CALL TO ORDER OF ANNUAL MEETING/ PLEDGE OF ALLEGIANCE/ ROLL CALL

PUBLIC COMMENTS: The public is encouraged to address the San Pablo EDC Board on any matter listed on the agenda or any other matter within its jurisdiction subject to the rules of decorum to be described and acted on by the Board. If you wish to address the Board, please email saeidb@sanpabloedc.org with “Speaker Form” in the subject line or complete a speaker form in person. The Board will hear public comments on items listed on the agenda during discussion of the matter and prior to a vote.

EXECUTIVE DIRECTOR REMARKS

CONSENT AGENDA
All matters listed in the Consent Agenda section will be considered routine by the Board and will be enacted by one motion. The disposition of the item is indicated. There will be no separate discussion of these items. If discussion is requested, that item will be removed from the section entitled Consent Agenda and will be considered separately.

CONSENT AGENDA (8 items)
1. Minutes of the May 17, 2023 regular meeting (3-4)
   Recommendation: Approve
2. San Pablo EDC FY22-23 Financial Statements ending April 30, 2023 (5-11)
   Receive and file
3. Resolution authorizing fiscal year 2023-24 Rising Sun Center for Opportunity Agreement renewal for pre-apprenticeship in construction trades and placement services (12-20)
   Recommendation: Approve
4. Resolution authorizing fiscal year 2023-24 Green & Fair Janitorial MOU renewal for Mission Plaza Parking Lot Sweeping Services and ratifying budget expense of $6,660 (21-34)
   Recommendation: Approve

5. Resolution authorizing fiscal year 2023-24 Enviro Views, Inc. MOU renewal for Mission Plaza landscaping services and ratifying budget expense of $3,000 (35-47)
   Recommendation: Approve

6. Resolution authorizing fiscal year 2023-24 Contra Costa College MOU renewal for education, training and childcare services and ratifying inclusion in Measure S budget expense (48-66)
   Recommendation: Approve

7. Resolution authorizing fiscal year 2023-24 Michael’s Transportation Services Training Academy MOU renewal for job training services and ratifying inclusion in Measure S budget expense (67-81)
   Recommendation: Approve

8. Resolution authorizing fiscal year 2023-24 Vasco Career College MOU for healthcare career training certifications and ratifying inclusion in Measure S budget expense (82-97)
   Recommendation: Approve

*** END OF CONSENT AGENDA ***

REGULAR AGENDA – ITEMS FOR DISCUSSION

1. Resolution adopting Fiscal Year 2023-24 Budget composed of a total income budget of $2,080,551 and a total expense budget of $1,799,235 (98-104)
   Recommendation: Approve & Adopt

ADJOURNMENT
Adjourn to next regular meeting is scheduled for Wednesday, July 19, 2023, at 6:00 pm.
ROLL CALL
The Board of Directors (Board) meeting was called to order at 6:17 PM in the San Pablo Economic Development Corporation (San Pablo EDC) Offices at 1000 Gateway Avenue, First Floor, San Pablo, California. Present were Vice Chair Genoveva Calloway, Treasurer Kanwar Singh and Director Patricia Ponce. Also present were Executive Director Leslay Choy and Board Secretary Saeid Babay Hosseini. Chair Xavier Abrams and Director Saman Farid had an excused absence.

PUBLIC COMMENTS
There were no public comments.

EXECUTIVE DIRECTOR REMARKS
Executive Director Choy updated the Board on the staff vacancy, encouraging the board to recommend qualified individuals who demonstrate a passion for business engagement and the community EDC serves. She also encouraged board members to attend the June 5th City Council presentation of a certificate of recognition to the 2023 San Pablo Small Business of the Year.

