



November 14, 2018

Oyster Point Marina

Agreement with City of
South San Francisco



- Ongoing since last Committee meeting 4/17/18
- Update to this Commission 7/18/18
- Update to this Commission 10/4/18
- Agendized for 10/17/18; not heard
- Focus on protection for District and City
- Need flexibility to address changing conditions
- All subject to Commission/Council approval

Discussions

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Outcomes

- Term:
 - Old agreement – 49 years
 - New agreement – 15 years, with options to extend
- Responsibilities, SLR:
 - Protection against SLR – old agreement – silent
 - New agreement – City
- Responsibilities, subsidence:
 - Old agreement – silent
 - New agreement – City
- Responsibilities, water quality:
 - Old agreement – silent
 - New agreement - City



- Responsibilities, general maintenance:
 - Old agreement – unclear
 - New agreement – clear, with OPIs and reciprocal default provisions; opportunities for CM and DGM to collaborate
- Responsibilities, Harbormaster Road inundation:
 - Old agreement – silent
 - New agreement – City
- Responsibilities, marina facilities:
 - District

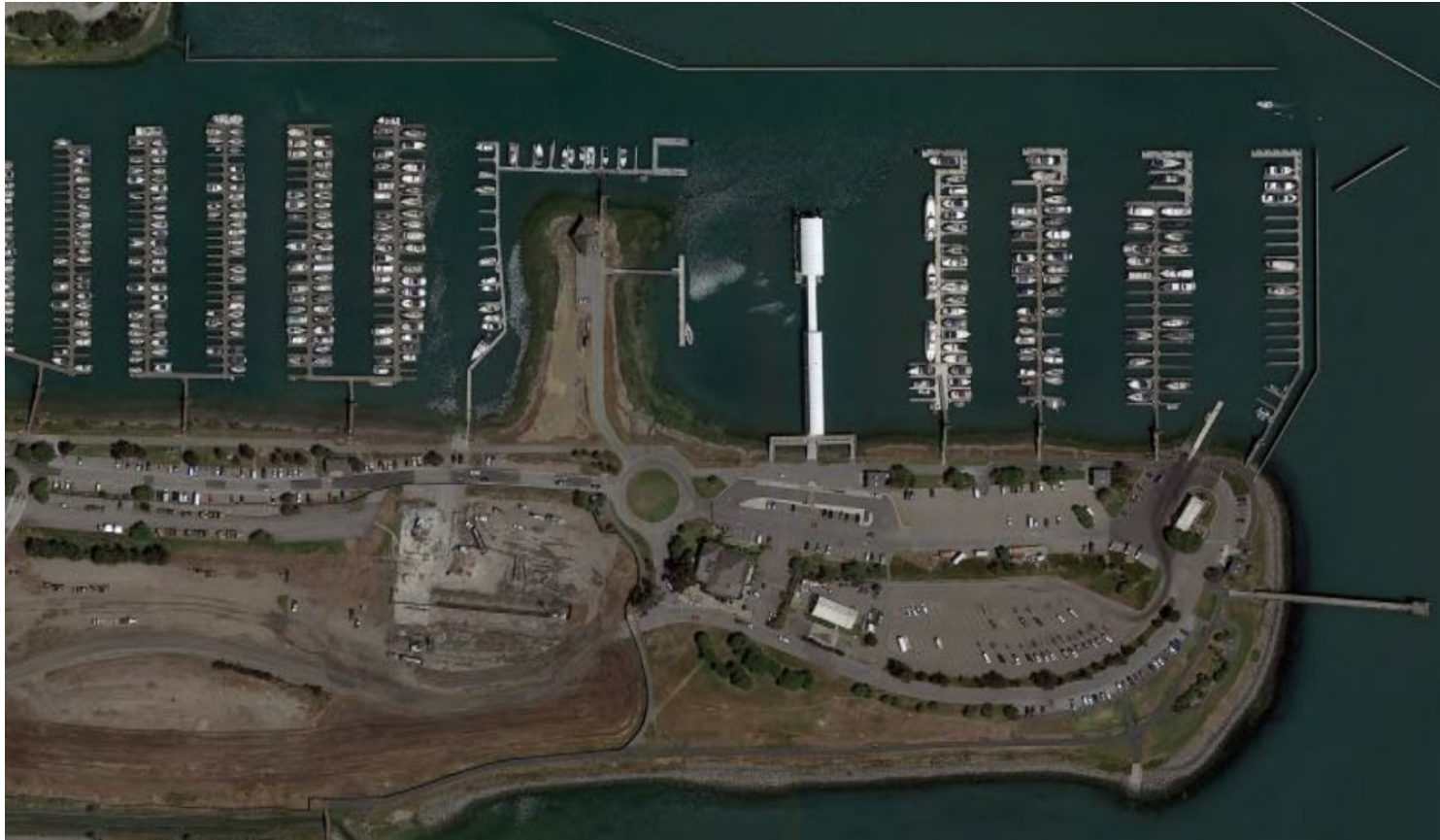
Outcomes



DRAFT Agreement

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- Many thanks to:
 - Director of Operations John Moren
 - District Counsel Steven Miller
 - City Manager Mike Futrell
 - Asst. City Manager Marian Lee
 - City Attorney Jason Rosenberg



