

**NOTICE OF SPECIAL MEETING
OVERSIGHT BOARD OF SUCCESSOR AGENCY
TO ORANGE COVE REDEVELOPMENT AGENCY**

Thursday, January 25, 2018 at 11:00 A.M.

Meeting To Be Held At
Orange Cove Council Chambers
633th Street, Orange Cove, California

A. CALL TO ORDER/WELCOME

Roll Call
Flag Salute

B. Consent Calendar:

1. Minutes of the Oversight Board January 12, 2017

C. Administration:

2. **SUBJECT:** Consideration and Discussion regarding the Recognized Obligation Payment Schedule 18-19 for the July 2018 through June 2019 Period and approving the Successor Agency's Administrative Budget for Fiscal Year 2018-2019

RECOMMENDATION: Member of the Oversight Board consider approving the following:

- a. Resolution No. OB 2018-01 Approving the Successor Agency's Administrative Budget for Fiscal Year 2018-2019
- b. Resolution No. OB 2018-02 Approving the Recognized Obligation Payment Schedule for July 2018 through June 2019 and Authorizing its Transmittal
3. **SUBJECT:** Consideration and Discussion regarding a Proposal for Fiscal Year 2018-2019 Successor Agency Consulting Services by RSG, Inc.

Recommendation: Oversight Board to consider approving Resolution No. OB 2018-03 the Proposal for Fiscal Year 2018-2019 Successor Agency Consulting Services by RSG, Inc.

4. **SUBJECT:** Consideration and Discussion regarding A.M. Peche & Associates 2018-19 Consulting Agreement

Recommendation: Council to consider approving the Consulting Agreement between the Oversight Board to the Orange Cove Redevelopment Agency and A.M. Peche & Associates LLC

MEMBERS OF THE PUBLIC SHALL HAVE AN OPPORTUNITY TO ADDRESS THE COUNCIL ON ANY ITEM ON THIS AGENDA NOTICE

D. Adjournment:

ADA Notice: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (559) 626-4488 ext. 214. Notification 48 hours prior to the meeting will enable the City to make arrangements to ensure accessibility to this meeting.

Documents: Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at front counter at City Hall and at the Orange Cove Library located at 815 Park Blvd., Orange Cove, CA during normal business hours. In addition, most documents are posted on City's website at cityoforangecove.com.

STATEMENT ON RULES OF DECORUM AND ENFORCEMENT

The Brown Act provides that members of the public have a right to attend public meetings, to provide public comment on action items and under the public forum section of the agenda, and to criticize the policies, procedures, or services of the city or of the acts or omissions of the city council. The Brown Act also provides that the City Council has the right to exclude all persons who willfully cause a disruption of a meeting so that it cannot be conducted in an orderly fashion.

During a meeting of the Orange Cove City Council, there is a need for civility and expedition in the carrying out of public business in order to ensure that the public has a full opportunity to be heard and that the Council has an opportunity to conduct business in an orderly manner. The following is provided to place everyone on notice of the rules of decorum and enforcement.

GENERAL RULES OF DECORUM

While any meeting of the City Council is in session, the following rules of decorum shall be observed:

1. All remarks shall be addressed to the City Council as a whole and not to any single member, unless in response to a question from a member of the City Council.
2. A person who addresses the City Council under public comment for a specific agenda item or under the Public Forum section of the agenda may not engage in speech or conduct (i) which is likely to provoke others to violent or riotous behavior, (ii) which disturbs the peace of the meeting by loud and unreasonable noise, (iii) which is irrelevant or repetitive, or (iv) which disrupts, disturbs, or otherwise impedes the orderly conduct of any City Council meeting.
3. A person, other than members of the Council and the person who has the floor, shall not be permitted to enter into the discussion unless requested by the Mayor to speak.
4. Members of the City Council may not interrupt a person who has the floor and is making public comments. Members of the City Council shall wait until a person completes his or her public comments before asking questions or commenting. The Mayor shall then ask Councilmembers if they have comments or questions.
5. No person in the audience at a Council meeting shall engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, whistling, stamping of feet or other acts which disturb, disrupt or otherwise impede the orderly conduct of any Council meeting.

ENFORCEMENT OF DECORUM RULES

1. The Mayor or other presiding officer shall request that a person speaking at the podium during a public comment period or a member of the audience who is violating the rules of decorum, comply immediately with the rules of decorum.
2. The Mayor or other presiding officer shall request that a person who is breaching the rules of decorum cease such conduct. If after receiving such a warning, the person persists in breaching the rules of decorum, the Mayor or other presiding officer may order the person to leave the City Council meeting. If such person does not leave, the Mayor or presiding officer may request any law enforcement officer who is on duty at the meeting as sergeant-at-arms to remove the person from the

Council Chambers. In the event there is no one from law enforcement present, the Mayor or presiding officer may direct the City Manager to contact law enforcement.

