for in the Agreement, as set forth in Section 3 of this Agreement, or (ii) if MTC or ABAG fail to comply with any other material provision of the Agreement, then (A) in the first instance under (i) ABAG may terminate this Agreement for default and (B) in the second instance under (ii) MTC may respectively terminate for ABAG's failure or ABAG may respectively terminate for MTC's failure.

Termination shall be effected by serving a thirty (30) day advance written notice of termination on the affected party, setting forth in detail the manner in which the affected party is in default. If the affected party does not cure the breach or describe to the complaining party's satisfaction a plan for curing the breach within the thirty (30) day period, commencing on the date of receipt of the notice ("Cure Period"), the complaining party may terminate the Agreement for default, subject to the procedures set forth in Section 13, which shall first require dispute resolution as set forth in Section 13(a), and if unsuccessful, arbitration as set forth in Section 13(b). The final decision in arbitration shall determine whether and when termination shall occur. In the case of (i), if MTC is working diligently to cure the alleged failure of performance, the parties will extend the Cure Period by mutual agreement. The Cure Period may be extended a maximum of six (6) thirty day periods.

If MTC's failure to perform resulted from unforeseeable causes beyond the control of MTC, such as a strike, fire, flood, earthquake or other event that is not the fault of, or is beyond the control of MTC, ABAG, after setting up a new delivery or performance schedule, shall allow MTC to continue work.

14.2 Notice of Termination

Notice will be given by Certified Mail or Personal Service to the address specified in Section 11.

14.3 Payment for Services Rendered Following Notice of Termination

MTC will be compensated for all work performed up to and including the date of termination of this Agreement, notwithstanding the delivery of any notice under this Section 14, provided that MTC will not be compensated for any work that is under dispute and identified in the notice provided under section 14.1.

15. CHOICE OF LAW

All questions pertaining to the validity and interpretation of the Agreement will be determined in accordance with the laws of the State of California applicable to agreements made and to be performed within the State.

16. PARTIAL INVALIDITY

If any term or condition of this Agreement is found to be illegal or unenforceable, such term or condition will be deemed stricken and the remaining terms and conditions will remain valid and in full force and effect.

17. BENEFIT OF AGREEMENT

The Agreement will bind and benefit the parties hereto and their heirs, successors, and permitted assigns.

18. ENTIRE AGREEMENT; MODIFICATION

This Agreement, including any attachments, constitutes the complete agreement between the parties and supersedes any prior written or oral communications. This Agreement may be modified or amended only by written instrument executed by both ABAG and MTC. In the event of a conflict between the terms and conditions of this Agreement and the attachments, the terms of this Agreement will prevail.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the day and year first written above.

METROPOLITAN TRANSPORTATION
COMMISSION

ASSOCIATION OF BAY AREA
GOVERNMENTS

Jake Mackenzie, Chair

Julie Pierce, President

EXHIBIT A: ABAG STATUTORY RESPONSIBILITIES

ASSOCIATION OF BAY AREA GOVERNMENTS¹

Statutory Roles and Responsibilities

1. Joint Exercise of Powers Act (Government Code (GC) Secs. 6500 – 6539)
 - GC Sec. 6502: If authorized by their legislative or other governing bodies, two or more public agencies by agreement may jointly exercise any power common to the contracting parties.
 - ABAG Joint Powers Agreement (attachment A), Section 1: members join for purposes articulated in the ABAG Bylaws
 - ABAG Bylaws (attachment B), Article IV: enumerates the powers that ABAG’s members jointly exercise through ABAG

2. Metropolitan Transportation Commission Act (GC Secs. 66500 - 66536.2)
 - GC Sec. 66503(c): ABAG appointment to MTC
 - GC Sec. 66509(c): MTC shall consider the regional plans prepared and adopted by ABAG
 - GC Sec, 66521(D): MTC shall negotiate equitable agreements with, among others, ABAG for the contribution of funds or services for the general support of the activities of MTC
 - GC Sec. 66531(c)(3): county transportation plans may consider projections of economic and population growth from ABAG

3. San Francisco Bay Conservation And Development Commission Act (GC Secs. 66600 – 66694)
 - GC Sec. 66620(i): 4 ABAG appointments to BCDC
 - GC Sec. 66631: BCDC shall cooperate with ABAG and make maximum use of its data and information

4. San Francisco Bay Area Water Trail Act (GC Secs. 66690 – 66694)
 - GC Sec. 66694(b): BCDC shall collaborate with ABAG and the State Coastal Conservancy in developing the Water Trail.

5. SB 375
 - GC Sec. 65080(b)(2)(B) – (C)(i):
(B) Each metropolitan planning organization shall prepare a sustainable communities strategy, subject to the requirements of Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, including the requirement to utilize the most recent planning assumptions considering local general plans and other factors. The sustainable communities strategy shall (i) identify the general location of uses, residential densities, and building intensities within the region, (ii) identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period of the regional transportation plan taking into account net migration into the region, population growth, household formation and employment

¹ Created pursuant to Joint Powers Act, GC Sections 6500, *et seq.*

growth, (iii) identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Section 65584, (iv) identify a transportation network to service the transportation needs of the region, (v) gather and consider the best practically available scientific information regarding resource areas and farmland in the region as defined in subdivisions (a) and (b) of Section 65080.01, (vi) consider the state housing goals specified in Sections 65580 and 65581, (vii) set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the greenhouse gas emissions from automobiles and light trucks to achieve, if there is a feasible way to do so, the greenhouse gas emission reduction targets approved by the state board, and (viii) allow the regional transportation plan to comply with Section 176 of the federal Clean Air Act (42 U.S.C. Sec. 7506).

(C) (i) Within the jurisdiction of the Metropolitan Transportation Commission, as defined by Section 66502, the Association of Bay Area Governments shall be responsible for clauses (i), (ii), (iii), (v), and (vi) of subparagraph (B), the Metropolitan Transportation Commission shall be responsible for clauses (iv) and (viii) of subparagraph (B); and the Association of Bay Area Governments and the Metropolitan Transportation Commission shall jointly be responsible for clause (vii) of subparagraph (B).

6. Housing Elements [GC 65580 - 65589.8]
- GC Secs. 65584 – 65584.1: Regional Housing Needs Allocation process
7. Joint Policy Committee (BARC) [GC Sec. 66536 – 66536.2]
Statute mandating the creation of the Joint Policy Committee, now the Bay Area Regional Collaborative
8. San Francisco Bay Area Water Emergency Transportation Response and Disaster Recovery Act [GC Secs 66540 - 66540.69]
- GC Sec. 66540.32: In developing the plans described in subdivisions (a) and (b), the authority shall cooperate to the fullest extent possible with the Metropolitan Transportation Commission, the Office of Emergency Services, the Association of Bay Area Governments, and the San Francisco Bay Conservation and Development Commission. To avoid duplication of work, the authority shall make maximum use of data and information available from the planning programs of the Metropolitan Transportation Commission, the Office of Emergency Services, the Association of Bay Area Governments, the San Francisco Bay Conservation and Development Commission, the cities and counties in the San Francisco Bay area, and other public and private planning agencies
9. San Francisco Bay Restoration Authority Act [GC Secs. 66700 - 66706]
- GC Sec. 66703(b): ABAG appoints members of the Governing Board of the Authority.
- GC Sec. 66704(m): The Authority may use staff provided by ABAG.
10. State Coastal Conservancy [Public Resources Code (PRC) Secs. 31000 - 31410]

- PRC Secs. 31163(d)(3): To advance the preparation of the plan, the State Coastal Conservancy shall help coordinate a collaborative partnership with [BCDC], the Association of Bay Area Governments . . .

11. San Francisco Bay Area Bikeway System [PRC Secs. 5850 - 5851]

- PRC Secs. 5850: The Association of Bay Area Governments shall develop and adopt a plan and implementation program, including a financing plan, for a continuous recreational corridor which will extend around the perimeter of San Francisco and San Pablo Bays (now known as the Bay Trail).

12. Hazardous Waste Control [Health & Safety Code (H&SC)Secs. 25100 - 25259]

- H&SC Sec. 25135.3: The Association of Bay Area Governments, the Southern California Association of Governments, the Sacramento Area Council of Governments, and the Association of Monterey Bay Area Governments may, at the discretion of their governing boards, prepare a regional hazardous waste management plan to serve as a resource document.

13. Bay Area Air Quality Management District [H&SC Secs. 40200 - 40276]

- H&SC Sec. 40233(a)(2): Notwithstanding any other provision of law, [BAAQMD] shall adopt, implement, and enforce transportation control measures for the attainment of state or federal ambient air quality standards, in accordance with all of the following procedures . . . The Metropolitan Transportation Commission, in cooperation with [BAAQMD], the Association of Bay Area Governments, local entities, and employers, shall develop and adopt a plan to control emissions from transportation sources . . .

ATTACHMENT
A

AGREEMENT
WITH THE
ASSOCIATION OF BAY AREA GOVERNMENTS

THIS AGREEMENT, made and entered into by and between the _____ of _____ and those county and city governments within the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma, other than the _____ of _____, who, either before or after this date, become signatories hereto: witnesseth:

WHEREAS, there is a demonstrated need for the establishment of an association of county and city governments within the San Francisco Bay Area to provide a forum for discussion and study of metropolitan area problems of mutual interest and concern to the counties and cities, and to facilitate the development of policy and action recommendations for the solution of such problems; and

WHEREAS, Title 1, Division 7, Chapter 5 of the Government Code of the State of California authorizes the joint exercise by agreement of two or more public agencies of any power common to them; and

WHEREAS, the parties hereto possess in common the power to study, discuss and recommend policies for the solution of metropolitan area problems of direct concern to the performance of their constitutional and statutory functions and to join associations and expend public funds for these purposes.

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions herein agreed, the parties hereto agree as follows:

1. Purpose of Agreement. The purpose of this Agreement shall be to provide for the participation by the _____ of _____, as a member of the

Association of Bay Area Governments (hereinafter referred to as the Association), jointly with the other county and city governments which become parties hereto in accordance with the Bylaws of said Association, which are attached hereto, and incorporated herein as part of this Agreement; provided, however, that notwithstanding the provisions of Article IX of the Bylaws, the budget for operations during the period ending July 1, 1961, shall be prepared and adopted by the Executive Committee in an amount not to exceed \$55,000; and assessments therefor shall be imposed by the Executive Committee, such assessments not to exceed the amounts that would have been paid by each member if all eligible jurisdictions had become members of the Association.

2. Agency to Administer the Agreement. The Association as constituted by this Agreement is designated as the agency to administer this Agreement.

3. Powers of Association. The Association shall have the power, in its own name, to make and enter into contracts; to employ agents and employees; to acquire, hold and dispose of property; and to incur debts, liabilities or obligations necessary for the accomplishment of the purposes of this Agreement. The exercise by the Association of the power to sue or be sued in its own name shall be subject to the restrictions on the exercise of such power applicable to the County of Alameda.