- Pages 1 - 3, Sec. 1 - 9
- Property description
- History:
 - 1977 JPA
 - 2011 MOU
 - 2017 IA
- Goals for this Agreement

Recitals

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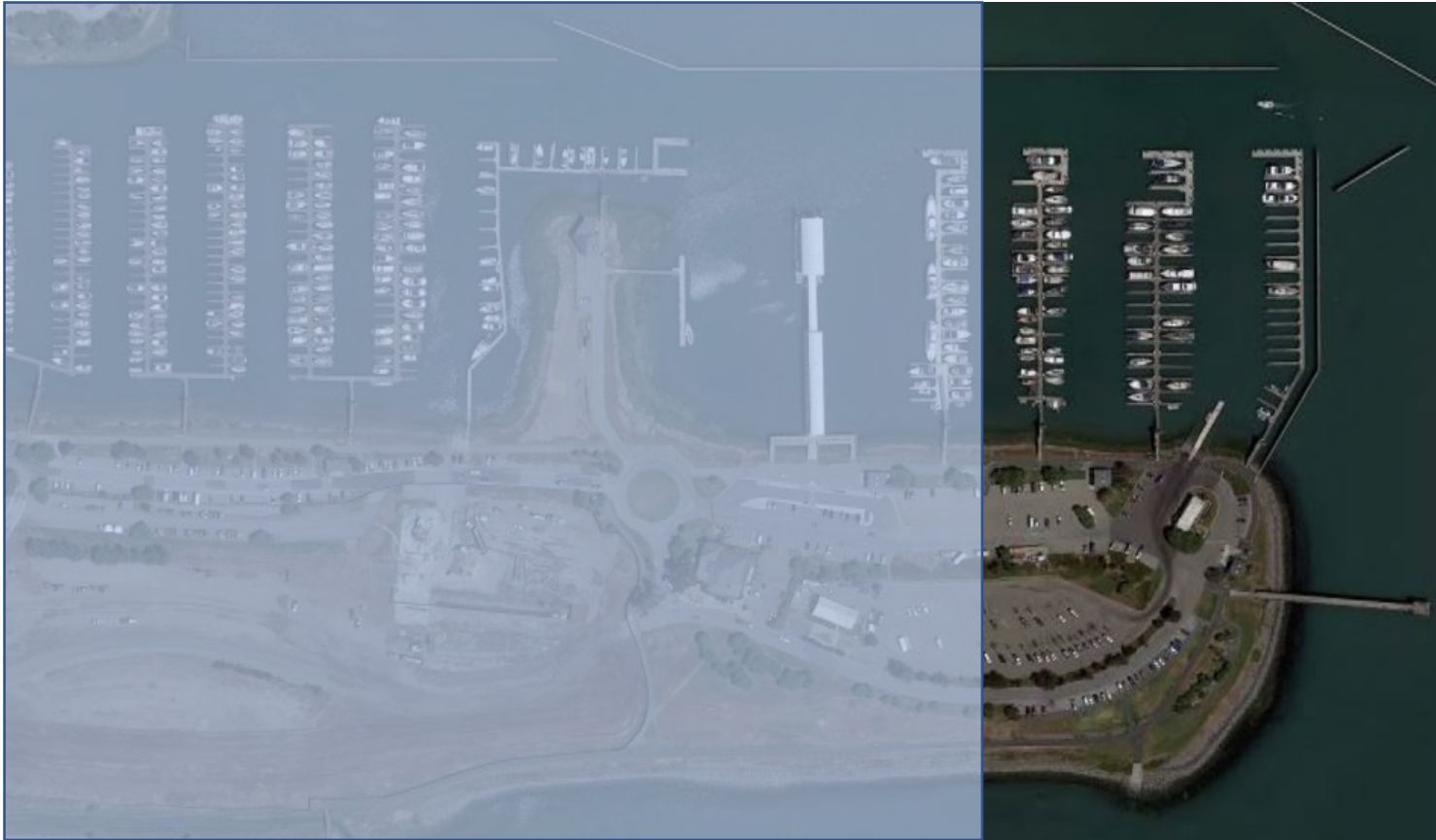
Other Agreements

- Page 3, Sec. 2
- 1977 JPA goes away
- 2011 MOU/Agreement stays
- 2017 Implementation Agreement stays



- Page 4, Sec. 3
- Initial term 15 years
- Automatic renewal for two additional 10 year terms, unless:
 - Default by either party
 - Choice of either party not to renew; requires two years notice

Term



Obligations of District

- Page 4, Sec. 4.A
- Replace Docks 12, 13, 14
 - Reasonable effort to do so by 12/31/24
 - Estimated cost of \$5 million



Obligations of District

- Page 4, Sec 4.B
- Replace Docks 1 – 6
 - Commission a report by 12/31/23
 - Prepare a plan for Commission
 - If replacement not begun by 2024, commission a new study prior to each new term of agreement