CONSENT AGENDA
1. Minutes of the April 13, 2023 regular meeting
   Recommendation: Approve

2. San Pablo EDC FY22-23 Financial Statements ending March 31, 2023
   Recommendation: Receive and file

3. Resolution authorizing execution of two-year memorandum of understanding for fiscal years 23-24 and 24-25 with Voler Strategic the amount of $48,000 per year contingent upon ratification of the annual budget
   Recommendation: Approve

4. Resolution authorizing rescheduling the June board meeting to Thursday, June 15, 2023 at 6:00 PM
   Recommendation: Approve

It was moved by Director Ponce, seconded by Treasurer Singh, and passed by a vote of those present to adopt the items on the Consent Agenda. The motion passed as follows:

AYES: Calloway, Ponce, Singh
NOES: None
ABSTAIN: None
ABSENT: Abrams, Farid

Minutes for May 17, 2023
REGULAR AGENDA

Resolution adopting fiscal year 2022-23 mid-year budget

Executive Director Choy introduced the item, elaborating on the reallocation of funds from employment support services to the San Pablo Scholarship for Contra Costa College graduates. Following board discussion, it was moved by Treasurer Singh, seconded by Director Ponce, and passed by a vote of those present to adopt RESOLUTION SPEDC2023-012, a resolution to adopt the fiscal year 2022-23 mid-year budget.

AYES: Calloway, Ponce, Singh
NOES: None
ABSTAIN: None
ABSENT: Abrams, Farid

Resolution to authorize the opening of a Money Market Account and transfer of funds from checking account in the amount of $2,000,000 at the San Pablo branch of Mechanics Bank

Executive Director Choy introduced the item, summarizing the Finance Committee’s recommendation supported by the Controller. Characteristics of the Money Market Account were discussed in detail, as well as its use as an interim investment while the Finance Committee helps draft an investment policy for the organization. Following board discussion, it was moved by Director Ponce seconded by Vice Chair Calloway, and passed by a vote of those present to adopt RESOLUTION SPEDC2023-013, a resolution to authorize the opening of a Money Market Account and transfer of funds from the EDC’s checking account in the amount of $2,000,000 at the San Pablo branch of Mechanics Bank.

AYES: Calloway, Ponce, Singh
NOES: None
ABSTAIN: None
ABSENT: Abrams, Farid

ADJOURNMENT

It was moved by Director Ponce and seconded by Treasure Singh to adjourn the meeting at 6:36 PM to the next regular meeting scheduled for Wednesday, June 15, 2023 at 6:00 PM.

Respectfully submitted,

______________________________________
Saeid Babay Hosseini, Board Secretary

_____________________________________
Genoveva Calloway, Vice Chair

Minutes for May 17, 2023
DATE: June 15, 2023
TO: San Pablo EDC Board
FROM: Leslay Choy, Executive Director
       Bradley Ward, Controller
SUBJECT: SAN PABLO ECONOMIC DEVELOPMENT CORPORATION FISCAL YEAR 2022-23 FINANCIAL STATEMENTS THROUGH APRIL 2023

RECOMMENDED ACTION
The Executive Director and Controller recommend the Board of Directors:
   1. Receive and file report.

BACKGROUND
As part of its ongoing fiduciary oversight, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) reviews the organization’s financial reports. These reports are received and reviewed in advance by Board Treasurer and Finance Committee member, Kanwar Singh. Financials compare year-to-date expenses to annual budget in a format recommended by Treasurer Singh.

Invoice demands for the reimbursement-based National Dislocated Worker Grant (NDWG) in the amount of $150,000 (effective 09/01/2022 – 03/28/2023) have been fully submitted and approved. All goals were met or exceeded despite the extraordinarily short timeline. At its May 17, 2023 meeting, the Board approved the mid-year budget adjustment, which modestly lowered revenue and expense while rebalancing expenses.

ANALYSIS OF FINANCIAL REPORTS
Attached is a set of financial reports through April 2023. The lead item is the balance sheet, which shows the organization’s financial position as of April 30, 2023. The April balance sheet reflects assets of $4,826,084, liabilities of $1,981,850 and equity of $2,844,233. Note that the COSP 120 funds administered on behalf of the City of San Pablo for the B2B and Mini-BIGs programs reflect a multi-year contract total of $900,000 less revenue earned as of each financial close on the balance sheet under account 25800 “Unearned or Deferred Revenue.” This is also where the unearned portion of the professional services agreement with the City of San Pablo for general operations resides, and changes the month over month liabilities, reducing as the year advances.

The second section of the report is the year-to-date profit and loss (P&L) total statement through April 30, 2023 with comparison to budget. The P&L statements are presented as a summary of the Total Budget for Operations, Measure Q and Total Grants, followed by detailed operations for each budget class. The first column represents year-to-date (YTD) revenue and expenses by budget item; second column represents total budget; third column represents year-to-date variance to budget. EDC recognizes income on an accrual basis.