4. Contributions and Payments. Contributions in the form of yearly membership assessments shall be made annually by the parties to this Agreement from the treasuries or other available public funds of the parties for the purpose of defraying the costs of providing the annual benefits accruing directly to each party from this Agreement. All such payments of public funds shall be paid to and disbursed by the Association, which shall be strictly accountable for all funds and responsible for reporting to the parties hereto concerning all receipts and disbursements.

5. Amendment. This Agreement may be amended at any time by the written agreement of all parties to it, or by amendment of the Bylaws in the manner provided therein.

6. Duration of Agreement. This Agreement shall continue in effect until it is rescinded or terminated in the manner provided in the Bylaws; provided that the termination of the Agreement or withdrawal from membership in the Association by individual counties or cities shall not operate to terminate this Agreement.

7. Disposition of Property upon Termination. Upon termination of this Agreement, any property acquired by the Association under this Agreement shall be distributed among the parties hereto in accordance with the respective contributions of each of said parties to the cost of said property.

8. Disposition of Funds upon Termination. Upon termination of this Agreement, any money in possession of the Association after the payment of all costs, expenses and charges validly incurred under this Agreement shall be returned to the parties in proportion to their contribution determined as of the time of termination.

9. Execution of Agreement. This Agreement shall be effective upon its execution by five (5) counties and forty-two (42) cities.

10. EXECUTED BY THE _____ of _____
this _____ day of _____, 19____.

BY _____

ATTEST _____

ATTACHMENT
B

**BYLAWS OF
THE
ASSOCIATION OF BAY AREA GOVERNMENTS
As Amended April 23, 2009**

ARTICLE I. PURPOSE

The Association of Bay Area Governments (hereinafter "Association") is hereby created as a separate entity established by agreement among its members pursuant to the Joint Exercise of Powers Act, California Government Code Sections 6500, et seq. (hereinafter "Act"). The Association is organized for the purposes of establishing a permanent forum for discussion and study of regional and subregional problems of interest and concern to the counties and cities of the San Francisco Bay Area, developing policies and actions, and providing services and undertaking actions addressing such problems.

ARTICLE II. DEFINITIONS

A. "Agreement" means the Agreement with the Association of Bay Area Governments entered into under the Act by the Association Members.

B. "Association" means the Association of Bay Area Governments as established by the Agreement and these Bylaws.

C. "Executive Board" means the Association's President, Vice President and Immediate Past President and the body of representatives which meet from time to time as provided in these Bylaws to govern the affairs of the Association between meetings of the General Assembly.

D. "General Assembly" means the body of the delegates of the Members of the Association as set forth in these Bylaws.

E. City, county, or city and county members of the Association may be referred to as "Members."

F. "Delegate" means a delegate of a Member of the Association to the General Assembly, or the alternate acting in the delegate's absence.

G. "Representative" means a representative to the Executive Board, or the alternate acting in the representative's absence.

H. "Regional Plan" means the comprehensive plan for the San Francisco Bay Region adopted and amended from time to time by the Association.

I. "Regional Problem" means an issue concerning the public health, safety or welfare of substantially all of the Association's Members, a solution to which may require intergovernmental cooperation or assistance of the Association.

J. "Subregional Problem" means an issue concerning the public health, safety or welfare of one or more of the Association's Members, a solution to which may require intergovernmental cooperation or assistance of the Association.

ARTICLE III. MEMBERSHIP

A. MEMBERS

(1) The counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, the City and County of San Francisco, and within the area of such counties all cities and incorporated

towns (hereinafter referred to as "cities") now existing or formed in the future are eligible for membership in the Association.

(2) All eligible cities and counties become Members of the Association upon execution of the Agreement and payment of the annual assessment and annual membership fee.

B. COOPERATING MEMBERS

(1) Subject to the approval of the Executive Board or the Executive Director as set forth in Article III.B(4), any governmental entity, public agency, or non-profit organization not eligible for membership under Article III.A of these Bylaws may elect to join the Association as a Cooperating Member.

(2) Cooperating Members shall be entitled to attend all meetings of the General Assembly and of the Executive Board, but shall not be entitled to vote or participate in debate. No Cooperating Member shall be considered a "contracting party" as that term is used in the Act.

(3) Cooperating Members shall be entitled to receive data, studies, planning documents, special services, and other written materials and services of the Association subject to policies adopted by the Executive Board.

(4) (a) The Executive Director of the Association may approve the admission of any governmental entity or public agency electing to join the Association as a Cooperating Member pursuant to this Article III.B.

(b) The Executive Board of the Association may approve the admission of any non-profit organization electing to join the Association as a Cooperating Member pursuant to this Article III.B.

ARTICLE IV. POWERS

A. GENERAL

The Association may exercise in its own name the following powers when the exercise of these powers is necessary to, in furtherance of, or in support of the Association, the exercise of any other powers provided for in these Bylaws or the Agreement, or any other authorized activity undertaken by the Association: make and enter into contracts, memoranda of understanding, and other agreements; employ and appoint employees and agents; acquire, hold, protect, dispose of, construct, operate, and maintain real and personal property; incur debts, liabilities, obligations, and encumber or hypothecate real or personal property; sue and be sued; and, accept grants, gifts, donations, and other monies.

B. INFORMATION GATHERING

The Association may request, collect, store, correlate, transfer, and otherwise manage information and data in any manner necessary to, in furtherance of, or in support of the exercise of any other power under this Article or any other authorized activity undertaken by the Association.

C. STUDIES

The Association may perform studies to identify and/or analyze regional or subregional problems, the purpose and subject matter of such studies to be determined as provided in these Bylaws.

D. REGIONAL PLANNING

The Association shall have the power to perform regional or subregional planning without limitation as to subject matter:

- (1) that it is eligible or authorized to do; or,
- (2) that it is required to do under State or Federal authority; or,
- (3) that is authorized under other provisions of these Bylaws or as a result of the Association's studies of regional or subregional problems.

E. POLICIES AND ACTIONS

- (1) The Association may develop and adopt policies and/or actions.
- (2) The Association may advocate and otherwise act to advance its positions, studies, plans, and policies both within and outside the region and may accept delegations of authority from Federal, State, regional, or local bodies to this end.

F. INTERAGENCY COOPERATION

- (1) The Association may appoint representatives, in its own name, to other agencies, Boards, commissions, or official bodies to which it is required or eligible to make appointments.
- (2) The Association may perform and participate in governmental coordination and respond to efforts at such coordination.
- (3) In the exercise of its powers under Article IV.F(1) and (2), the Association may request or transmit information or studies; exercise any voting or veto power given to it; participate in grant applications, administration, and disbursements; and, do any other acts necessary to or in support of the exercise of such powers.

G. INFORMATION, SERVICES, AND ASSISTANCE

- (1) The Association may provide information, assistance, services, studies, plans, recommendations, and reports or such other information, assistance, and services requested by specific Members or nonmembers. Information, services, and assistance may include, without limitation, preparing or making of grant applications on behalf of or in conjunction with Members, training programs for local government staff, technical assistance on particular projects, or review of particular projects. The Association may provide information, assistance and services in conjunction with other entities and may organize and/or participate in committees, task forces, and subsidiary entities necessary to or in support of this or its other powers.
- (2) The Association may charge reasonable fees for information, services, and assistance that it provides.

H. POWER TO FINANCE PROPERTY FOR MEMBERS.

The Association shall have the power to finance and acquire, by lease purchase, installment sale or other financing agreements, both real and personal property necessary or convenient for the operation of the Members and Cooperating Members, and to sell or lease such property to such members pursuant to installment sale or lease purchase agreements between the Association and the members acquiring such property.

I. SELF-INSURANCE POOLS

Pursuant to Government Code Sections 989-991.2 and Labor Code Section 3700, as may be amended from time to time, ABAG shall have the power to provide insurance for some or all of its Members through self-insurance or the purchase of insurance, excess insurance or reinsurance against public liability, errors and omissions, inverse condemnation or workers' compensation; and, further, shall have such other reasonable and necessary powers, which are necessary or convenient to further, support or implement the self-insurance program,

including without limitation, financing self-insurance reserve funds through the issuance of certificates of participation, or other instruments of indebtedness.

J. OTHER POWERS

The Association may exercise other reasonable and necessary powers in furtherance or support of any purpose of the Association or power granted by the Act, the Agreement, or the General Assembly or the Executive Board as provided for in these Bylaws.

ARTICLE V. RESTRICTIONS ON POWERS

Pursuant to Articles 1 and 5 of the Agreement and to the extent required by Government Code Section 6509, the Association shall be restricted in the exercise of its powers in the same manner as the City and County of San Francisco is restricted in its exercise of similar powers; provided that, if the City and County of San Francisco shall cease to be a Member of the Association, then the Association shall be restricted in the exercise of its powers in the same manner as the County of Alameda.

ARTICLE VI. GENERAL ASSEMBLY

A. MEMBERSHIP

(1) Each Member city and Member county shall have one seat in the General Assembly. San Francisco shall be counted as both a city and a county for purposes of membership in the General Assembly.

(2) The mayor or member of the governing body of each Member city and the chairperson of the board of supervisors or member of the governing body of each Member county, or their respective alternates, shall be delegates to the General Assembly.

(3) Each city council and board of supervisors may designate an alternate who shall be either a member of such body or the chief executive officer of the Member; provided that, the mayor of the City and County of San Francisco may designate as an alternate (a) any officer of the City and County of San Francisco who may be either an elected or principal appointed official of the City and County of San Francisco or (b) the chief executive officer of the City County of San Francisco.

(4) An alternate appointed pursuant to Article VI.A(3) may act in the absence of the delegate.

B. MEETINGS

(1) The time, date, and location of the annual meeting of the General Assembly shall be determined by the Executive Board, provided it is no later than June 30.

(2) Notice of the annual meeting of the General Assembly shall be given to the delegates of each Member city and Member county at least thirty (30) days prior to the meeting. An agenda for the meeting shall accompany the notice.

(3) Special meetings of the General Assembly may be called by the Executive Board upon its own motion. A special meeting shall be called by the Executive Board upon written request of fifteen (15) Member cities and three (3) Member counties.

(4) Ten-day written notice of special meetings shall be given to the delegates of each Member city and Member county. An agenda specifying the subject of a special meeting shall accompany the notice.

C. POWERS AND FUNCTIONS

The powers and functions of the General Assembly shall include:

- (1) Exercising as appropriate all of the powers of the Association as set forth in these Bylaws or the Agreement. The General Assembly shall have the power to limit the Executive Board's exercise of any power or authority set aside to the Executive Board under these Bylaws.
- (2) Any delegate may at any meeting of the General Assembly propose a subject or subjects for study by the Association. The General Assembly may take action upon such proposals and, if requested by any delegate, determine whether a study will be made of the subject or subjects so proposed or may refer such subject or subjects to the Executive Board.
- (3) Any delegate may at any meeting of the General Assembly request review by the General Assembly of any action of the Executive Board which has been taken between meetings of the General Assembly.
- (4) The budgetary duties and responsibilities set forth in Article XI.

