



DATE: October 2, 2023

TO: Mayor and Members of the City Council

VIA: Stefan Chatwin, City Manager
Marlene Subhashini, Assistant City Manager

FROM: Andrew Brozyna, Public Works Director

DEPARTMENT: Public Works

SUBJECT: INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE'S
FY 2022-2023 ANNUAL REPORT REGARDING THE
EXPENDITURES OF BOND PROCEEDS ASSOCIATED WITH
THE LEVEE PROTECTION PLANNING AND IMPROVEMENTS
PROJECT (CIP 327-657)

RECOMMENDATION

It is recommended that the City Council review and accept, by Minute Order, the Independent Citizens' Bond Oversight Committee's (Committee) FY 2022-23 Annual Report from July 1, 2022 through June 30, 2023 regarding the expenditures of bond proceeds associated with the Levee Protection Planning and Improvements Project (CIP 327-657).

EXECUTIVE SUMMARY

The Committee met on July 27, 2023 and determined the following:

1. For fixed contracts, the City has expended bond proceeds only for the purposes set forth in the ballot measure; and
2. For time and materials contracts, the Committee cannot determine whether or not the Tanner Pacific, Inc. or Schaaf & Wheeler contracts are in compliance with the requirements of Measure P.

These findings are consistent with the Committee's previous annual reports presented to the City Council at the November 15, 2021 and November 21, 2022 City Council meetings.

BACKGROUND

On June 5, 2018, Foster City voters passed Measure P, authorizing the City to issue General Obligation bonds in the amount of \$90,000,000 to fund improvements to the City's levee system. The Measure P Election was conducted under California Government Code Section 53411. The bond measure ballot language promised voters that the expenditure of bond funds would be subject to "citizens' oversight," as more fully articulated in City Resolution No. 2018-15 (Attachment 1), which declared the public interest in and necessity of the levee improvements.

Beginning on October 28, 2020, the Committee has met quarterly to review and discuss information pertaining to the Levee project expenditures. At the November 15, 2021 Council Meeting, the Committee presented the Fiscal Year 2020-2021 Annual Report expenditures from September 2015 through June 30, 2021. At the November 21, 2022 City Council meeting, the Committee presented the Fiscal Year 2021-2022 Annual Report expenditures from July 1, 2021 through September 30, 2022. The report for City Council's consideration presented at tonight's meetings includes the Fiscal Year 2022-2023 Annual Report expenditures from July 1, 2022 through June 30, 2023.

ANALYSIS

On July 27, 2023, the Committee held its quarterly meeting to review the City's expenditure of bond proceeds and to consider approval of the Annual Report to the City Council, which is one of the duties of the Committee described in section 3.3(a) of the Committee's Bylaws. As the third Annual Report of the Committee, this report addresses expenditures from July 1, 2022 through June 30, 2023. The Annual Report was reviewed and approved unanimously by the members of the Committee. As indicated in the Annual Report, the Committee determined that the City expended bond proceeds only for the purposes set forth in Measure P for fixed contracts. For time and materials contracts, at this time the Committee cannot determine whether or not the Tanner Pacific or Schaaf & Wheeler contracts are in compliance with the requirements of Measure P. These findings are consistent with the findings in the previous Annual Reports. The Annual Report is attached as Attachment 2 and will be available on the City's website.

CEQA

Not Applicable

FISCAL IMPACT

There is no fiscal impact associated with the attached report.

CITY COUNCIL VISION, MISSION, AND VALUE/PRIORITY AREA

Facilities and Infrastructure

ATTACHMENTS:

Attachment 1 – Resolution 2018-15

Attachment 2 – Independent Citizens' Bond Oversight Committee's Annual Report for
FY 2022-2023