MINUTES
OVERSIGHT BOARD OF SUCCESSOR AGENCY
TO ORANGE COVE REDEVELOPMENT AGENCY
Special Meeting
Thursday, January 12, 2017 at 1:00 P.M.
Meeting To Be Held At
Orange Cove Council Chambers
633th Street, Orange Cove, California

A. Call to Order/Welcome

Members Present:

Lopez; Mulligan; Escobar

Members Absent:

Pavelko; Martin; Barr

B. Public Forum

Members of the public wishing to address the Oversight Board on an item that is not on the agenda may do so now. No action will be taken by the Oversight Board this evening. But items presented may be referred to staff for follow up and a report. In order to allow time for all comments, each individual is limited to three minutes. When addressing the Oversight Board, you are requested to come forward to the speakers microphone, state your name and address, and then proceed with your comments.

No comments

C. Administration

1. **SUBJECT:** Consideration and Discussion regarding THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 17-18 FOR THE JULY 2017 THROUGH JUNE 2018 PERIOD AND APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2017-18

RECOMMENDATION: Member of the Oversight Board consider approving the following:

- a. Resolution No. OB 2017-02 Approving the Successor Agency's Administrative Budget for Fiscal Year 2017-18

Upon the motion by Member Mulligan and seconded by Member Pavelco, the Oversight Board Members approved Resolution No. OB 2017-02 Approving the Successor Agency's Administrative Budget for Fiscal Year 2017-18

b. Resolution No. OB 2017-03 Approving the Recognized Obligation Payment Schedule for July 2017 through June 2018 and Authorizing its Transmittal

Upon the motion by Member Mulligan and seconded by Member Pavelko, the Oversight Board approved Resolution No. OB 2017-03 Approving the Recognized Obligation Payment Schedule for July 2017 through June 2018 and Authorizing its Transmittal as presented.

2. **SUBJECT:** Consideration and Discussion regarding a Proposal for Fiscal Year 2017-18 Successor Agency Consulting Services by RSG, Inc.

Recommendation: Oversight Board to consider approving Resolution No. OB 2017-01 the Proposal for Fiscal Year 2017-18 Successor Agency Consulting Services by RSG, Inc.

Upon the motion by Member Mulligan and seconded by Member Pavelko, the Oversight Board approved Resolution No. OB 2017-01 the Proposal for Fiscal Year 2017-18 Successor Agency Consulting Services by RSG, Inc. as presented.

E. Adjournment

Chairman Lopez adjourned the Oversight Board Meeting at 1:10 p.m.

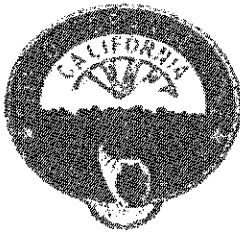
RESPECTFULLY SUBMITTED:

June V. Bracamontes, City Clerk
City of Orange Cove

PRESENTED TO OVERSIGHT BOARD:

DATE: _____

ACTION: _____



OVERSIGHT BOARD REPORT TO THE BOARD

To: Chairman and Members
From: D-B Heusser, Interim Executive Director
Subject: ROPS
Attachment: REPORT FROM FINANCE DIRECTOR

BACKGROUND:

Each year the City Council has to sit as the Successor Agency Board (to the former Redevelopment Agency) and to review the Recognized Obligation Payment Schedule and to approve the Agency's administrative budget.

EXECUTIVE SUMMARY:

Attached is a report from Randy Uyeda, Finance Director regarding the 2018-2019 Recognized Obligation Payment Schedule (ROPS) and two resolutions for adoption by the Board. It is being done at this time because it is due to be at State by 1 February 2018.

RECOMMENDATION:

See report.

FISCAL IMPACT:

See report.

ALTERNATIVES:

None as the action is required by the State.

ACTIONS FOLLOWING APPROVAL: Resolutions signed and sent to the State.

Prepared by: Heusser

Approved by: *D-B Heusser*

REVIEW: City Manager: *TR*

Finance: _____

City Attorney: _____

TYPE OF ITEM:	COUNCIL ACTION:	APPROVED	DENIED	NO ACTION
<input type="checkbox"/> Consent				<input type="checkbox"/> Public Hearing
<input type="checkbox"/> Info Item				<input type="checkbox"/> Matter Initiated by a Council Member
<input checked="" type="checkbox"/> Action Item				<input type="checkbox"/> Other
<input type="checkbox"/> Department Report				<input type="checkbox"/> Continued to: _____
<input type="checkbox"/> Redevelopment Agency				

DATE: January 25, 2018

TO: OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO ORANGE COVE REDEVELOPMENT AGENCY

FROM: Randy Uyeda, Finance Director
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY

RE: APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 18-19 FOR THE JULY 2018 THROUGH JUNE 2019 PERIOD AND APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2018-19

RECOMMENDATION

1. Adopt Resolution No. OB 2018-01 Approving the Successor Agency's Administrative Budget for Fiscal Year 2018-19
2. Adopt Resolution No. OB 2018-02 Approving the Recognized Obligation Payment Schedule 18-19 for July 2018 through June 2019 and Authorizing its Transmittal

FISCAL IMPLICATIONS:

Adoption and transmittal of the Recognized Obligation Payment Schedule and Successor Agency Administrative Budget is necessary to receive Redevelopment Property Tax Trust Funds to fund the Successor Agency's financial obligations from July 2018 through June 2019.