The first part of the Total P&L statement is revenue (income). April YTD has total income of $1,718,899, representing 85% of budgeted income with 83% of the year complete. Corporate sponsorship revenue comes in the final two months of the fiscal year.

The second part of the P&L represents expenses, the bulk of which are 62100 Contract Services, 65000 Operations and 66000 Payroll. YTD expenses were $1,041,140 or 64% of the annual budget. Given multiple May-June events, expenses will catch up by fiscal year end (FYE).

Monthly non-cash depreciation of $3,739 for the EDC’s commercial building asset, Mission Plaza, is accounted for as “other expense” in account 70100, as it does not affect operations. By classifying it this
way, the EDC separates operations and cash usage from non-cash activity. This is referred to as EBITDA or earnings before interest, taxes, depreciation and amortization.

Overall, the organization is in good financial standing and is operating in the black. The FY22-23 mid-year budget adjustment is also in front of the Board, so these financials provide a sound basis for that discussion. Executive Director Choy and Controller Ward are mindful of sustained inflation and economic recession impacts.

**Attachments**

1. San Pablo EDC FY22-23 Financial Statements for April 2023
# San Pablo Economic Development Corporation

## Balance Sheet

**As of April 30, 2023**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>Apr 30, 23</th>
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</thead>
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<td><strong>CURRENT ASSETS</strong></td>
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<td></td>
</tr>
<tr>
<td>Checking/Savings</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>10000 · SPEDC Checking Account</td>
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<td>3,073,822.66</td>
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<tr>
<td>11000 · Accounts Receivable</td>
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<td>372,523.63</td>
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<tr>
<td>Total Accounts Receivable</td>
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<td>372,523.63</td>
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<td>Other Current Assets</td>
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<td>10100 · Petty Cash</td>
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<td></td>
<td>100.00</td>
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<tr>
<td>12000 · Undeposited Funds</td>
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<td>63,118.36</td>
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<tr>
<td>13000 · Prepaid Expenses</td>
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<td>706.00</td>
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<tr>
<td>Total Other Current Assets</td>
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<td>63,924.36</td>
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<td><strong>TOTAL CURRENT ASSETS</strong></td>
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<td>3,510,444.10</td>
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<td><strong>FIXED ASSETS</strong></td>
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<td>Buildings - Operating</td>
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<td>1,540,000.00</td>
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<tr>
<td>Accumulated Depreciation</td>
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<td>(224,359.88)</td>
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<td><strong>TOTAL FIXED ASSETS</strong></td>
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<td>1,315,640.12</td>
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<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td></td>
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<td></td>
<td>4,826,084.22</td>
</tr>
</tbody>
</table>

| LIABILITIES & EQUITY | | | | | |
| **LIABILITIES** | | | | | |
| Current Liabilities | | | | | |
| Accounts Payable | | | | | |
| 20000 · Accounts Payable | | | | | 54,750.42 |
| Total Accounts Payable | | | | | 54,750.42 |
| Credit Cards | | | | | |
| 20500 · SPEDC Credit Card | | | | | 3,428.08 |
| Total Credit Cards | | | | | 3,428.08 |
| Other Current Liabilities | | | | | |
| Payroll Liabilities | | | | | |
| 24000 · Payroll Liabilities | | | | | |
| 24100 · Federal Taxes 941 | | | | | (0.02) |
| 24200 · California PIT / SDI | | | | | 0.01 |
| 24250 · California SUI / ETT | | | | | 67.50 |
| 24300 · Health Insurance | | | | | 1,961.58 |
| Total 24000 · Payroll Liabilities | | | | | 2,029.07 |
| Unearned or Deferred Revenue | | | | | 593,750.00 |
| Repair credit for Mission Plaza | | | | | 24,293.29 |
| Security Deposit | | | | | 3,600.00 |
| Total Other Current Liabilities | | | | | 623,672.36 |
| **TOTAL CURRENT LIABILITIES** | | | | | 681,850.86 |
| **LONG TERM LIABILITIES** | | | | | |
| Notes, Mortgages, and Leases | | | | | 1,300,000.00 |
| **TOTAL LONG TERM LIABILITIES** | | | | | 1,300,000.00 |
| **TOTAL LIABILITIES** | | | | | 1,981,850.86 |
| **EQUITY** | | | | | |
| Operations Net Assets | | | | | 2,330,810.12 |
| Meas Q Net assets | | | | | 143,058.08 |
| Net Income | | | | | 370,365.16 |
| **TOTAL EQUITY** | | | | | 2,844,233.36 |
| **TOTAL LIABILITIES & EQUITY** | | | | | 4,826,084.22 |
### Total Operations