ARTICLE VII. EXECUTIVE BOARD

A. EXECUTIVE BOARD

There shall be an Executive Board of the Association which shall be organized and shall be responsible for functions as hereinafter set forth:

- (1) Voting Membership. The voting membership of the Executive Board shall consist of a maximum of 38 voting members (representatives and ex officio members). The representative shall be either a councilmember of a Member city or a supervisor of a Member county of the Association, or be eligible to be Executive Board representative or alternate representative from the City and County of San Francisco under Article VII.A(1)(e), if that jurisdiction is an Association member. Representatives to the Executive Board shall be selected as follows:
 - (a) Alameda County. Two representatives of the county to be appointed by the Board of Supervisors; two representatives of Member cities within the county to be appointed by the mayors of Member cities meeting in conference, and three representatives to be appointed by the City Council of the City of Oakland.
 - (b) Contra Costa County. Two representatives of the county to be appointed by the Board of Supervisors; two representatives of Member cities within the county to be appointed by the mayors of Member cities meeting in conference.
 - (c) Marin County. One representative of the county to be appointed by the Board of Supervisors; and one representative of Member cities within the county to be appointed by the mayors of Member cities meeting in conference.
 - (d) Napa County. One representative of the county to be appointed by the Board of Supervisors; and one representative of Member cities within the county to be appointed by the mayors of Member cities meeting in conference.
 - (e) San Francisco City and County. The Mayor and one other elective officer or member of the Mayor's staff of the City and County appointed by the Mayor; two representatives of the City and County appointed by the Board of Supervisors, and a fifth representative to be appointed alternately by the Mayor and the Board of Supervisors, with two-year appointments beginning in years evenly divisible by four to be made by the Mayor and with two-year appointments made in even-numbered years not evenly divisible by four to be made by the Board of Supervisors. When such fifth representative is selected by the Mayor, the representative may be an elective or appointive officer or member of the Mayor's staff of the City and County.

(f) San Mateo County. Two representatives of the county to be appointed by the Board of Supervisors; two representatives of Member cities within the county to be appointed by the mayors of Member cities meeting in conference.

(g) Santa Clara County. Two representatives of the county to be appointed by the Board of Supervisors; two representatives of Member cities within the county to be appointed by the mayors of Member cities meeting in conference, and three representatives to be appointed by the City Council of the City of San Jose.

(h) Solano County. One representative of the county to be appointed by the Board of Supervisors; and one representative of Member cities within the county to be appointed by the mayors of Member cities meeting in conference.

(i) Sonoma County. One representative of the county to be appointed by the Board of Supervisors; and one representative of Member cities within the county to be appointed by the mayors of Member cities meeting in conference.

(j) President, Vice President and Immediate Past President. The President, Vice President and Immediate Past President of the Association shall be ex-officio voting members of the Executive Board, but shall not be representatives or alternates.

(k) Alternates. Each of the appointing bodies named in Article VII.A(1)(a)-(i) may designate an alternate for each of their representatives to act in the representative's absence. Appointments of alternates shall be made in the same manner, with the same qualifications and for the same term as representatives.

(2) Advisory Membership. The Association shall maintain effective communication and coordination with agencies of the State of California and the United States of America. To that end, the Executive Board shall invite, following nomination by the Association's President, such representatives of state and federal governments as it deems appropriate and desirable as advisory, non-voting members of the Executive Board. Such members shall serve at the pleasure of the Executive Board. No advisory member shall be considered a "contracting party" as that term is used in the Act.

(3) Terms of Office. Representatives shall serve for terms of two years. Appointments of representatives to the Executive Board shall become effective biennially on July 1.

(4) Staggered Terms. The terms of the representatives to the Executive Board shall be staggered so that the terms of approximately one-half of the representatives expire each year. The terms of the representatives of the cities in the counties of Alameda, Marin, Napa, San Francisco (mayor and representative), and Santa Clara, and the representatives of the counties of Contra Costa, San Mateo, Solano, and Sonoma shall expire in the even-numbered years; the terms of the representatives of the cities in the counties of Contra Costa, San Mateo, Solano, and Sonoma, and the representatives of the counties of Alameda, Marin, Napa, San Francisco (representatives of the Board of Supervisors), and Santa Clara shall expire in the odd-numbered years.

(5) Officers. The President and the Vice President of the Association shall be Chairperson and Vice Chairperson, respectively, of the Executive Board.

(6) Duties.

(a) The Executive Board shall have the budgetary duties and responsibilities set forth in Article XI.

(b) The Executive Board shall submit a full report of its activities at the General Assembly's annual meeting.

(c) The Executive Board shall have the authority to appoint, fix the salary of, and remove an Executive Director of the Association and shall have the authority to create and discontinue positions in the office of the Executive Director and fix salaries.

(d) Subject to any constraint or limitation imposed by the General Assembly, the Executive Board shall exercise all powers of the Association between meetings of the General Assembly; provided that, the Executive Board shall not amend these Bylaws, nor shall it exercise the budgetary powers reserved to the General Assembly under Article XI of the these Bylaws.

(e) The Executive Board shall be responsible for carrying out policy decisions made by the General Assembly.

(f) Recommendations from committees for policy actions shall be made to the Executive Board. Unless otherwise directed by the General Assembly, the Executive Board may take action on such recommendations.

(7) Per Diem. Each voting member of the Executive Board, or of a standing and/or joint committee, and where expressly designated by the Executive Board, individuals participating in special committees, task forces or other meetings, shall receive a per diem of \$150 for each meeting attended. The per diem shall be paid for a maximum of forty-eight (48) meetings per year. Per diem may also be received by a Board or committee member representing the Association before an agency or body of the State or Federal government.

B. MEETINGS

The Executive Board shall meet at least four times each year. Additional meetings shall be held upon the call of the Chairperson or upon the call of five voting members of the Executive Board.

C. ADMINISTRATIVE COMMITTEE

There shall be an Administrative Committee of the Executive Board of the Association whose composition shall be determined by the Executive Board and which shall, subject to any constraint or limitation imposed by the Executive Board or the General Assembly, exercise all powers of the Executive Board between meetings of the Executive Board; provided that, the Administrative committee shall not:

- (1) Amend the Agreement or Bylaws;
- (2) Exercise the budgetary duties of the Executive Board set forth in Article XII;
- (3) Appoint, fix the salary of, or remove an Executive Director of the Association;
- (4) Exercise the powers of appointment of officers as set forth in Article IX.

The Administrative Committee shall meet upon the call of the President or Vice President and in compliance with the Ralph M. Brown Act. Further, the Administrative Committee shall submit a full report of its activities to the Executive Board at the first meeting immediately following the Administrative Committee meeting.

ARTICLE VIII. VOTING

A. Voting in the General Assembly shall be conducted in the following manner:

(1) A quorum of the General Assembly shall consist of a majority of the city delegates and a majority of the county delegates.

(2) Each county delegate and each city delegate shall have one vote. Votes shall be tabulated separately for county delegates and for city delegates. The affirmative votes of a majority of a quorum of county

delegates and of a majority of a quorum of city delegates are required for action by the General Assembly, except as provided for in Article XIV.

B. Voting in General Assembly meetings may be either by voice or roll call vote. A roll call vote shall be conducted upon the demand of five delegates present, or at the discretion of the presiding officer.

C. Voting in the Executive Board shall be conducted in the following manner:

(1) A majority of the voting members of the Executive Board shall constitute a quorum.

(2) The affirmative votes of a majority of the quorum are required for action by the Executive Board with the exceptions set out below.

(3) In order to recommend the annual budget to the General Assembly, the affirmative vote of not less than a majority of the voting members of the Executive Board is required.

(4) In order to appoint or remove the Executive Director, the affirmative vote of not less than a majority of the voting members of the Executive Board is required.

D. Except as the Executive Board may otherwise provide, all other committees of the Association may act upon the affirmative vote of a majority of the committee members present.

ARTICLE IX. OFFICERS, ELECTIONS AND VACANCIES

A. Officers of the Association shall be:

(1) The President, who shall serve as Chairperson of the Executive Board and General Assembly.

(2) The Vice President, who shall serve as Vice Chairperson of the Executive Board and General Assembly.

(3) The Immediate Past President.

(4) An Executive Director and a Legal Counsel to be appointed by and serve at the pleasure of the Executive Board.

B. The President and Vice President of the Association shall be elected biennially by secret ballot of supervisors, mayors and city councilmembers of member jurisdictions. Nominations for the offices of the President and Vice President shall be by petition of at least fifteen (15) mayors, councilmembers or supervisors. A plurality vote shall be required for election to any office. All other election procedures shall be determined by the Executive Board, provided that these procedures shall be disseminated to all member jurisdictions at least thirty (30) days prior to the date determined and designated for counting of secret ballots. If, at the close of nominations, only one candidate is nominated for President or for Vice President, the election procedures may waive the ballot requirement and provide, instead, that the nominee be declared elected to that office.

C. The President and Vice President shall be either a councilmember of a Member city or a supervisor of a Member county of the Association, or a General Assembly delegate or alternate or Executive Board representative or alternate representative from the City and County of San Francisco if that jurisdiction is an Association member.

D. The terms of office of the President and Vice President shall be determined as follows:

(1) Except as otherwise provided in this section, the term of office of the President, Vice President and Immediate Past President is two (2) years.

(2) If the President vacates his/her office as required by Article IX.C. or any other reason, the Vice President shall assume the office of President for the balance of the original term. If the balance of the original term is less than five hundred forty-eight (548) calendar days, then the new President may choose to run for an additional one (1) year term as President. The new President shall notify the Executive Board no later than September 1 of the year in which the original term ends whether he/she shall run for an additional one (1) year term. The President's election to run for an additional one (1) year term shall also modify the term of office of the Vice President to conform to that of the office of the President.

(3) Article IX.B. shall govern the special elections for one (1) year terms in all other respects.

(4) In the event that the President is disabled or for any other reason temporarily unable to act, the Vice President shall act in place and perform the duties of President until return or recovery from disability.

(5) In the event of a vacancy in the office of Vice President due to the Vice President's permanently serving as President, vacating the office as required by Article IX.C., or for any other reason, the Executive Board shall fill the office of Vice President by appointment for the unexpired portion of the Vice President's term. In the event of a simultaneous vacancy in the offices of President and Vice President due to their vacating the respective offices as required by Article IX.C., or any other reason, the Executive Board shall fill both offices by appointment for the unexpired portion of the respective terms. In either event, the procedures of Article IX.I shall govern the process of filling said vacant office.

E. A newly elected President and Vice President shall take office on January 1 of the year following certification of the election results.