BACKGROUND AND OVERVIEW:

A Recognized Obligation Payment Schedule ("ROPS") covering the period of July 1, 2018 through June 30, 2019 is due by February 1, 2018 pursuant to Health and Safety Code ("HSC") Section 34177(o). The ROPS requests necessary payments for each enforceable obligation of the former Orange Cove Redevelopment Agency for Fiscal Year ("FY") 2018-19.

Successor Agency ("Agency") staff has prepared a ROPS 18-19 for the Oversight Board's consideration, which is attached to this staff report. Once approved, staff will transmit it electronically to the Department of Finance ("DOF"), State Controller, and Fresno County Auditor-Controller for their review. The adopted ROPS must be transmitted by February 1, 2018; if it is not transmitted on time, the Agency will be subject to a penalty of \$10,000 per day. With DOF approval, the Auditor-Controller will be authorized to disperse property tax revenue to pay ROPS obligations on June 1, 2018 and January 2, 2019.

Changes to ROPS Form and Enforceable Obligations

There was a small change to the ROPS cash balance form to report cash balances for the entire 2015-16 fiscal year, instead of only half of the fiscal year.

There are no new enforceable obligations on the ROPS 18-19; it contains the same enforceable obligations approved on the last ROPS including bond debt service, related administration fees, and projects to be funded with bond proceeds.

It is important to remember that the ROPS is merely a projection of estimated payments for the ensuing twelve-month fiscal period. The actual payments made could be the same or less.

Other Funds and Administrative Cost Allowance

Pursuant to HSC Section 34177(I)(1)(E), agencies are required to use all available funding sources prior to Redevelopment Property Tax Trust Funds ("RPTTF") for payment of enforceable obligations. As of June 30, 2016, there was \$16,093 of Other Funds available made up of reserves from prior ROPS and interest revenues. DOF instructed the Agency to apply the majority of this balance to ROPS 16-17 expenses.

The maximum administrative cost allowance a successor agency can receive is 50 percent of the RPTTF distributed in the prior fiscal year for non-administrative obligations. The ROPS 17-18 had \$343,436 in non-administrative obligations. The ROPS 18-19 requests an administrative allowance that is 50 percent of this amount, or \$171,718.

An \$172,000 administrative budget has been prepared for FY 2018-19 for the Agency Board and Oversight Board's consideration.

Last and Final ROPS

Pursuant to HSC section 34191.6(a), agencies that have received a Finding of Completion may submit a Last and Final ROPS beginning January 1, 2016 if all the following conditions are met:

- 1) The remaining debt is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules including, but not limited to, debt service, loan agreements, and contracts.
- 2) All remaining obligations have been previously listed on the ROPS and approved for payment by Finance pursuant to HSC section 34177 (m) or (o).
- 3) The agency is not a party to outstanding/unresolved litigation, except as specified in HSC section 34191.6 (a) (3).

A Last and Final ROPS would reduce the administrative burden on the Agency and eliminate the need for Oversight Board meetings to approve the ROPS (the Oversight Board would still have to convene to approve contracts and other non-ROPS items). A Last and Final ROPS may only be amended twice and cannot include any new items. In order to consider a Last and Final ROPS, Agency staff must wait until all bond proceeds are expended in case there are new bond project funding requests to place on the ROPS.

Staff recommends that the Oversight Board:

1. Adopt Resolution No. OB 2018-01 Approving the Successor Agency's Administrative Budget for Fiscal Year 2018-19
2. Adopt Resolution No. OB 2018-02 Approving the Recognized Obligation Payment Schedule 18-19 for July 2018 through June 2019 and Authorizing its Transmittal

RESOLUTION NO. 0B 2018-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2018-19

WHEREAS, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Orange Cove Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the Dissolution Act (enacted by Assembly Bills 26 and 1484 and Senate Bill 107, as codified in the California Health and Safety Code); and

WHEREAS, Section 34179 of the Dissolution Act provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, Section 34177(j) of the Dissolution Act requires the Successor Agency to prepare a proposed administrative budget and submit it to the Oversight Board for approval; and

WHEREAS, pursuant to Section 34177(j), the Successor Agency's "Administrative Budget" is to include all of the following: (a) estimated amounts of the Successor Agency's administrative costs for the up-coming six-month fiscal period; (b) the proposed sources of payment for the costs identified in (a); and (c) proposals for arrangements for administrative and operations services provided by the city serving as Successor Agency; and

WHEREAS, the Successor Agency's proposed Fiscal Year 2018-19 Administrative Budget for the period July 1, 2018 to December 31, 2018 and for the period January 1, 2019 to June 30, 2019 has been reviewed and by this Resolution the Oversight Board desires to approve such Administrative Budget; and

WHEREAS, the Administrative Budget, when and as approved by the Oversight Board, will be provided to the County of Fresno Auditor-Controller pursuant to Section 34177(k) so that the Successor Agency's estimated administrative costs in the approved Administrative Budget will be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund for each applicable six-month period.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency does hereby resolve as follows:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference; and

SECTION 2. The Oversight Board hereby approves the Fiscal Year 2018-19 Administrative Budget for the period July 1, 2018 to December 31, 2018 and for the period January 1, 2019 to June 30, 2019 submitted herewith as Exhibit A, which is incorporated herein by this reference.

SECTION 3. Successor Agency staff is hereby authorized to send the Administrative Budget to the Fresno County Auditor-Controller and post it on the Successor Agency's website.