<table>
<thead>
<tr>
<th></th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ordinary Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Public Support</td>
<td>3,286.81</td>
<td>15,000.00</td>
<td>(11,713.19)</td>
<td>21.91%</td>
</tr>
<tr>
<td>Government Contracts</td>
<td>468,750.00</td>
<td>562,500.00</td>
<td>(93,750.00)</td>
<td>83.33%</td>
</tr>
<tr>
<td>Government Grants</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>234.67</td>
<td>200.00</td>
<td>34.67</td>
<td>117.34%</td>
</tr>
<tr>
<td>Other Types of Income</td>
<td>25,802.51</td>
<td>30,000.00</td>
<td>(4,197.49)</td>
<td>86.01%</td>
</tr>
<tr>
<td>Program Income</td>
<td>204,787.91</td>
<td>231,400.00</td>
<td>(26,612.09)</td>
<td>88.5%</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>702,861.90</td>
<td>839,100.00</td>
<td>(136,238.10)</td>
<td>83.76%</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awards and Grants</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Expenses</td>
<td>4,744.42</td>
<td>7,500.00</td>
<td>(2,755.58)</td>
<td>63.26%</td>
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<tr>
<td>Contract Services</td>
<td>59,158.62</td>
<td>66,425.00</td>
<td>(7,266.38)</td>
<td>89.06%</td>
</tr>
<tr>
<td>Facilities and Equipment</td>
<td>1,704.52</td>
<td>4,850.00</td>
<td>(3,145.48)</td>
<td>35.15%</td>
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<tr>
<td>Operations</td>
<td>105,317.30</td>
<td>141,760.00</td>
<td>(36,442.70)</td>
<td>74.29%</td>
</tr>
<tr>
<td>Other Types of Insurance</td>
<td>25,762.56</td>
<td>33,714.00</td>
<td>(8,951.44)</td>
<td>76.42%</td>
</tr>
<tr>
<td>Payroll Expenses</td>
<td>153,172.73</td>
<td>307,980.00</td>
<td>(154,807.27)</td>
<td>49.74%</td>
</tr>
<tr>
<td>Benefits</td>
<td>76,304.71</td>
<td>97,747.00</td>
<td>(21,442.29)</td>
<td>78.06%</td>
</tr>
<tr>
<td>Travel and Meetings</td>
<td>(103.55)</td>
<td>8,500.00</td>
<td>(8,603.55)</td>
<td>(1.22%)</td>
</tr>
<tr>
<td>Operational Contingency</td>
<td>4,800.00</td>
<td>4,800.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Service Charges</td>
<td>417.37</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td>426,478.68</td>
<td>673,276.00</td>
<td>(246,797.32)</td>
<td>63.34%</td>
</tr>
<tr>
<td><strong>Net Ordinary Income</strong></td>
<td>276,383.22</td>
<td>165,824.00</td>
<td>110,559.22</td>
<td>166.67%</td>
</tr>
<tr>
<td><strong>Other Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>37,393.30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mini-BIG's</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Back to Business</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Other Expense</strong></td>
<td>37,393.30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Other Income</strong></td>
<td>(37,393.30)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>238,989.92</td>
<td>165,824.00</td>
<td>73,165.92</td>
<td>144.12%</td>
</tr>
</tbody>
</table>
### San Pablo Economic Development Corporation