F. The President, subject to the advice and consent of the Executive Board, shall appoint committees and determine the committees' structure, charge, size and membership. Committees may be established to consider any matter within the jurisdiction of the Association. Committees shall operate according to the policies adopted by the Executive Board, and shall submit their reports and recommendations to the Executive Board. Committees shall meet on the call of their chairpersons, who shall be (1) an elected official or the elective or appointive officer of the City and County of San Francisco appointed by the Mayor of the City and County of San Francisco to the Executive Board or General Assembly, and (2) a member of such committee; and who shall be elected by the members of each committee. At the initial meeting of each committee, and annually thereafter at the first committee meeting following January 1 of each year, the committees shall elect their chairpersons and such other officers as may be specified. Committee chairpersons shall be subject to confirmation by the Executive Board. Unless otherwise authorized by the Executive Board, committees of the Association shall be advisory.

G. Each delegate or alternate to the General Assembly and each representative or alternate to the Executive Board shall cease to be such immediately upon ceasing to hold the elective or appointive office which is required of a delegate or representative or their alternates under VI.A or VII.A(1).

H. In the event that any delegate or alternate to the General Assembly or any representative or alternate to the Executive Board shall for any reason cease to hold the elective or appointive office which is required of a delegate or representative or their alternates under Article VI.A or VII.A(1), the vacancy created thereby shall be filled for the unexpired term, in the same manner and with the same qualifications as the original appointment.

I. The Executive Board shall fill the office of Vice President or President pursuant to Article IX.D., at the first meeting of the Executive Board held after the occurrence of the event which causes the office(s) to be vacated. The meeting shall be chaired by the President, or if said office is vacant, by the Immediate Past President. Nominations for the vacant office(s) may be made from the floor. All nominations require a second. The office(s) may be filled only if a nominee receives a majority vote of the members of the Executive Board constituting the quorum for that meeting. If no nominee receives a majority vote on the first ballot, the two nominees receiving the highest number of votes shall be voted upon again until one of them receives a majority vote. If the selection process results in a tie, or no nominee receives a majority vote after three rounds of balloting, the acting Chairperson of the Executive Board may, at his or her discretion, decide the matter by lot between the two nominees then remaining.

ARTICLE X. EXECUTIVE DIRECTOR

The Executive Director shall be the Chief Administrative Officer of the Association. The powers and duties of the Executive Director are:

- A.** To appoint and remove all employees of the Association.
- B.** To perform the budgetary duties and responsibilities of the Executive Director as set forth in Article XI.
- C.** To serve as Secretary-Treasurer of the Association and of the Executive Board.
- D.** To perform such other and additional duties as the Executive Board may require.

ARTICLE XI. FINANCES

A. FISCAL YEAR

The fiscal year of the Association shall commence on July 1.

B. BUDGET

(1) At least forty-five (45) days prior to the annual meeting of the General Assembly the Executive Director shall submit to the Executive Board, for the next fiscal year of the Association, a proposed general budget and summary work program. The proposed general budget shall include annual membership fee and assessment schedules and a summary of revenue and expenditures, actual or projected, for the preceding, current, and next fiscal years.

(2) The Executive Board shall review the proposed general budget and summary work program, amend them as necessary, and submit them to the General Assembly for review and adoption at the annual meeting of the Assembly.

(3) The General Assembly shall adopt a summary work plan and general budget, including yearly membership assessment and annual membership fee.

(4) The Executive Board shall adopt a detailed budget and work program on or before July 1 of each year, and thereafter monitor their execution and amend them as necessary. The work program shall give effect to any priorities set forth in the general budget and summary work program, unless financially infeasible.

(5) The Executive Director shall manage all expenditures, subject to control of the Executive Board. The Executive Board shall have power to transfer funds within the total detailed budget to meet unanticipated needs or changed situations. Such action shall be reported to the General Assembly at its next meeting.

C. YEARLY MEMBERSHIP ASSESSMENT

The amount of each Member's assessment shall be determined in accordance with the formula set out in Paragraph D following. Any Member city or county whose annual assessment and annual membership fee has not been paid by the time of the annual meeting of the General Assembly shall not be entitled to vote at such meeting.

D. METHOD OF ASSESSMENT

The annual assessment for members of the Association shall be based upon population as determined by the State Controller in making the most recent allocations to counties and cities pursuant to California Revenue and Taxation Code Section 11005, except that, beginning in 1987-88, in the case of newly incorporated cities, until such time as an official census is conducted and population is established therewith, the population as estimated by the Executive Director shall be used for assessment purposes.

- (1) The General Assembly shall adopt a per capita rate or rates of assessment for each fiscal year.
- (2) For purposes of assessment San Francisco shall be considered as both a city and a county.

E. ANNUAL AUDIT

The Executive Board shall cause an annual audit of the financial affairs of the Association to be made by a certified public accountant at the end of each fiscal year. The Executive Board shall employ a certified public accountant of its choosing. The audit report shall be made available to Association member counties and cities.

F. ANNUAL MEMBERSHIP FEE

The membership fee shall be uniform for all members of the Association and shall not be less than \$10.00 per month or \$120.00 per year.

G. DATE OF PAYMENT

Unless a Member has withdrawn as provided in Article XIII of these Bylaws, the Member's annual assessment and annual membership fee shall be due and payable to the Association on July 1 of the fiscal year for which it is levied.

ARTICLE XII. STATUTORY AUTHORITY

The Association is an agency established by a joint powers agreement among the Members pursuant to Title 1, Division 7, Chapter 5, of the Government Code of the State of California. The Association is an entity separate and apart from its Members. The debts, liabilities and obligations of the Association shall not be debts, liabilities or obligations of the Association's Members.

ARTICLE XIII. WITHDRAWAL

Any member county or city may, at any time up to 30 days prior to the beginning of the Association's fiscal year, withdraw from the Association effective the next fiscal year; provided that the intent to withdraw must be stated in the form of a resolution executed by the legislative body of the jurisdiction wishing to withdraw. The resolution must be given to the Executive Director at least 30 days prior to the effective date of the withdrawal.

ARTICLE XIV. AMENDMENTS

Amendments to these Bylaws may be proposed by a delegate or by the Executive Board. If proposed by a delegate, the amendment shall be submitted to the Executive Board at least 45 days prior to an annual meeting of the General Assembly. Each proposed amendment shall be considered by the Executive Board and a copy thereof, with the recommendations of the Executive Board and its reasons therefor, forwarded to the delegate of each Member jurisdiction at least 30 days prior to the meeting at which such proposed amendment will be voted upon.

A majority vote of the county delegates present and a majority vote of the city delegates present are required to adopt an amendment to these Bylaws. If within 60 days after the adoption of any amendment, one-third or more of the delegates protest such amendment, it shall automatically be up for reconsideration and vote as in the first instance.

ARTICLE XV. EFFECTIVE DATE

These Bylaws shall go into effect immediately upon the effective date of the Agreement.

EXHIBIT B: EMPLOYEE TRANSITION PLAN

Yellow highlights added detail to MTC MOU language to address ABAG staff transition.

| Employment Offer Specifics for MTC/ABAG Staff Consolidation | |
|--|---|
| | <p><u>Position Design and Organizational Placement</u> Exhibit B1 details the positions transitioning to MTC including the ABAG Legacy Employee being offered the position, position title, section, classification, and grade level.</p> |
| | <p><u>Employment Offers</u></p> <ul style="list-style-type: none"> • The specific salary being offered <ul style="list-style-type: none"> ○ Salaries will be at least equivalent to ABAG salaries plus a minimum 7% increase to address any per payroll net differences due to MTC benefit cost-share costs • Accrued but unused ABAG sick leave benefit hours which will be kept as a personal sick leave benefit bank with MTC. This personal sick leave balance is not eligible for donation to MTC's catastrophic leave bank. • Full time or Part time status <ul style="list-style-type: none"> ○ Annual salary equivalents determined by annual hours worked prorated appropriately for less than Full time employment • 9/80 alternate work schedule confirmation • ABAG service tenure |
| | <p><u>Other Special Considerations</u></p> <ul style="list-style-type: none"> • No probationary period • Waive background checks • Waive submittal of resume or application • ABAG service tenure will be considered in addition to MTC tenure for purposes of calculating vacation accrual rate, service recognition events, and any layoff/reinstatement actions (as needed per EDMM 295). |
| | <p><u>Performance Evaluation Program</u> To provide continuous performance evaluations and salary merit increases acknowledging tenure at ABAG, ABAG and MTC will do the following:</p> <ul style="list-style-type: none"> • ABAG will ensure all employees are caught up on performance reviews and their salaries are at the correct level before transitioning to MTC. • MTC will include all Transitioned Employees in the annual performance evaluation cycle for 2017. The first performance year being evaluated is September 1, 2016 through August 31, 2017. • Transitioned Employees will have a mid-cycle performance evaluation in March of 2018 to confirm the performance rating for the 2017 performance evaluation cycle with the merit increase level effective on July 1, 2018 for individuals not at the top of their salary range. |

| Employment Offer Specifics for MTC/ABAG Staff Consolidation | |
|---|--|
| Benefit Program Customization for MTC/ABAG Staff Consolidation | |
| | Provide MTC vacation accrual based on ABAG service tenure. Exhibit B2 is MTC's vacation leave accrual table. |
| | <p>Three additional paid Personal Leave days will be available from July 1 through December 31, 2017. Along with the regular two Personal Leave days granted per standard MTC policy to individuals hired between May and August, Transitioned Employees will receive five paid Personal Leave days at the point of hire. These first five Personal Leave days must be used by December 31, 2017 or be forfeited, with no exceptions.</p> <p>In addition, Transitioned Employees may use vacation time benefits immediately upon accrual and may take additional time upaid as needed within the first year up to two weeks or 80 hours total.</p> <p>Requests for other additional time off subject to supervisor approval.</p> |
| | Recognize and keep on the books actual sick leave accrual from ABAG. There would be two accounts, ABAG sick accrual and the new accrual once an MTC employee. The MTC accrual would be subject to the payout of up to 240 hours and the ABAG accrual would not. ABAG sick accrual would not count toward CalPERS service credit, once an MTC employee. |
| | <p>Confirm that CalPERS pension Classic Plan eligible employees go into MTC's classic plan and New Plan eligible employees go into MTC's new plan.</p> <ul style="list-style-type: none"> Cannot make any custom arrangements with plan enrollment as is set by employer contract with CalPERS and regulated by CA Public Employees' Retirement Law |

| Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees) | |
|---|---|
| Fiscal Years 2014-2015, 2015-2016, 2016-2017 and 2017-2018 | |
| <u>SALARY TABLES</u> | Salary administration is regulated per compensation policy and the MTC Employee Handbook. |
| Salary Adjustments | <p>Effective July 1, 2014, salary tables shall be adjusted by 2.6%.</p> <p>Each following July 1 during this MOU period, salary tables shall be adjusted as follows:</p> <p>July 1, 2015 – 2.6% July 1, 2016 – 2.6% July 1, 2017 – 2.6%</p> |
| Merit Program | Pay step adjustments within range subject to policy guidelines. |
| <u>PAID LEAVE BENEFITS</u> | Use of all paid leave benefits is regulated per leave policy and the MTC Employee Handbook unless otherwise stated in this document. |

| Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees) | |
|---|--|
| Holidays | Eleven (11) days per year for full time employees. No minimum service required for eligibility. |
| Funeral Leave | Up to three 3 days (24 hours), on the basis of need, in the case of the death of a defined family member or member of employee’s household. No minimum service required for eligibility. This benefit has no cash value and is not payable upon employment separation. |
| Personal Leave Days | <p>Up to 3 personal leave days (24 hours) are granted at the beginning of each calendar year. The number of personal leave days granted to new employees is prorated as follows:</p> <p style="text-align: center;"> January through April – 3 days May through August – 2 days September through November – 1 day December – 0 days </p> <p>In the event that Personal Leave Days are accrued but unused at the end of a calendar year, the employee will receive an amount to start the new calendar year at a maximum of three days. Personal Leave Days are not payable upon employment separation.</p> <p>Transitioned Employees will receive three additional Personal Leave Days at hire on July 1, 2017. These additional days will be available for use through December 31, 2017 only.</p> |

Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees)

| | |
|--------------------------------|---|
| <p>Vacation Leave Benefits</p> | <p><u>Accrual of Vacation Leave Benefits</u></p> <ul style="list-style-type: none"> ○ One day (8 hours) per month worked starting with the first day of employment. Prorated for new hires based on first working day of employment within the month. ○ Addition of one more day (8 more hours) each additional year worked up to a maximum of 13 additional days (104 hours) for a total annual benefit of 25 days (200 hours) a year is reached. ○ Transitioned Employees will start accruing based on their service tenure with ABAG (example, an eight year ABAG employee starts accruing at MTC's eight year rate). ○ Accrued to a cap of 62.5 days (500 hours). Once the cap (500 hours) is reached, all vacation accrual stops until such time that the vacation balance falls below the cap (500 hours). If the vacation accrual is larger than the difference between the vacation balance and the 500 hour cap, individuals will receive only a fraction of their bi-weekly vacation accrual for that pay period bringing their vacation balance to 500 hours. ○ Employees working an average of 40 hours over a two-week pay period, but less than 72 hours over a two-week pay period will receive prorated benefits. ○ All vacation leave benefits are accrued and available for use with each bi-weekly pay period |
| | <p><u>Annual Vacation Cash Out Option</u></p> <p>Once a twelve month period, employees may cash-out accrued but unused vacation leave over 320 hours up to cap of 500 hours. Payment will be made at the employee's current hourly rate and is considered taxable earnings. Payment is subject to any and all applicable deductions.</p> |
| | <p><u>Payment Upon Separation</u></p> <p>Accrued but unused vacation time off benefits up to the maximum accrual of 62.50 days or 500 hours are payable upon employment separation at the hourly rate earned by the employee at the time of employment separation. Payment will be in one lump sum and is subject to any and all applicable deductions.</p> <p><u>Use of Benefit</u></p> <p>Transitioned employees may use accrued vacation time off benefits per policy immediately upon accrual and may request additional unpaid time off for vacations above accrued benefit levels up to two-weeks or 80 hours of vacation total within the first year of employment.</p> |

Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees)

| | |
|-----------------------------------|--|
| <p>Sick Leave Benefits</p> | <p><u>Accrual of Sick Time Off Benefits</u></p> <ul style="list-style-type: none"> ○ One day (8 hours) per month worked starting with the first day of employment. Prorated for new hires based on first working day of employment within the month. ○ Employees working an average of 40 hours over a two-week pay period, but less than 72 hours over a two-week pay period will receive prorated benefits. ○ Sick time off benefit is accrued without a cap. <p><u>Payment Upon Separation</u></p> <p>Accrued but unused sick time off benefits up to a maximum of 30 days or 240 hours are payable upon employment separation at the hourly rate paid the employee at the time of employment separation. Payment will be in one lump sum and is subject to any and all applicable deductions.</p> <p><u>Personal Sick Leave Bank</u></p> <p>Transitioned employees will have a personal sick leave benefit bank totalling their accrued but unused sick leave hours upon separation from ABAG employment. This bank is available for use until exhausted. This bank is not eligible for payout upon employment separation from MTC or for donation to MTC's catastrophic leave bank.</p> <p><u>Use of Benefit</u></p> <p>Employees may use accrued sick leave benefits per policy as soon as they are earned.</p> |
| <p><u>INTRODUCTION PERIOD</u></p> | <p>The Introduction period is regulated per applicable policy and the MTC Employee Handbook.</p> |
| | <p>The initial six months of employment is considered to be an introduction period during which time a new employee's work and conduct are observed and evaluated, orientation and training provided as necessary, and issues with performance addressed directly and promptly in an effort to ensure the employee's success.</p> |
| <p><u>INSURANCE</u></p> | <p>Scope, limitations, and annual insurance premium costs are set forth in actual insurance company policies and provided each year during open enrollment.</p> |
| <p>Group Dental Insurance</p> | <p>Agency pays total premium for employee's coverage. The cost to Employees for coverage for one dependent is \$6.30 per month, and \$19.13 per month for two or more dependents. The Agency contributes the remainder of the premium. MTC will deduct employee dependent premium payments from earned wages pre-tax as allowable by law.</p> |

| Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees) | |
|---|---|
| Group Dental Insurance Cash-in-Lieu | Employees have the option of receiving the equivalent dollar amount of the Employee Only premium in cash upon signing a waiver of coverage and providing proof of being covered under a comparable dental plan. The amount is subject to federal and state tax withholding. Dental cash-in-lieu through December 31, 2017 is \$72.63. |
| Group Medical Insurance | <p>Employees agree to contribute towards medical premiums by paying five percent (5%) of the premium for each coverage line. The employer will cover ninety-five (95%) percent of premium for each coverage line.</p> <p>Total cost per month to the employee is dependent on the coverage line they select.</p> <p>Employee contributions will be capped as follows:</p> <p>\$75.00 for Employee Only \$125.00 for Employee Plus One \$175.00 for Employee Plus Family</p> <p>MTC will deduct employee medical insurance premium payments from earned wages pre-tax as allowable by law.</p> |
| Group Medical Insurance Cash-in-Lieu | Employees have the option of receiving cash-in-lieu of enrolling in the health insurance plan upon the signing of a waiver of coverage and providing proof of being covered under a comparable medical plan. The amount of cash-in-lieu will be equal to the second most costly Employee Only premium total minus the Employee contribution amount for that premium. Cash-in-lieu payments are subject to federal and state tax withholding. Medical cash-in-lieu through December 31, 2017 is \$973.61. |
| Vision Care Insurance | Agency pays total premium for Employee Only coverage. Employees may enroll dependents at their sole cost for \$7.51 for one dependent and \$26.70 for two or more per month. MTC will deduct dependent premium payments from earned wages pre-tax as allowable by law. |
| Domestic Partner Coverage | MTC provides group medical insurance, group dental insurance, and group vision coverage for an eligible domestic partner and dependents subject to CalPERS regulations regarding domestic partner coverage. The maximum amount of the Agency contributions shall be the same as that specified under "Group Dental Insurance" and "Group Medical Insurance" provisions referenced above. |

| Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees) | |
|---|--|
| Life and Related Insurance | Agency pays premiums for Employee life insurance policy; life insurance benefit is equal to one times annual salary or a minimum of \$55,000, whichever is greater. Agency pays additional premium for employee for Accidental Death and Dismemberment policy equal to the group term life insurance coverage. Agency pays premium for qualified dependents (as defined in current policy) for \$2,000 life coverage per dependent. |
| Group Voluntary Life and Related Insurance | In addition, Employee may elect to purchase, at his/her expense, supplemental Group Voluntary Life Insurance. |
| Short-Term and Long-Term Disability | <p>Agency pays monthly premium for short-term disability coverage for qualifying employee medical disabilities to cover loss of wages. There is a 14-day waiting period with an additional 11 weeks of paid benefits (total 12 week benefit program). Coverage level is 66 2/3% of salary up to a maximum of \$2,500 a week. Benefits paid are taxable.</p> <p>Agency pays monthly premium for long-term disability coverage for qualifying employee medical disabilities to cover loss of wages. There is a 90-day waiting period (designed to pick up at the end of the 12-weeks of short-term disability coverage). Coverage level is 67% of monthly salary up to a maximum of \$15,000 per month. Benefits paid are taxable.</p> |
| Travel Insurance | Agency pays annual premium. Each employee is covered with a policy of \$100,000 for loss of life while traveling on MTC business. |
| <u>RETIREMENT</u> | |
| 1 st Tier Retirement Formula (Classic Plan) | <p>The retirement benefit formula is calculated, pursuant to contract with PERS, at 2.5% at age 55.</p> <p>The Agency and employee agree to equally share any annual employer contribution rate change with employees assuming 50% of the annual employer rate change up to an employee total contribution rate capped at 8%.</p> |
| | <p>Effective, June 30, 2014, the Agency total contribution rate is 22.395% and the shared contributions are as follows:</p> <ul style="list-style-type: none"> (a) Employee pays 5.210% of salary (b) Agency pays 17.185% of salary |

| Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees) | |
|---|--|
| | <p>Effective July 1, 2014, the Agency total contribution rate will be 25.185% and the shared contributions will be:</p> <ul style="list-style-type: none"> (a) Employee pays 5.602% (b) Agency pays 19.583% <p>July 1, 2015, July 1, 2016, and July 1, 2017, the shared contribution rates will change based on the change in the Employer contribution rate shown in the Annual PERS Actuarial Valuation Report for periods ending June 2013, June 2014, and June 2015, and per any additional CalPERS contribution rate changes announced at the time of the report or separately due to valuation methodology changes.</p> <p>As of July 1, 2016 and through June 30, 2017, the employee contribution rate for the Classic plan is 6.38% of salary.</p> |
| Other Contracted Benefits (Classic Plan) | In accordance with Agency's PERS contract amendment effective August 1, 2000, Agency has contracted for the following optional provisions: |
| | 3% Maximum Cost-of-Living Allowance; Section 21573 – Third Level 1959 Survivor Benefits; Section 21583 – Second Election 1959 Survivor Benefits; Section 21548 – Pre-retirement Optional Settlement 2 Death Benefit; and Section 20903 – Two years Additional Service Credit. |
| 2 nd Tier Retirement Formula (New Plan) | <p>The retirement benefit formula is calculated, pursuant to contract with PERS, at 2.0% at 62.</p> <p>As of June 30, 2014, the Agency total contribution rate is 22.395% and the shared contributions are as follows:</p> <ul style="list-style-type: none"> (a) Employee pays 6.50% of salary (b) Agency pays 15.895% of salary <p>Effective July 1, 2014, the Agency total contribution rate will be 25.185% and the shared contributions will be:</p> <ul style="list-style-type: none"> (c) Employee pays 6.50% of salary (d) Agency pays 18.685% of salary <p>Effective July 1 of each year during this MOU period, the employee rate will be 50% of the plan "Normal Costs" per pension regulation. CalPERS will provide documentation of each fiscal year's plan Normal Costs directly to the employer in the annual valuation report each October prior to the effective July1 date.</p> <p>As of July 1, 2016 and through June 30, 2017, the employee contribution rate for the PEPR plan is 6.50% of salary.</p> |

| Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees) | |
|---|---|
| Other Contracted Benefits (New Plan) | Plan provisions are determined by pension reform and California PERL. However, this New Plan also includes the same employer selected plan provisions as the Agency's Classic Plan: |
| | 3% Maximum Cost-of-Living Allowance; Section 21573 – Third Level 1959 Survivor Benefits; Section 21583 – Second Election 1959 Survivor Benefits; Section 21548 – Pre-retirement Optional Settlement 2 Death Benefit; and Section 20903 – Two years Additional Service Credit. |
| Retiree Medical | Retiree and eligible dependents are entitled to the same medical benefits provided to regular MTC employees and at the same co-pay amounts (and per CalPERS' PEMCHA Equal Method Plan). If eligible, a retired MTC employee must apply for Medicare. His/her PERS health coverage is then provided as a supplement. |
| Retiree Dental and Vision | MTC shall provide retiree group insurance plans for dental and vision coverage. The cost of premiums will be the sole responsibility of the retiree. Eligibility for this program will follow CalPERS retiree medical eligibility rules and requirements. |
| <u>TRANSIT PARKING PROGRAM</u> | MTC shall provide a Transit/Parking Program providing commuting benefits as follows. Employees may elect to participate in only one option at a time. |
| | <u>Public Transit Option</u> MTC provides a subsidy in accordance with IRS Fringe Benefit regulation for employees for legitimate and applicable transit ticket purchases. Purchases must be made through authorized MTC provided third-party transit administrator(s) only and must be for a monthly amount needed and used by each employee each month, per IRS regulation. |
| | Effective July 1, 2014, MTC's monthly subsidy will increase to up to \$214 per month. MTC will provide this subsidy tax-free per IRS fringe benefit allowances. As of January 2014, the allowable tax free level for fare purchase is \$130, and for eligible parking is \$250. As of January 2016, the allowable tax free level for fare purchase and parking is \$255 monthly. Any subsidy above the IRS limits is taxable income. Six months after relocation to MTC's new San Francisco office, MTC reviewed the transit subsidy level to determine if it was sufficient to serve the majority of employee transit costs. Based on this review and in consultation with employees, the transit subsidy level was increased to \$255 monthly on December 21, 2016. |

| Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees) | |
|---|---|
| | <p><u>Employer Provided Parking Option</u></p> <p>While MTC is still located at 101 8th Street, employees may select to contribute \$18.50 per month pre-tax for parking in the MTC leased employee parking lot in lieu of receiving the monthly transit subsidy. This option is based on availability of parking spaces in the lot.</p> <p>After moving the office to San Francisco, this option will change as follows:</p> <ul style="list-style-type: none"> (a) MTC will maintain rental of the Caltrans owned parking lot; (b) Parking spaces in this lot will be available to eligible employees to park at this lot and purchase transit to commute to San Francisco. (c) The cost of monthly parking in this lot will equal the cost of monthly parking at the BART Lake Merritt station as of July 1, 2014 (estimated to be \$84.00 per month) and will remain at this level for the period of the MOU. |
| | <p><u>Carpool Option</u></p> <p>While MTC is still located at 101 8th Street, employees in a verified carpool with two or more persons, at least one passenger working at MTC, will receive one free parking space in the MTC leased employee parking lot in lieu of the monthly transit/parking subsidy. This option is based on availability of parking spaces in the lot.</p> <p>After moving the office to San Francisco, parking in this lot will be administered as explained above, however, expanding the carpool rules for eligible passengers to include someone who works at MTC, ABAG, or the Air District. Carpool participants will be using transit to get to San Francisco.</p> |
| | <p><u>Bicycle Commuter Option</u></p> <p>For any employee regularly using a bicycle for a substantial portion of the travel between the employee's residence and place of employment for qualifying bicycle commuting months as described in IRS Publication 15-B, \$20 per month tax-free subsidy paid by MTC.</p> |
| | <p><u>Cash-in-Lieu Option</u></p> <p>Employees may elect to receive \$20.00 per month cash-in-lieu if not selecting another Transit/Parking Program. Cash-in-lieu payments are subject to federal and state tax withholding.</p> |
| <u>OTHER ELECTIVE DEDUCTIONS</u> | |
| Dependent Care Assistant Plan (DCAP) | MTC's Dependent Care Assistance Plan (DCAP) is a totally employee-funded program, except for the costs incurred by Agency to administer the program. Employees may elect pre-tax payroll deductions up to the limits set by the Internal Revenue Service for the reimbursement of eligible childcare and dependent care expenses, in accordance with IRS regulations. See actual plan for details and limitations. |

| Summary of Benefits: MTC Full-Time Regular Represented and Confidential Employee Positions (Except as otherwise noted and excluding executive employees) | |
|---|--|
| Health Care Flexible Spending Account | MTC's Health Care Flexible Spending Account is a totally employee-funded program, except for the costs incurred by the agency to administer the program. Employees may elect pre-tax payroll deductions up to a limit equivalent to the Federal Health Care Flexible Spending Account for the reimbursement of eligible healthcare costs that are not covered under the employee's health insurance. See actual plan for details and limitations. |
| Deferred Compensation Plan | Employee may elect to participate in the 457 Deferred compensation program(s) and make pre-tax contributions subject to IRS regulations and program limitations. The Agency will administer the pre-tax deductions and submittal of employee contributions. |
| <u>PROFESSIONAL DEVELOPMENT</u> | |
| Professional Development | Subject to approval by the Section Director and appropriations in the annual training and travel budget, employees may participate in Agency sponsored Professional Development, defined as any training, materials, testing, licensing, membership, conferences, classes, tuition, etc. that are determined to be appropriate to the employee's professional development. |
| Computer Purchase Program | MTC will assist in the purchase of a personal computer and peripheral equipment, up to a maximum of \$5,000 for regular fulltime employees who have completed their probation and are scheduled to work 72 hours or more per pay period. The total cost of each purchase shall be repaid by participating employee through bi-weekly payroll deduction, up to a maximum of a 2-yr period or 52 pay periods. See actual plan for details and limitations. |
| <u>MANDATORY PROVISIONS</u> | As required by statute. |
| Workers' Compensation | Standard |
| Unemployment Insurance | Standard |

EXHIBIT B1: MTC POSITIONS OFFERED TO ABAG LEGACY EMPLOYEES

(Names to be added before approval.)

EMPLOYEE NAME

POSITION TITLE

SECTION

EXHIBIT B2: MTC VACATION ACCRUAL CHART

| TENURE | ANNUAL DAYS | ANNUAL HOURS | PER PAYROLL HOURS (26 PAYROLLS PER YEAR) |
|-----------|-------------|--------------|---|
| Year 1 * | 13 | 104 | 4.00 |
| Year 2 | 14 | 112 | 4.31 |
| Year 3 | 15 | 120 | 4.62 |
| Year 4 | 16 | 128 | 4.93 |
| Year 5 | 17 | 136 | 5.24 |
| Year 6 | 18 | 144 | 5.54 |
| Year 7 | 19 | 152 | 5.85 |
| Year 8 | 20 | 160 | 6.16 |
| Year 9 | 21 | 168 | 6.47 |
| Year 10 | 22 | 176 | 6.77 |
| Year 11 | 23 | 184 | 7.08 |
| Year 12 | 24 | 192 | 7.39 |
| Year 13 + | 25 | 200 | 7.70 |

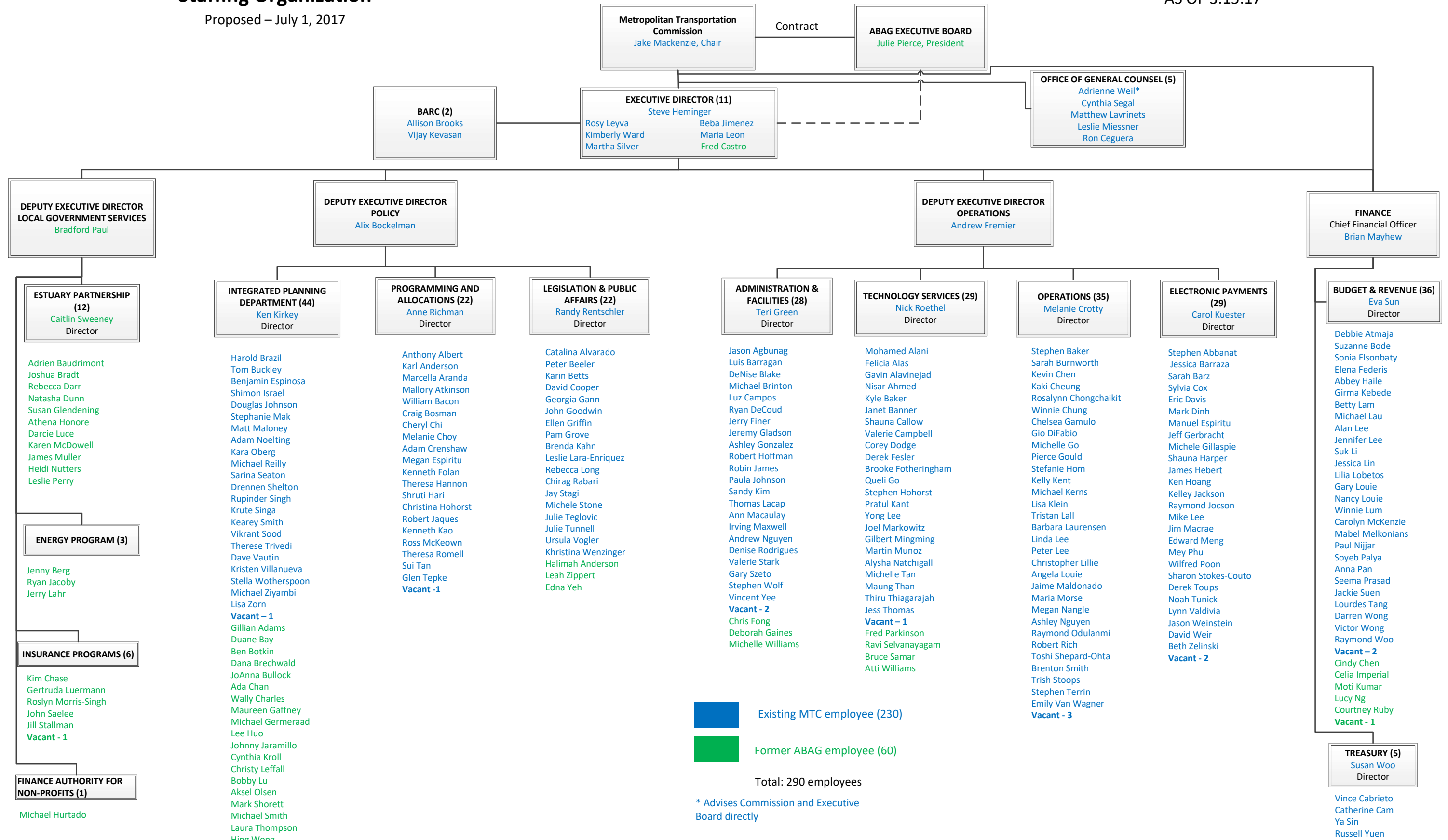
Metropolitan Transportation Commission

EXHIBIT C: MTC ORGANIZATION CHART

Staffing Organization

Proposed – July 1, 2017

AS OF 3.15.17



Steve Heminger
Executive Director

TO: ABAG Executive Board

FROM: ABAG Retirees - Stephen Attaway, Eileen Barr, Raymond J. Brady, Brenda Brown, Charlene Harrington, Karen Lewis, Gloria Lin, Vina Maharaj, Sharon McCreadie, Jeanne Perkins, Victoria Rutherford, Suzan Ryder, Lynn Shea, Bryan Tse

DATE: March 13, 2017

RE: ABAG Retiree Medical and Pension Benefits
Merger of ABAG/MTC

Dear Hon. President Pierce & Hon. Board Members of the ABAG Executive Board:

We, the retirees of ABAG, have gone through the Draft Contract for Services these past few weeks in an attempt to understand the language which guarantees our pension and health benefits in perpetuity.