SECTION 4. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency held this 25th day of January, 2018 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson Oversight Board

ATTEST:
Oversight Board Secretary

EXHIBIT "A"
SUCCESSOR AGENCY ADMINISTRATIVE BUDGET
FOR FISCAL YEAR 2018-19

ORANGE COVE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FY 2018-19

FY 2018-19 Administrative Activities		Personnel	
		Estimated Hours	Average Rate
		Total	ROPS A Period
			ROPS B Period
County correspondence/coordination	Successor Agency Staff, RSG, Legal Counsel		
State correspondence/coordination	Successor Agency Staff, RSG, Legal Counsel		
Prepare ROPS	Successor Agency Staff, RSG, Legal Counsel		
Prepare administrative budget	Successor Agency Staff, RSG, Legal Counsel		
Governmental asset transfer	Successor Agency Staff, RSG, Legal Counsel		
Oversight Board staff support	Successor Agency Staff, RSG, Legal Counsel		
Management of dissolution activities	Successor Agency Staff, RSG, Legal Counsel		
Annual audit	Accountant		
Manage/monitor finances	Successor Agency Staff, RSG		
Agendas/minutes/Brown Act records assistance	Successor Agency Staff		
Budget by Personnel	Description	Estimated Hours	Average Rate
Successor Agency Staff Costs	Salaries, Wages, Benefits	3,150	\$42
Operating Expenses	Insurance, Supplies, Maintenance		n/a
RSG, Inc.	Advisory Services (ROPS Preparation, Legislative Guidance, Property Disposition, Cash Flow Projections, State/County Correspondence, etc.)	110	\$180
Legal Counsel	Legal Services (Review materials. Meeting attendance is charged to the City for City Council/Successor Agency meetings.)	60	\$165
Accountant	Audit Services		n/a
Oversight Board Costs	Supplies and Meeting Operations Cost		n/a
Contingency			n/a
Grand Total		\$ 172,000.00	\$ 86,000.00
			\$ 86,000.00

RESOLUTION NO. 0B 2018-02

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY
APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 18-19
FOR THE JULY 2018 THROUGH JUNE 2019 PERIOD
AND AUTHORIZING ITS TRANSMITTAL**

WHEREAS, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Orange Cove Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the Dissolution Act (enacted by Assembly Bills 26 and 1484 and Senate Bill 107, as codified in the California Health and Safety Code); and

WHEREAS, among the duties of successor agencies under the Dissolution Act is the preparation of a Recognized Obligation Payment Schedule ("ROPS") for the ensuing twelve-month period for consideration by a local oversight board and the California Department of Finance ("DOF") for purposes of administering the wind-down of financial obligations of the former Redevelopment Agency; and,

WHEREAS, the Dissolution Act requires that the proposed ROPS be approved by to the local Oversight Board, transmitted for review to the Fresno County Auditor-Controller, State Controller's Office, and DOF; and,

WHEREAS, pursuant to Health and Safety Code sections 34177(o) and 34180(g), the Oversight Board must approve all ROPS for them to become established, valid, and operative for the applicable six-month fiscal period.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency does hereby resolve as follows:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference.

SECTION 2. The Oversight Board hereby approves and adopts the ROPS 18-19 covering the period of July 1, 2018 to June 30, 2019, in substantially the form attached hereto as Exhibit A, and incorporated herein by reference, as required by the Dissolution Act.

SECTION 3. The Successor Agency is hereby authorized and directed to transmit a copy of the ROPS to DOF, the State Controller, and the Fresno County Auditor-Controller for their review.

SECTION 4. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency held this 25th day of January, 2018 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chairperson Oversight Board

ATTEST:
Oversight Board Secretary

EXHIBIT "A"
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 18-19
JULY 2018 THROUGH JUNE 2019



OVERSIGHT BOARD REPORT TO THE BOARD

To: Chairman and Members
From: D-B Heusser, Interim Executive Director
Subject: PROPOSAL
Attachment: PROPOSAL RSG

BACKGROUND:

Following the decision by the State to end Redevelopment Agencies, each Agency had to identify a Successor Agency to provide oversight to the close out of the former RDA's responsibilities.

EXECUTIVE SUMMARY:

Each year the City Council has to sit as the Successor Agency Board (to the former Redevelopment Agency) and to review the Recognized Obligation Payment Schedule (ROPS) and to approve the Agency's administrative budget.

The development of the ROPS is both time consuming and technical. The Orange Cove Successor Agency chose to hire an independent and professional group (RSG) to handle the see it through this long process.

The present agreement with RSG is about to expire and they have provided the Agency with a new proposal, which is attached.

RECOMMENDATION:

Staff feels that RSG has done an excellent job and recommends the approval of the agreement.

Prepared by: Heusser

Approved by: 

REVIEW: City Manager 

Finance: _____

City Attorney: _____

TYPE OF ITEM:

COUNCIL ACTION: APPROVED DENIED NO ACTION

- Consent
- Info Item
- Action Item
- Department Report
- Redevelopment Agency

- Public Hearing
- Matter Initiated by a Council Member
- Other
- Continued to: _____

FISCAL IMPACT:

The agreement is funded by the Successor Agency's budget.