#### Profit & Loss Budget vs. Actual

**July 2022 through April 2023**

<table>
<thead>
<tr>
<th>Ordinary Income/Expense</th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>43400 Direct Public Support</td>
<td>179,166.70</td>
<td>215,000.00</td>
<td>(35,833.30)</td>
<td>83.33%</td>
</tr>
<tr>
<td>44400 Government Contracts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>44500 Government Grants</td>
<td>179,166.70</td>
<td>215,000.00</td>
<td>(35,833.30)</td>
<td>83.33%</td>
</tr>
<tr>
<td>45000 Investments</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>46400 Other Types of Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>47200 Program Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Income</td>
<td>179,166.70</td>
<td>215,000.00</td>
<td>(35,833.30)</td>
<td>83.33%</td>
</tr>
</tbody>
</table>

| Gross Profit            | 179,166.70     | 215,000.00 | (35,833.30)   | 83.33%      |

| Expense                 |                 |        |               |             |
| 60300 Awards and Grants | 2,500.00        | 5,000.00 | (2,500.00)    | 50.0%       |
| 60900 Business Expenses | 610.03          | 330.00  | 280.03        | 184.86%     |
| 62100 Contract Services | 63,969.12       | 174,225.00 | (110,255.88) | 36.72%      |
| 62800 Facilities and Equipment | 24,758.27 | 36,350.00 | (11,591.73) | 68.11% |
| 65000 Operations        | 75,360.16       | 100,833.00 | (25,472.84) | 74.74%      |
| 65100 Other Types of Insurance | 12,565.10 | 32,262.00 | (19,696.90) | 38.95%      |
| 66000 Payroll Expenses  |                 |        |               |             |
| 66500 Benefits          |                 |        |               |             |
| 68300 Travel and Meetings |               |        |               |             |
| 69000 Operational Contingency |               |        |               |             |
| 69010 Bank Service Charges |               |        |               |             |
| Total Expense           | 179,762.68     | 349,000.00 | (169,237.32) | 51.51%      |

| Net Ordinary Income     | (595.98)        | (134,000.00) | 133,404.02   | 0.45%       |

| Other Income/Expense     |                 |        |               |             |
| Other Expense            |                 |        |               |             |
| 70100 Depreciation & Amortization |       |        |               |             |
| 71500 Mini-BIG's         |                 |        |               |             |
| 71600 Back to Business  |                 |        |               |             |
| Total Other Expense     |                 |        |               |             |

| Net Other Income        | (595.98)        | (134,000.00) | 133,404.02   | 0.45%       |
### San Pablo Economic Development Corporation
#### Profit & Loss Budget vs. Actual
**July 2022 through April 2023**

#### Ordinary Income/Expense

<table>
<thead>
<tr>
<th>Income</th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Public Support</td>
<td>90,000.00</td>
<td>100,000.00</td>
<td>(10,000.00)</td>
<td>90.0%</td>
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<td>Government Contracts</td>
<td>746,870.09</td>
<td>867,497.00</td>
<td>(120,626.91)</td>
<td>86.1%</td>
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<td>Government Grants</td>
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<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
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<tr>
<td>Other Types of Income</td>
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</tr>
<tr>
<td>Program Income</td>
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</tbody>
</table>

#### Total Income

<table>
<thead>
<tr>
<th></th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>47200</td>
<td>836,870.09</td>
<td>967,497.00</td>
<td>(130,626.91)</td>
<td>86.5%</td>
</tr>
</tbody>
</table>

#### Gross Profit

<table>
<thead>
<tr>
<th></th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
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<td>967,497.00</td>
<td>(130,626.91)</td>
<td>86.5%</td>
</tr>
</tbody>
</table>

#### Expense

<table>
<thead>
<tr>
<th>Expense</th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awards and Grants</td>
<td>19,616.07</td>
<td>26,374.00</td>
<td>(6,757.93)</td>
<td>74.38%</td>
</tr>
<tr>
<td>Business Expenses</td>
<td>123,468.45</td>
<td>185,580.00</td>
<td>(62,111.55)</td>
<td>66.53%</td>
</tr>
<tr>
<td>Contract Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facilities and Equipment</td>
<td>3,000.00</td>
<td>7,754.00</td>
<td>(4,754.00)</td>
<td>38.69%</td>
</tr>
<tr>
<td>Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Types of Insurance</td>
<td>242,598.86</td>
<td>311,245.00</td>
<td>(68,646.14)</td>
<td>77.95%</td>
</tr>
<tr>
<td>Payroll Expenses</td>
<td>46,215.49</td>
<td>61,544.00</td>
<td>(15,328.51)</td>
<td>75.09%</td>
</tr>
<tr>
<td>Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travel and Meetings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational Contingency</td>
<td>3,000.00</td>
<td>7,754.00</td>
<td>(4,754.00)</td>
<td>38.69%</td>
</tr>
<tr>
<td>Bank Service Charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Total Expense