We find that as far as ABAG is concerned, this Contract seems to only talk about its Legacy staff, their pension and benefits. The Retirees of ABAG are not included in this Contract. Obviously the language is not clear to us, therefore, our first concern is the clarification and accurate interpretation of language regarding the pension and health benefits of the Retirees.

We understand that the ABAG/MTC staff are currently in negotiations with CalPERS to determine the division of these liabilities among the Legacy Staff and Retirees. If the Legacy staff pensions were to be placed under MTC's obligations and the Retiree pension liabilities were under ABAG's, then we need further language clarification in the Contract which specifies this even more accurately. Language Clarification is our First concern.

Our Second and Foremost concern is the insecure finances of ABAG and the lack of MTC's commitment to backup ABAG's finances in case of budget deficits. The merger intends to leave our already-earned health and pension liabilities separated into an account at ABAG. It wants us to believe that ABAG will still exist as an ongoing independent entity whereas what we see is a broken down ABAG with no staff and assets but only liabilities. While MTC is taking all of ABAG's assets, which is its staff, it is leaving the large pension and health liabilities with ABAG, whose funding source is insecure, now and into the future. This is mentioned in various documents, as follows:

The MTC-ABAG Merger Study Financial Forecast indicates *"CalPERS unfunded liability costs increase from \$1.3M in FY 13-14 to \$2.8M in FY 21-22"*.

Additionally, the memo dated February 13, 2017 clearly states *"the draft CS also recognizes that the cost differences for subsequent years need to be addressed. The draft CS includes a provision where ABAG acknowledges the need to identify additional revenues in the future"*.

It should be unconscionable on anyone's part to do this to the most vulnerable group in this merger? A group who has already paid its dues? We seem to be back to Square One where the merger started. After two years of uncertainty and stress of merger negotiations, we the retirees, did not expect to be excluded and placed in this very insecure position. We feel abandoned and betrayed. In fact, we feel that the retirees of ABAG are asked to carry a heavy burden of insecurity on their shoulders as they age, whereas all others in this merger are made whole.

To ABAG Executive Board

March 13, 2017

Page 2

The monies which ABAG was putting towards our pensions, is already earned through our many years of dedicated service to ABAG. When we joined ABAG, we were told that as part of our salary and benefits package, ABAG was placing a certain percentage of our salaries into our pension accounts. Our pensions should be regarded as fully funded or a firm conviction should be made in the Contract, so that we can be sure our pension checks and health benefits will be there for us in perpetuity.

We understand that Mr. Heminger is proposing to dedicate ABAG revenues first to its pension and retiree medical obligations, then to other matters. The fact that Mr. Heminger wants these revenues pledged by ABAG does not mean that there are sufficient finances into the future to cover existing ABAG retirement and health costs. And that no one is questioning Mr. Heminger's proposal, knowing fully well that this is funding which may not be there. Even if ABAG does in fact meet its funding deficit this time around, what about the future budgets for e.g. In Yr. 2021 when circumstances will change such as newer board members, newer staff at ABAG/MTC?

We request that since MTC is taking control of all of ABAG's assets such as its employees, they should also be taking ABAG's liabilities that were previously being paid by us, the hard working and long-term serving staff of ABAG. If we are to believe that MTC is doing this in good faith and truly wants this merger to work in everyone's favor, then they should not hesitate to make a commitment in the Contract. We request a firm commitment from MTC, in the form of a few clearly worded paragraphs for ABAG's Retirees indicating that MTC will be responsible for all of ABAG's liabilities relating to its retirees and other obligations. If there are no other avenues of funding then the appropriate amount of money should be charged to the MTC employees, new and old, which is a way we can certainly go.

The retirees of ABAG do not accept this Contract for Services in its current form. In fact, we don't see ourselves included in this Contract at all. We would like to be included in this Contract for Services since we should be regarded as a Compulsory component in this merger. We humbly request that ABAG Executive Board provide us with a 100% firm conviction that our earned pensions and health benefits will be paid to us in perpetuity via a properly worded Contract for Services.

We thank and Salute you for the very honorable, dedicated and hard work that you do.

Sincerely,

Stephen Attaway, retired 2014 after 14 years of service to ABAG
Eileen Barr, retired 11/30/2008 after 15 years of service to ABAG
Brenda Brown, retired 12/31/2008 after 15 years of service to ABAG
Raymond J. Brady, retired 9/26/1996 after 17 years of service to ABAG
Charlene Harrington, retired 12/13/2013 after 13 years of service to ABAG
Karen Lewis, retired 12/31/2008 after 16 years of service to ABAG
Gloria Lin, retired 12/1/2014 after 15 years of service to ABAG
Vina Maharaj, retired 12/30/2013 after 13 years of service to ABAG
Sharon McCreadie, retired 2008 after 13 years of service to ABAG
Jeanne Perkins, retired 2006 after 32 years of service to ABAG
Victoria Rutherford, retired 5/31/2016 after 15 ½ years of service to ABAG
Suzan Ryder, retired 2006 after 8.5 years of service to ABAG
Lynn Shea, retired (due to outsource) 2014 after 5 years, 8 months of service to ABAG
Bryan Tse, retired 11/30/2016 after 28 years of service to ABAG

Fred Castro - ABAG Retiree Benefits

From: <mtk1@comcast.net>
To: <frede@abag.ca.gov>
Date: 3/11/2017 5:19 PM
Subject: ABAG Retiree Benefits
Cc: "Vina" <vinam@comcast.net>

Mr Castro -

We, the retirees of ABAG, have been going through the Draft Contract for Services and the attachments these past few weeks in an attempt to understand exactly where in the contract does it mention that our (ABAG retirees) pensions and health benefits is guaranteed to us in perpetuity. We feel that the way this merger is going to take place, is to leave ABAG's most vulnerable group (retirees) in a very insecure position.

Our pensions and health benefit liabilities, benefits which we expected to be guaranteed to us in perpetuity via this contract, after two years of uncertainty and stress, is going to be left with the entity of ABAG, whose funding source is clearly not secure. How can ABAG's funding be regarded as secure that you would consider leaving our pensions and health benefits there? Why is MTC not taking any responsibility for ABAG's liabilities when they are taking most of ABAG's assets, such as its employees?

When we started the merger process, it was already identified that ABAG needed to bring in additional revenues. We don't understand what the merger will do for the large unfunded pension obligation which is our concern and has been the long-term concern of ABAG's. We are back to square one. It seems like the Legacy staff will be made whole, however, nobody seems to ask questions about the large pension obligation which will be left with ABAG to cover its retirees'. In all of this, it seems like the retirees of ABAG will be left with the burden of feeling insecure as each year we will be left to wonder whether ABAG will have sufficient funds to meet its budget. We can't live our lives based on this fear especially when many of you board members retire and new board members take responsibility for meeting ABAG's budget over the next few decades.

Since MTC is taking control of most or all of ABAG's assets such as its employees, they should also be taking ABAG's liabilities that were previously being paid by us, the hard working, long-term serving staff of ABAG. ABAG's assets include our monies which we paid via our salaries. It is unconscionable on anyone's part not to consider paying off our pension and health liabilities first, before anything else and making sure there is a firm, 100% secure backup plan, in case of funding shortage at ABAG.

The retirees of ABAG will not accept this Contract for Service in its current form. We request a firm commitment from MTC, in the form of a clearly worded paragraph indicating that they will backup and pay ABAG's pension and health obligations to CalPERS in case of funding shortage at ABAG. Or that they can add these costs to all MTC employees, including ABAG's legacy staff who are being transitioned, here and now. We retirees have paid our dues, we have paid our share over the years. We ask that you provide us with a 100% assurance that our pensions and health benefits will be paid to us in perpetuity.

All the retirees are seeking is simply what is fair and owed to us. Please see that this is accomplished.

Terrence Hickman

ABAG Retired 11/01/08

TO: Executive Board Members

DT: March 13, 2017

FM: Marcia Loss, retired ABAG employee

RE: Existing ABAG Retiree Pension and Health Benefits

Dear President Pierce and Board Members of the ABAG Executive Board:

As a retiree of ABAG since 2006, with 34 years of service, I would like to be assured that members of the Executive Board are protecting existing Retirees Pensions and Health Care benefits.

The Draft Contract for Services seems to only address ABAG Legacy employees and does not appear to mention that existing ABAG Retirees Pension and Health Care Benefits are guaranteed.

When I attended the ABAG/MTC Merger Option meetings and GA, I felt assured that every effort would be made to protect the existing Retirees benefits.

Since MTC is taking control of most or all of ABAG's employees and other **assets**, shouldn't they also be responsible for ABAG's **liabilities**? This includes continuing to maintain and pay those liabilities which are related to insuring existing Retirees Pension and Health Care Benefits, as promised when we retired.

The Contract for Services should clearly state that MTC is responsible for all ABAG liabilities even if ABAG cannot meet in the future its financial obligations relating to ABAG Retirees.

Thank you for your consideration and assistance in protecting the pensions and health care benefits of existing ABAG retirees.

TO: ABAG Executive Board

FROM: Vina Maharaj

DATE: March 13, 2017

RE: ABAG Retiree Medical and Pension Benefits
Merger of ABAG/MTC

Dear Hon. President Pierce & Hon. Board Members of the ABAG Executive Board:

Two years ago, when the merger discussions started, we were told that there will be two documents guiding the Merger of ABAG/MTC, namely: A Contract and an MOU.