Obligations of District

- Page 5, Sec 4.C, D, E
- Operate and Maintain Marina Area and East Landside
 - Includes relevant parts of West Landside (restrooms)
 - District General Manager (DGM) and City Manager (CM) cooperate on efficient O&M
 - Maintain HM office and access
 - Meet Operational Performance Indicators (OPIs) (Exhibit D)
 - Dredging
 - Consult with City on leases; City approval required if > 10 years
 - District retains all operating revenue



Obligations of City

- Page 6, Sec 5, A - G
- Provide sewer, police, fire
- Operate and Maintain West Landside
- If District required to vacate HM office, City provides alternate, suitable space
- Solely responsible for protecting against SLR
- Solely responsible for protecting against inundation caused by landfill subsidence
- Solely responsible for corrective actions necessitated by subsidence, unless caused by District
- Solely responsible for meeting standards imposed by other agencies
- Meet and confer on concurrent responsibility



Obligations of Both Parties

- Page 7, Sec. 6, A - C
- DGM and CM meet regularly, prepare Annual Report
- DGM and CM manage compliance with OPIs
 - Shared maintenance when more efficient/cost effective (eg solid waste, janitorial services)
- Water quality
 - District responsible in Marina for its actions, those of tenants
 - City responsible for groundwater / leachate / stormwater



Obligations of Both Parties

- Page 8, Sec. 6 D, E
- Governance:
 - City and District each establish standing committees
 - Committees meet jointly annually to, at minimum, receive Annual Report
- Indemnification:
 - Mutual
 - City also indemnifies District for SLR, subsidence



Obligations of Both Parties

- Page 9, Sec. 7
- Survey:
 - Perform detailed survey to establish bounds of responsibility
 - As area is developed, bounds may change; CM and DGM authorized to approve



Obligations of Both Parties

- Page 9, Sec 8
- Annual Report
 - Compliance with OPIs
 - Budget re Fueling Infrastructure
 - Marina planning
 - District financial reports related to OPM
 - District capital asset schedule



Termination

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- Page 10, Sec. 9 A, B
- By either party deciding not to renew
- By City:
 - District's breach of agreement
 - District's failure to substantially meet OPIs
 - Not maintain 80% of average Bay Area marina occupancy for 2 years
 - District's failure to operate the Marina for 30 days
 - District not in default if matters outside of its control
 - One year notice, less if mutually agreeable



Termination

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- Page 11, Sec. 9 C
- By District:
 - City's breach of agreement
 - City's failure to substantially meet OPIs
 - City not in default if matters outside of its control
 - One year notice, less if mutually agreeable



Termination Procedures

- Page 12, Sec. 9 D
- On termination:
 - May be damages to either party, regardless of cause for termination. Claim submitted to arbitration.
 - Both parties agree to cooperate



Termination Procedures

- Page 12, 13 Sec. 9 D. i, ii
- On termination by City:
- City keeps everything, except:
- District keeps personal property (vehicles, vessels, equipment etc)
- City may assume leases; retains revenue
- City pays District depreciated value of assets
 - Payment schedule no less than depreciation
- Disputes resolved through arbitration



Termination Procedures

- Page 14, 15 Sec. 9 D. iii, iv
- On termination by District:
- City keeps everything, except:
- District keeps personal property (vehicles, vessels, equipment etc)
- City may assume leases; retains revenue
- City pays District depreciated value of assets
 - Payment schedule no less than depreciation
- Disputes resolved through arbitration

Exhibit A
Oyster Point Operations/Maintenance
Responsibility Map



- Exhibit A
Marina Map

Exhibit A: Marina Map



Exhibit B: 2011 Agreement

- **Exhibit B**

2011 Agreement

- City/RDA Development Agreement
- Dock Improvements
- Wave attenuators
- District office space
- Development potential



- **Exhibit C**

2017 Implementation Agreement

- Termination of Leases
- Removal of land subject to JPA
- Access to marina property during construction
- Formation of CFD to fund fueling infrastructure
- No CFD then, either District chooses to pay or returns all to City
- \$90,000 to District for short term repairs

Exhibit C: 2017 Implementation Agreement



Exhibit D: Operational Performance Indicators (OPIs)

- Exhibit D

Operational Performance Indicators

- 1) Marina Occupancy: Endeavor to maintain at $> 80\%$ of Bay Area mean for eight quarters (District only)
- 2) Streets and parking: in good repair; endeavor to maintain PCI > 80 , not < 45 ; Ponding water on impervious surface: remediate if area > 32 s.f. and 1" in depth
- 3) Landscaping: maintained, trimmed with functional irrigation



Exhibit D: Operational Performance Indicators (OPIs)

- Exhibit D

- 4) Solid waste: no accumulation; trashcans emptied; recycling available
- 5) Restrooms: Fixtures operational; adequate supplies; checked daily
- 6) Building shells: no leaks, broken windows; exterior paint in reasonable condition



Exhibit D: Operational Performance Indicators (OPIs)

- Exhibit D

- 7) Trails and public areas: In good repair
- 8) Stormwater: Compliance with City's SWPPP (City only)
- 9) Environmental protection: District to maintain 'Clean Marina' certification



Next Steps:

- Agreement to return to this Commission for discussion / action
- Agreement to City Council for discussion / action

Next steps