<table>
<thead>
<tr>
<th></th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>47200</td>
<td>434,898.87</td>
<td>592,497.00</td>
<td>(157,598.13)</td>
<td>73.4%</td>
</tr>
</tbody>
</table>

#### Net Ordinary Income

<table>
<thead>
<tr>
<th></th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>47200</td>
<td>401,971.22</td>
<td>375,000.00</td>
<td>26,971.22</td>
<td>107.19%</td>
</tr>
</tbody>
</table>

#### Other Income/Expense

<table>
<thead>
<tr>
<th>Other Expense</th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation &amp; Amortization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mini-BIG's</td>
<td>270,000.00</td>
<td>255,000.00</td>
<td>15,000.00</td>
<td>105.88%</td>
</tr>
<tr>
<td>Back to Business</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Total Other Expense

<table>
<thead>
<tr>
<th></th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>47200</td>
<td>270,000.00</td>
<td>375,000.00</td>
<td>(105,000.00)</td>
<td>72.0%</td>
</tr>
</tbody>
</table>

#### Net Other Income

<table>
<thead>
<tr>
<th></th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>47200</td>
<td>(270,000.00)</td>
<td>(375,000.00)</td>
<td>105,000.00</td>
<td>72.0%</td>
</tr>
</tbody>
</table>

#### Net Income

<table>
<thead>
<tr>
<th></th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>47200</td>
<td>131,971.22</td>
<td>131,971.22</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>
## San Pablo Economic Development Corporation