We are shocked after going through two years of waiting, uncertainty and stress, that we, the ABAG Retirees are not included in any Merger Contracts. Instead of having an all-inclusive Contract pertaining to all matters related to ABAG, ABAG-MTC have created a "Contract for Services" which is only related to the servicing of MTC by ABAG Staff. The Contract mentions ABAG's need to make its contractual obligations to CalPERS, however, I don't feel these cover the liabilities of ABAG which cover my pensions and health benefits. It seems to be written in the context for the Legacy employees of ABAG only.

MTC is dismantling ABAG into pieces, making a Contract with one portion of it, and leaving the rest of the entity to fetch for itself. This is the way we see this merger happening.

ABAG is not going to remain the same entity as before, its biggest asset, its staff is merging with MTC. How does it make sense not having its Retirees be included in any Contract? If not in a "Contract for Services", than we should be on some Contract which promises us our retiree pension and health benefits in perpetuity, after the merger of our agency, ABAG. We are an important component of ABAG, we should not be discarded but included somewhere.

Because this matter involves our entire future, we just want to see something in writing as I am sure you can understand. Verbal promises and supporting documentation will not be a reconciliation on this very essential subject in our lives.

We are certain that the dedicated, honorable members of the ABAG Executive Board will do the right thing for ABAG's Retirees. You won't fail us, you've always done the right thing.

Sincerely,

Vina Maharaj
Retired from ABAG 12/30/2013 after 13 years of Dedicated Service

Fred Castro - How Will ABAG Retiree Benefits Be Paid?

From: Patricia Perry <prpjam@comcast.net>
To: <fredc@abag.ca.gov>
Date: 3/12/2017 11:01 PM
Subject: How Will ABAG Retiree Benefits Be Paid?

Fred,

Please add this to the Executive Board packet if you can or please distribute it to the members before the meeting.

Thank you!!!

Patty

From: "Patricia Perry" <prpjam@comcast.net>
To: jpierce@ci.clayton.ca.us
Sent: Sunday, March 12, 2017 10:58:39 PM
Subject: How Will ABAG Retiree Benefits Be Paid?

March 13, 2017

Hon. Julie Pierce
President
Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco CA 94105

Subject: ABAG Retiree Pension and Medical Benefits

Dear Ms. Pierce:

Many ABAG retirees are deeply concerned about the safety of their pensions and medical benefits.

I am requesting that ABAG give its retirees specific information--in writing--about how ABAG intends to pay its future CalPERS pension and medical obligations for the existing retirees.

Retirees need to know that ABAG takes this responsibility seriously.

Retirees also need to know that this responsibility is a high-order agency priority.

I hope that you and the entirety of the Executive Board will address this matter and communicate with retirees before signing the contract for services with MTC.

Thank you in advance for addressing the concerns of my fellow retirees.

Patricia R. Perry
30 Meek Place
Lafayette CA 94549

Fred Castro - FOR THE ATTENTION OF ABAG EXECUTIVE BOARD MEMBERS

From: Fatmah Radovich <m10_15_dp@hotmail.com>
To: "fredc@abag.ca.gov" <fredc@abag.ca.gov>
Date: 3/11/2017 6:00 PM
Subject: FOR THE ATTENTION OF ABAG EXECUTIVE BOARD MEMBERS

Dear Fred Castro:

I am a retired member of CALPERS and I am deeply troubled by information received regarding the ABAG/MTC merger that my former employer, ABAG's (Association of Bay Area Government) financial pension obligations to it's retired staff in perpetuity is in jeopardy. Further troubling as I understand it, the current ABAG/MTC Draft Contract for Services seems to leave ABAG's pension and health benefits to the already retired staff unprotected. I live a very modest lifestyle in an apartment, no longer a car owner, and losing the earned pension benefits would cause serious vulnerability.

We the already retired ABAG staff gave our best working years to being loyal employees. As retirees and at the most vulnerable time of our lives, need to be able to count on our earned and deserved pension and health benefits. It is inconceivable, especially this time of our lives when our most productive working years are behind us, that we are faced with the threat of possibly losing our pension benefits when needed the most!

I request your most serious and thoughtful consideration to do everything you can to reach the most workable and inclusive ABAG/MTC contract possible! I have confidence that it can be done. Please leave no stone unturned in your decision making.

Thank you for your time and efforts in this crucial matter.

Sincerely,

Fatmah Radovich

Fred Castro - For the Attention of ABAG Executive Board Members

From: Suzan Ryder <suzan.ryder@yahoo.com>
To: "fredc@abag.ca.gov" <fredc@abag.ca.gov>
Date: 3/11/2017 5:03 PM
Subject: For the Attention of ABAG Executive Board Members

Dear Sir,

Please print this email and/or forward it to the appropriate ABAG board member before the next meeting.

Please note:

We retirees have paid our dues, we have paid our share over the years. We ask that you provide us with 100% firm conviction that our pensions and health benefits will be paid to us in perpetuity.

The retirees of ABAG will not accept this Contract for Service in its current form. We request a firm commitment from MTC, in the form of a clearly worded paragraph indicating that they will backup and pay ABAG's pension and health obligations to CalPERS in case of funding shortage at ABAG. Or that they can add these costs to all MTC employees, including ABAG's legacy staff who are being transitioned, here and now.

Thank you for your attention to this important matter.

Sincerely,

Suzan L. Ryder (SSN *** ** 0730)

Former Administrative Assistant to the Planning Director Gary Binger, and 3 PDs the followed.

Retired from ABAG in June 2006 after 9 years of service.

Executive Board

Representatives

Julie Pierce, Councilmember, City of Clayton—*President*

David Rabbitt, Supervisor, County of Sonoma—*Vice President*

David Cortese, Supervisor, County of Santa Clara—*Immediate Past President*

Candace Andersen, Supervisor, County of Contra Costa

Len Augustine, Mayor, City of Vacaville

Annie Campbell Washington, Councilmember, City of Oakland

David Canepa, Supervisor, County of San Mateo

Cindy Chavez, Supervisor, County of Santa Clara

Lan Diep, Councilmember, City of San Jose

Pat Eklund, Councilmember, City of Novato

Leon Garcia, Mayor, City of American Canyon

Liz Gibbons, Mayor, City of Campbell

Lynette Gibson McElhaney, Councilmember, City of Oakland

Abel Guillen, Councilmember, City of Oakland

Pradeep Gupta, Mayor, City of South San Francisco

Scott Haggerty, Supervisor, County of Alameda

Barbara Halliday, Mayor, City of Hayward

Erin Hannigan, Supervisor, County of Solano

Dave Hudson, Vice Mayor, City of San Ramon

Sergio Jimenez, Councilmember, City of San Jose

Edwin Lee, Mayor, City and County of San Francisco

Wayne Lee, Mayor, City of Millbrae

Jake Mackenzie, Mayor, City of Rohnert Park

Nathan Miley, Supervisor, County of Alameda

Karen Mitchoff, Supervisor, County of Contra Costa

Raul Peralez, Councilmember, City of San Jose

Dave Pine, Supervisor, County of San Mateo

John Rahaim, Planning Director, City and County of San Francisco

Belia Ramos, Supervisor, County of Napa

Dennis Rodoni, Supervisor, County of Marin

Todd Rufo, Economic and Workforce Development Director, City and County of San Francisco

Greg Scharff, Mayor, City of Palo Alto

Trish Spencer, Mayor, City of Alameda

Norman Yee, Supervisor, City and County of San Francisco

William Kissinger, Board Member, San Francisco Bay Regional Water Quality Control Board—
Advisory Member

Alternates

Jesse Arreguin, Mayor, City of Berkeley

Sylvia Arenas, Councilmember, City of San Jose

Laurel Arvanitidis, Industry Programs, Economic and Workforce Development, City and County of San Francisco

Mary-Lynne Bernald, Councilmember, City of Saratoga

Elizabeth Brekhus, Councilmember, City of Ross

Monica Brown, Supervisor, County of Solano

Diane Burgis, Supervisor, County of Contra Costa

Tom Butt, Mayor, City of Richmond

Catherine Carlton, Councilmember, City of Menlo Park

Keith Carson, Supervisor, County of Alameda

Chris Clark, Councilmember, City of Mountain View

Julie Combs, Councilmember, City of Santa Rosa

Damon Connolly, Supervisor, County of Marin

Diane Dillon, Supervisor, County of Napa

John Dunbar, Mayor, Town of Yountville

Nicole Elliott, Director of Legislative and Governmental Affairs, City and County of San Francisco

John Gioia, Supervisor, County of Contra Costa

Susan Gorin, Supervisor, County of Sonoma

Dan Kalb, Councilmember, City of Oakland

Johnny Khamis, Councilmember, City of San Jose

Tam Nguyen, Councilmember, City of San Jose

AnMarie Rodgers, Senior Policy Advisor, Planning, City and County of San Francisco

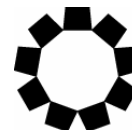
Carlos Romero, Councilmember, City of East Palo Alto

Pedro (Pete) Sanchez, Mayor, City of Suisun City
Joseph Simitian, Supervisor, County of Santa Clara
Roy Swearingen, Mayor, City of Pinole
Richard Valle, Supervisor, County of Alameda
Mike Wasserman, Supervisor, County of Santa Clara

Terry Young, Chair, San Francisco Bay Regional Water Quality Control Board—*Advisory Member*

3/9/17

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MEETING SCHEDULE 2017

Approved by the Executive Board: November 17, 2016

For meeting date and time and location, see meeting notice, agenda and attachments available at <http://www.abag.ca.gov/>

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

General Assembly

Date: Monday, January 30
10:00 a.m. to 3:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Yerba Buena Conference Room,
San Francisco

General Assembly and Business Meeting

Date: Thursday, May 11
Time: 10:00 a.m. to 3:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Yerba Buena Conference Room,
San Francisco

Executive Board

Dates: Thursday, January 19
Thursday, February 16
Thursday, March 16
Thursday, May 18
Thursday, July 20
Thursday, September 21
Thursday, November 16

Time: 7:00 p.m. to 10:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Board Room, San Francisco

Legislation and Governmental Organization Committee

Dates: *See Executive Board Schedule*

Time: 3:30 p.m. to 5:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Board Room, San Francisco

Finance and Personnel Committee

Dates: *See Executive Board Schedule*

Time: 5:00 p.m. to 6:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Board Room, San Francisco

Administrative Committee

Dates: *Special meetings scheduled as needed.*

Regional Planning Committee

Dates: Wednesday, February 1
Wednesday, April 5
Wednesday, June 7
Wednesday, August 2
Wednesday, October 4
Wednesday, December 6

Time: 12:00 p.m. to 3:00 p.m.

Location: Bay Area Metro Center, 375 Beale Street, Yerba Buena Conference Room,
San Francisco

Contact: Wally Charles, Administrative Secretary, Planning, (415) 820 7993,
wallyc@abag.ca.gov