ALTERNATIVES:

Not approve and require staff to do the technical work.

ACTIONS FOLLOWING APPROVAL: Agreement is signed.

DATE: January 25, 2018

TO: OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO ORANGE COVE
REDEVELOPMENT AGENCY

FROM: Randy Uyeda, Finance Director
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY

RE: CONSIDERATION OF A PROPOSAL FOR FISCAL YEAR 2018-19 SUCCESSOR AGENCY
CONSULTING SERVICES BY RSG, INC

RECOMMENDATION

Adopt a Resolution of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency Approving a Contract with RSG, Inc. to Provide Consulting Services to the Successor Agency through Fiscal Year 2018-19

FISCAL IMPLICATIONS:

A contract is proposed to cover Successor Agency consulting services needed through FY 2018-19. The contract will be paid out of the Successor Agency's administrative cost allowance and is within the amount approved by the Oversight Board and DOF in the Successor Agency Administrative Budget.

BACKGROUND AND OVERVIEW:

The dissolution of the Orange Cove Redevelopment Agency is complex and arduous. The City of Orange Cove requires financial, real estate, and management consulting services to help manage the numerous deadlines and requirements of Assembly Bill ("AB") x1 26, AB 1484, Senate Bill ("SB") 107, SB 341 and any new legislation that may come into effect.

Redevelopment Dissolution Consulting Services

The City of Orange Cove and the Successor Agency to the Orange Cove Redevelopment Agency have employed RSG, Inc. ("RSG") to provide consulting services related to the dissolution of the former Orange Cove Redevelopment Agency since 2012. To date, RSG has assisted with:

- Operational startup activities to create the Successor Agency, Housing Successor Entity, and Oversight Board
- Recognized Obligation Payment Schedules (ROPS) covering January 2012 to the present
- The Successor Agency's Administrative Budget for Fiscal Years 2012-13 through 2018-19
- Five-Year Cash Flow Analyses to aid preparation of the ROPS and inform other planning activities
- City Loan Agreements to cover shortfalls in prior ROPS periods

- Due Diligence Review advisory services
- Zero-Property Long Range Property Management Plan
- Review and analysis of contracts, agreements, and other documents
- Documents and presentations for City Council, Successor Agency, and Oversight Board Meetings
- Documents and presentations for meetings with State and County agencies
- Correspondence with State, County, and other agencies as needed
- General project advisory and management Services
- Legislative tracking, analysis, and advice
- Other services as needed

A new contract for administrative services is proposed in a not-to-exceed amount of \$25,000 (\$20,000 for the Successor Agency and \$5,000 for the Housing Successor) to continue providing consulting services in Fiscal Year ("FY") 2018-19.

RSG will consult on all activities required by the Dissolution Act, which may include but are not limited to:

- Financial Planning and Transition Services, including preparation of Recognized Obligation Payment Schedules (ROPS), Administrative Budgets, and Cash Flows and the transition to a countywide Oversight Board in July 2018
- Completion of the Housing Successor Agency Annual Report for Fiscal Year 2016-17 (due April 1, 2018)
- Financial Advisory Services
- Project Advisory Services
- Project Management Services
- Meeting, Agenda, Staff Report Assistance for the City Council, Successor Agency, and Oversight Board
- Meeting Preparation and Attendance with State, County and other agencies as required
- Taxing Entity Consultations
- Monitoring of Legal Requirements and Agreements
- Legislative Analysis
- Others Services as Designated

The fee stated in the proposal matches the amount proposed to the Successor Agency and Oversight Board in the FY 2018-19 Administrative Budget. Costs for services will be paid on a monthly basis as they accrue on a time and material basis by the Successor Agency.

Staff recommends that the Oversight Board:

Adopt Resolution No. OB 2018-03 Approving a Contract with RSG, Inc. to Provide Consulting Services to the Successor Agency through Fiscal Year 2018-19

RESOLUTION NO. 0B 2018-03

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE ORANGE COVE REDEVELOPMENT AGENCY
APPROVING A CONTRACT WITH RSG, INC.
TO PROVIDE CONSULTING SERVICES TO THE SUCCESSOR AGENCY
THROUGH FISCAL YEAR 2018-19**

WHEREAS, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Orange Cove Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the Dissolution Act (enacted by Assembly Bills 26 and 1484 and Senate Bill 107, as codified in the California Health & Safety Code, or "HSC"); and

WHEREAS, HSC Section 34177.3(b) states that successor agencies may create enforceable obligations to conduct the work of winding down the redevelopment agency, including acquiring necessary professional administrative services; and

WHEREAS, the Successor Agency desires to approve a contract with RSG, Inc. to provide Successor Agency consulting services through Fiscal Year 2018-19 as outlined in the proposal attached as Exhibit "A" ("RSG Contract"); and

WHEREAS, the RSG Contract is to be funded by the administrative cost allowance pursuant to HSC Section 34171(b); and

WHEREAS, the Successor Agency and Oversight Board adopted an Administrative Budget for Fiscal Year 2018-19 pursuant to HSC Section 34177(j) that included services to be provided under the RSG Contract; and

WHEREAS, HSC Section 34177(j) requires proposals for arrangements for administrative and operations services provided by a city, county, or other entity to be submitted to the oversight board for its approval; and

WHEREAS, the Oversight Board desires to approve the RSG Contract.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency does hereby resolve as follows:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference; and

SECTION 2. The Oversight Board hereby approves the RSG Contract.

