

CITY OF CAMPBELL OVERSIGHT BOARD

MINUTES

*FEBRUARY 1, 2016
CITY HALL COUNCIL CHAMBERS*

The Oversight Board meeting of February 1, 2016, was called to order at 2:00 p.m. in the Council Chambers, 70 North First Street, Campbell, California by Chair Maduli and the following proceedings were had, to wit:

CALL TO ORDER - ROLL CALL

Board Members Present

Ed Maduli, Chair
Susan Fuller
Suzanne Carrig
Colleen Martin
Dan Furtado
Jesse Takahashi
Tommy Nguyen (Alternate for Tony Filice)

Guest(s) Present

None

Staff Present

Sharif Etman
Shannon Brangan,
Recording Secretary

Board Members Absent

Tony Filice

APPROVAL OF MINUTES

Motion: Upon motion of Member Fuller, seconded by Member Furtado, the minutes of the Oversight Board meeting of September 9, 2015, were approved as submitted (6-0-1; Board Member Carrig abstained).

AYES: Fuller, Martin, Furtado, Takahashi, Nguyen, and Maduli
NOES: None
ABSENT: None
ABSTAIN: Carrig

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

Elect Vice-Chair for Oversight Board

Chair Maduli asked if there were any volunteers or nominations for the position of Vice-Chair of the Board. Member Martin volunteered to be Vice-Chair.

Motion: Upon motion of Member Furtado, seconded by Member Fuller, Member Martin was voted unanimously as Vice-Chair. (7-0)

Approve the ROPS 16-17 including the Administrative Budget

Chair Maduli asked if there were any questions or issues from the Board regarding the ROPS. There were none.

Member Takahashi explained that with the passage of SB 107, there were some recent changes to the ROPS process. One change was to extend the ROPS period to 12 months, consisting of two 6-month periods. The ROPS will only be submitted once per year now and the new submittal date is now February 1st of every year.

In addition, the administrative cost provision changed effective July 1, 2016, to be 3% of the adjusted RPTTF distributed in the previous fiscal year. As mentioned in the staff report, Santa Clara County has taken an approach different from all the other counties in the State in that they are not allowing the minimum administrative allowance as specified by SB 107. Member Takahashi expressed his concern as a Board Member regarding this approach to calculating the administrative costs. Campbell's Successor Agency did prepare and submit its administrative allowances as it has done prior to SB 107, despite the fact it may result in a possible underpayment of fund based on what is allowed by the State.

Member Takahashi reviewed the outcome of the Meet and Confer with SA staff and the DOF that took place on November 10, 2015. The DOF still refused to approve as submitted, but indicated it might reconsider if the SA can provide certain records to support the expense. Item 8 remains on the ROPS as a holdover from the last ROPS, as SA is still working with the DOF to resolve this.

As mentioned in the staff report, Item 9 is a new item that is needed in order to comply with the debt service requirements of the 2002 and 2005 tax allocation bond indentures. Staff anticipates additional increases will be needed in the future.

The County has reviewed the ROPS and issued a Letter of No Objection on the above mentioned items.

Chair Maduli asked if there were any further questions. There were none.

Chair Maduli asked for a motion to approve the ROPS and corresponding administrative budget.

Motion: Upon motion of Member Furtado, seconded by Member Martin, the Oversight Board adopted Resolution #2016-01 approving the Recognized Obligation Payment Schedule (ROPS 16-17) and Administrative Budget for the period covering July 1, 2016, through June 30, 2017, as submitted (7-0):

AYES: Carrig, Fuller, Martin, Furtado, Takahashi , Nguyen, and Maduli
NOES: None
ABSENT: None
ABSTAIN: None

Debt Refinancing Opportunity

Successor Agency staff is working with a financial advisor to explore opportunities for refinancing the existing Tax Allocation Bonds as well as the City's Certificates of Participation for which the SA is obligated to pay for a portion of the debt service. The process is expected to be completed over the next four months and will require approval of the Oversight Board. Staff expects that an OB meeting will need to convene within the next two months to provide formal approval to move forward.

ORAL REQUESTS

None

ADJOURNMENT

Chair Maduli adjourned the Oversight Board meeting at 2:12 p.m. to the next meeting on a date uncertain.

Respectfully submitted,
Shannon Brangan, Recording Secretary