SECTION 3. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Orange Cove Redevelopment Agency held this 25th day of January 2018 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson Oversight Board

ATTEST:

Oversight Board Secretary

EXHIBIT "A"
RSG PROPOSAL FOR
FY 2018-19 SUCCESSOR AGENCY CONSULTING SERVICES



BETTER COMMUNITIES. BOLDER FUTURES.

ROSENOW SPEVACEK GROUP INC.
309 WEST 4TH STREET
SANTA ANA, CALIFORNIA
92701-4502

T 714 541 4585
F 714 541 1175
E INFO@WEBRSG.COM
WEBRSG.COM

Via Electronic Mail

December 20, 2017

Mr. Randy Uyeda, Finance Director
CITY OF ORANGE COVE
633 6th St,
Orange Cove, CA 93646

**PROPOSAL FOR SUCCESSOR AGENCY ADMINISTRATIVE CONSULTING SERVICES
2018-19**

Dear Mr. Uyeda:

RSG is pleased to present this proposal to the City of Orange Cove ("City") and Successor Agency to the Redevelopment Agency of the City of Orange Cove ("Successor Agency") to provide administrative consulting services for the 2018-19 fiscal year. RSG has been working with the City and Successor Agency since the beginning of redevelopment dissolution in 2012. With RSG's assistance, the Successor Agency has overcome many hurdles and fulfilled numerous state reporting requirements. RSG would like to continue serving the Successor Agency in its capacity as Administrative Consultants and see the Successor Agency through to the end of this arduous process.

SCOPE OF SERVICES

The following scope of services proposes work related to completing the Recognized Obligation Payment Schedule ("ROPS"), the Housing Successor Agency Annual Report, and general advisory services related to these items. RSG is happy to discuss modifications as needed. RSG has identified the following tasks:

Task 1: Budget and Cash Flow

The Successor Agency has faced many challenges throughout the dissolution process, not the least of which has been budget shortfalls during Recognized Obligation Payment Schedule periods. RSG will continue to maintain a working cash flow model for the Successor Agency to anticipate any future budget shortfalls. In addition, RSG will assist the Successor Agency in working to close any budget gaps by employing a variety of methods.

Task 2: Complete Annual ROPS and accompanying Administrative Budget

The Successor Agency must submit a Recognized Obligation Payment Schedule ("ROPS") to the Oversight Board and Department of Finance annually. RSG will assist the Successor Agency in completing the ROPS 19-20 that will be due during the 2018-19 fiscal year. Should any issue arise during the Department of Finance's review of the ROPS, RSG would assist the Successor Agency in drafting a Meet and Confer request and is available to attend the meeting.

FISCAL HEALTH
ECONOMIC DEVELOPMENT
REAL ESTATE, HOUSING
AND HEALTHY COMMUNITIES

The Successor Agency must also submit an administrative budget supporting the use of the annual administrative allowance permitted by law. RSG will prepare the annual administrative budget for fiscal year 2019-20, which will be submitted along with ROPS. The Successor Agency is allowed to amend the ROPS once during the period. RSG can assist the Successor Agency if this needed arises.

Task 3: Navigate Oversight Board Transition and New Legislation

A countywide Oversight Board will replace Orange Cove's local Oversight Board effective July 1, 2018. RSG will help the Successor Agency navigate this transition. RSG will also keep abreast of new legislation and help the Successor Agency adapt and adjust their processes as needed.

Task 4: Housing Successor Agency Report

Senate Bill 341 was enacted in 2013 requiring all housing successor entities to prepare an annual report on its Low and Moderate Income Housing Asset Fund activities. The report for FY 2016-17 is due to the California Department of Housing and Community Development by April 1, 2018. RSG will work with staff to draft this report.

Task 5: Attend Meetings as Necessary

RSG will make a staff member available to the Successor Agency should they need assistance at any Successor Agency or Oversight Board meetings (up to 2 meetings each).

Task 6: Additional Administrative Services as Needed

RSG will assist the Successor Agency with any additional administrative tasks as they arise.

CONTRACT TERM

RSG's contract will begin upon approval by the City and Successor Agency and end on June 30, 2019.

PROJECT TEAM

Ms. Tara Matthews, Partner will be the principal in charge of this engagement. Suzy Kim, Senior Associate will be the Project Manager, and will be assisted by additional staff as needed.

FEE PROPOSAL

RSG will complete consulting services on a time-and-materials basis, with a not to exceed amount of **\$25,000** (\$20,000 for the Successor Agency and \$5,000 for the Housing Successor). RSG does not charge clients for mileage (except direct costs related to field surveys), parking, standard telephone/fax expenses, general postage or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material in excess of five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

Randy Uyeda, Finance Director
CITY OF ORANGE COVE
December 20, 2017
Page 3

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

HOURLY BILLING RATES:

Principal/Director	\$ 235
Senior Associate	180
Associate	160
Senior Analyst	135
Analyst	125
Research Assistant	110
Technician	80
Clerical	60
Reimbursable Expenses	Cost plus 10%

We appreciate the opportunity to submit our proposal to the City and Successor Agency, and look forward to working with you again. If you have any questions, please do not hesitate to contact me at 714-316-2116.

Sincerely,
RSG, INC.



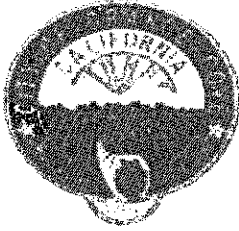
Suzy Kim
Senior Associate

APPROVED AND AUTHORIZED:

Signed: _____

Title: _____

Date: _____



OVERSIGHT BOARD REPORT TO THE BOARD

To: Chairman and Members
From: D-B Heusser, Interim Executive Director
Subject: AGENCY BOND CONSULTING
Attachment: INFORMATION FROM FINANCE DIRECTOR & PROPOSAL

BACKGROUND:

Following the decision by the State to end Redevelopment Agencies, each Agency had to identify a Successor Agency to provide oversight to the close out of the former RDA's responsibilities.

EXECUTIVE SUMMARY:

Prior to ending the RDA by the State, the Orange Cove RDA had issued a number of bonds which the Successor Agency is now responsible. There are a number of Federal and State reporting requirements. The requirements are technical and it is important to get the reports correct as it can have major impact upon the bonds, and therefore the bond holders and the Successor Agency.


The Orange Cove Successor Agency chose to hire an independent and professional group (A. M. Peche and Associates) to handle the reporting.

The present agreement with A. M. Peche and Associates is about to expire and they have provided the Agency with a new proposal, which is attached.

RECOMMENDATION:

See attached Report from the Finance Director.

Prepared by: Heusser Approved by: 

REVIEW: City Manager:  Finance: _____ City Attorney: _____

TYPE OF ITEM:	COUNCIL ACTION:	APPROVED	DENIED	NO ACTION
<input type="checkbox"/> Consent				<input type="checkbox"/> Public Hearing
<input type="checkbox"/> Info Item				<input type="checkbox"/> Matter Initiated by a Council Member
<input checked="" type="checkbox"/> Action Item				<input type="checkbox"/> Other
<input type="checkbox"/> Department Report				<input type="checkbox"/> Continued to: _____
<input type="checkbox"/> Redevelopment Agency				

FISCAL IMPACT:

The agreement is funded by the Successor Agency's budget.

ALTERNATIVES:

Not approve and require staff to do the technical work.

ACTIONS FOLLOWING APPROVAL: Agreement is signed.



Incorporated January 20, 1948

Date: January 8, 2018
To: Orange Cove Successor Oversight Board
Orange Cove Successor Agency
From: Randy Uyeda, Finance Director
Subject: A.M. Peche & Associates 2018-19 Consulting Agreement

Attachments: A.M. Peche & Associates 2018-19 Consulting Agreement

BACKGROUND

In September, 2014, the Successor Agency issued "Series 2014 Bonds" requiring annual reports under Section 3 "Provisions of Annual Reports" of the Continuing Disclosure Agreement for the issuance of the Bonds. These reports have been prepared in the past by A.M. Peche & Associates as part of an annual consultant agreement.

RECOMMENDATION

A.M. Peche & Associates has performed satisfactory in the past and is familiar with both our Bond issuance and the parties involved in the oversight of the Successor Agency. I therefore recommend we continue to use the consulting services of A.M. Peche & Associates for the ongoing reporting requirements of the Continuing Disclosure Agreement and ask that the attached consulting agreement be approved for another year.

CONSULTING SERVICES AGREEMENT

This **CONSULTING SERVICES AGREEMENT** (the "Agreement") is made and entered into as of the 25th day of January, 2018 ("Effective Date"), by and between the **Successor Agency to the Orange Cove Redevelopment Agency** (the "Agency") and **A. M. Peché & Associates LLC** ("Consultant" or "Peché & Associates LLC").

Upon the following terms and conditions of this Agreement, the Agency desires to retain Consultant to perform the following:

1. PROFESSIONAL SERVICES.

Consultant will provide services under the terms and conditions of this Agreement. The services will consist of serving in the capacity of Disclosure Advisor for the Continuing Disclosure Program for the: Orange Cove Successor Agency's Tax Allocation Refunding Bonds, Series 2014 (the "Series 2014 Bonds") issued on September 30, 2014. The Series 2014 Bonds require annual reports with information listed under Section 3 "Provision of Annual Reports" of the Continuing Disclosure Agreement signed by the Agency as part of the closing documents for these bonds. The Consultant has prepared Disclosure Reports for the under a previous fee agreement that was signed by the Agency on June 25, 2014. This Agreement will replace the prior agreement and commence with the 2016-17 Disclosure Report. Services by the Consultant will commence on the Effective Date and will terminate as provided for in Section 4 of this Agreement.

2. INVOICING AND PAYMENT.

As sole compensation for the performance of the services, the Agency will pay Consultant a fee of \$2,250.00 for each year plus approved costs and expenses. Expenses will include meals and travel costs for travel to the Agency reimbursed at the current IRS mileage reimbursement rate. Telephone, phone, fax and miscellaneous expenses will be billed at a flat fee of \$75 per year. Consultant will invoice the Agency on an annual basis. The Agency will pay each such invoice no later than thirty (30) days after its receipt. Consultant will receive no royalty or other remuneration for the production or distribution of any products developed by the Agency or by Consultant in connection with or based upon the services. Consultant will not be entitled to receive any vacation or illness payments, or to participate in any plans, arrangements, insurance or other similar benefits that the Agency makes or may make available to the Agency's employees.

3. OWNERSHIP OF WORK PRODUCT.

Consultant agrees that any and all ideas, designs, drawings, notes, computer programs, algorithms, documents, information, materials, improvements and inventions made, conceived, developed, created or first reduced to practice in the performance of the services under this Agreement shall be the sole and exclusive property of the Agency (the "Work Product"). Consultant further agrees that the Agency is, and shall be, vested with all right, title and interest in the Work Product. The provisions of this Section 3 shall survive the termination of this Agreement for any reason.

4. TERM.

The term of this Agreement shall be through the completion of the 2018-19 Report. Both Agency and Peché & Associates can decide to enter into a new agreement at that time. Either party may terminate this Agreement upon 14-days notice to the other party for any reason or no reason. In the event the City terminates this Agreement, Consultant shall cease all work immediately after receiving notice from the Agency unless otherwise advised by the Agency and shall invoice the Agency of all time, costs and expenses incurred up to such termination date. The timing of such invoice and payment shall be made without regard to the annual scheduling set forth in Section 2 of this agreement. If neither party terminates this Agreement, this Agreement shall continue in effect until time mutually agreed upon by the parties.

5. INDEPENDENT CONTRACTOR.

Consultant is an independent contractor and is not an agent or employee of the Agency. Consultant has no authority to bind the Agency by contract or otherwise. Consultant will perform the professional services under the general direction of the Finance Director of the City of Orange Cove or his designee, subject to the requirement that Consultant shall at all times comply with applicable law.

6. WARRANTY.

Parties recognize the fact that the services require specialized skills and experience on the part of the Consultant. Consultant warrants that the services hereunder will be of a professional quality conforming to generally accepted industry standards and practices and that Consultant shall maintain all required licenses and certification necessary for performance of the services under this contract and shall ensure that the reports required under this Agreement are filed timely.

Agency has reread the Continuing Disclosure Agreement for the Series 2014 Bonds. Agency warrants that it will provide Consultant with accurate information that can be relied upon to complete the Disclosure Reports. In addition to any of the information expressly required to be provided under the Continuing Disclosure Certificate for the Series 2014 Bonds, the Agency shall provide such further information, if any, as may be necessary to make the specifically required information, in the light of the circumstances under which they are made, not misleading. This is the industry standard for continuing disclosure.

The Agency acknowledges that the Consultant will not independently verify any of the data or information provided to the Consultant, nor will the Consultant conduct a detailed investigation of the affairs of the Agency or Redevelopment Agency to determine the accuracy or completeness of the information gathered in the preparation of the Disclosure Report.

7. NON-MUNICIPAL ADVISOR

In providing Disclosure preparation, Consultant is not serving in the role of a Municipal Advisor, or provide services as a Municipal Advisor, unless engaged by Agency or the City of Orange Cove in a separate agreement in that role.

8. GOVERNING LAW.

This Agreement will be governed by and construed in accordance with the laws of the State of California excluding that body of law pertaining to conflict of laws.

9. NOTICE.

All notices, including notices of address changes, required to be sent hereunder shall be in writing and shall be deemed to have been given when mailed to the addresses listed below:

(a) **City of Orange Cove and the Successor Agency to the Orange Cove Redevelopment Agency:** Finance Director, 633 Sixth Street, Orange Cove, CA 93646.

(b) **Consultant:** Albert M. Peché, Manager, A. M. Peché & Associates LLC, 1025 Morton Street, Alameda CA 94501-3904

11. SEVERABILITY.

In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement will remain in full force and effect.

12. ASSIGNMENT.

Peché & Associates LLC may assign this Agreement to a successor firm without the necessity of obtaining the consent of the Agency. Peché & Associates LLC agrees to give 14-days notice of assignment to the Agency and upon receipt of such notice Agency agrees to make all payments to the assignee designated in the assignment.

13. WAIVER.

The waiver by either party of any default or breach of this Agreement shall not constitute a waiver of any other or subsequent default or breach.

14. EQUITABLE REMEDIES.

Because the services are personal and unique and because Consultant will have access to the Agency's confidential information, the Agency will have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief without prejudice to any other rights and remedies that the Agency may have for a breach of this Agreement.

15. ENTIRE AGREEMENT.

This Agreement constitutes the complete agreement between the parties and supersedes all previous agreements or representations, whether written or oral, with respect to the subject matter described herein. This Agreement may not be modified or amended except in writing signed by a duly authorized representative of each party. It is expressly agreed that any terms and

conditions of Consultant's invoices shall be superseded by the terms and conditions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed the **CONSULTING SERVICES AGREEMENT** as of the date set forth in the first paragraph hereof.

**SUCCESSOR AGENCY TO THE
ORANGE COVE REDEVELOPMENT AGENCY**

CONSULTANT

Randy Uyeda
Finance Director
City of Orange Cove

Albert M. Peché
Manager
A. M. Peché & Associates LLC