### Profit & Loss Budget vs. Actual

*July 2022 through April 2023*

<table>
<thead>
<tr>
<th>Ordinary Income/Expense</th>
<th>Jul '22 - Apr 23</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>43400 - Direct Public Support</td>
<td>93,286.81</td>
<td>115,000.00</td>
<td>(21,713.19)</td>
<td>81.12%</td>
</tr>
<tr>
<td>44400 - Government Contracts</td>
<td>1,215,620.09</td>
<td>1,429,997.00</td>
<td>(214,376.91)</td>
<td>85.01%</td>
</tr>
<tr>
<td>44500 - Government Grants</td>
<td>179,166.70</td>
<td>215,000.00</td>
<td>(35,833.30)</td>
<td>83.33%</td>
</tr>
<tr>
<td>45000 - Investments</td>
<td>234.67</td>
<td>200.00</td>
<td>34.67</td>
<td>117.34%</td>
</tr>
<tr>
<td>46400 - Other Types of Income</td>
<td>25,802.51</td>
<td>30,000.00</td>
<td>(4,197.49)</td>
<td>86.01%</td>
</tr>
<tr>
<td>47200 - Program Income</td>
<td>204,787.91</td>
<td>231,400.00</td>
<td>(26,612.09)</td>
<td>88.5%</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>1,718,898.69</td>
<td>2,021,597.00</td>
<td>(302,698.31)</td>
<td>85.03%</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>1,718,898.69</td>
<td>2,021,597.00</td>
<td>(302,698.31)</td>
<td>85.03%</td>
</tr>
<tr>
<td><strong>Expense</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>60300 - Awards and Grants</td>
<td>2,500.00</td>
<td>5,000.00</td>
<td>(2,500.00)</td>
<td>50.0%</td>
</tr>
<tr>
<td>60900 - Business Expenses</td>
<td>24,970.52</td>
<td>34,204.00</td>
<td>(9,233.48)</td>
<td>73.01%</td>
</tr>
<tr>
<td>62100 - Contract Services</td>
<td>246,596.19</td>
<td>426,230.00</td>
<td>(179,633.81)</td>
<td>57.86%</td>
</tr>
<tr>
<td>62800 - Facilities and Equipment</td>
<td>1,704.52</td>
<td>4,850.00</td>
<td>(3,145.48)</td>
<td>35.15%</td>
</tr>
<tr>
<td>65000 - Operations</td>
<td>133,075.57</td>
<td>185,864.00</td>
<td>(52,788.43)</td>
<td>71.6%</td>
</tr>
<tr>
<td>65100 - Other Types of Insurance</td>
<td>25,762.56</td>
<td>33,714.00</td>
<td>(7,951.44)</td>
<td>76.42%</td>
</tr>
<tr>
<td>66000 - Payroll Expenses</td>
<td>471,131.75</td>
<td>720,058.00</td>
<td>(248,926.25)</td>
<td>65.43%</td>
</tr>
<tr>
<td>66500 - Benefits</td>
<td>135,085.30</td>
<td>191,553.00</td>
<td>(56,467.70)</td>
<td>70.52%</td>
</tr>
<tr>
<td>68300 - Travel and Meetings</td>
<td>(103.55)</td>
<td>8,500.00</td>
<td>(8,603.55)</td>
<td>1.22%</td>
</tr>
<tr>
<td>69000 - Operational Contingency</td>
<td>4,800.00</td>
<td>4,800.00</td>
<td>(0.00)</td>
<td>100.0%</td>
</tr>
<tr>
<td>69010 - Bank Service Charges</td>
<td>417.37</td>
<td>417.37</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td>1,041,140.23</td>
<td>1,614,773.00</td>
<td>(573,632.77)</td>
<td>64.48%</td>
</tr>
<tr>
<td><strong>Net Ordinary Income</strong></td>
<td>677,758.46</td>
<td>406,824.00</td>
<td>270,934.46</td>
<td>166.6%</td>
</tr>
<tr>
<td><strong>Other Income/Expense</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other Expense</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70100 - Depreciation &amp; Amortization</td>
<td>37,393.30</td>
<td>37,393.30</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>71500 - Mini-BIG's</td>
<td></td>
<td>120,000.00</td>
<td>(120,000.00)</td>
<td></td>
</tr>
<tr>
<td>71600 - Back to Business</td>
<td>270,000.00</td>
<td>255,000.00</td>
<td>15,000.00</td>
<td>105.88%</td>
</tr>
<tr>
<td><strong>Total Other Expense</strong></td>
<td>307,393.30</td>
<td>375,000.00</td>
<td>(67,606.70)</td>
<td>81.97%</td>
</tr>
<tr>
<td><strong>Net Other Income</strong></td>
<td>(307,393.30)</td>
<td>(375,000.00)</td>
<td>67,606.70</td>
<td>81.97%</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>370,365.16</td>
<td>31,824.00</td>
<td>338,541.16</td>
<td>1,163.79%</td>
</tr>
</tbody>
</table>
SAN PABLO EDC BOARD REPORT

DATE:       June 15, 2023
TO:         San Pablo EDC Board
FROM:       Leslay Choy, Executive Director
SUBJECT:    RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING EXECUTION OF FISCAL YEAR 2023-24 AGREEMENT WITH RISING SUN CENTER FOR OPPORTUNITY

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

Strategy 2: Innovate, provide and coordinate efforts to enhance workforce development impact in family-sustaining jobs and progressive-wage careers

As the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware, the San Pablo EDC seeks to expand programs and services through partnership. The aim is to diversify offerings, while creatively partnering to stretch Measure S dollars further.

For several years, staff have worked with the team at Rising Sun Center for Opportunity (Rising Sun) in Berkeley/Oakland. Rising Sun delivers several 300-hour pre-apprenticeship job training programs, the most well known of which is Opportunity Build, which incorporates their Green Energy Training Services (GETS) program. Opportunity Build includes construction, carpentry, electrical, and green build programs. In fact, they originally taught RichmondBUILD’s cohorts, and the construction portion is what RichmondBUILD follows today. Rising Sun offers comprehensive programs that include the aforementioned hard skills, as well as computer literacy, financial literacy, and critical life skills. In addition to the traditionally recruited cohorts, they are known for their all-female and 50/50 male/female cohorts. They have excellent relationships with the construction trades.

In short, Opportunity Build is a pre-apprenticeship program for adults who are interested in starting a career in Construction, Energy Efficiency, or Solar, or enter into an apprenticeship in the Building Trades. Rising Sun is further partnered with GRID Alternatives and Habitat for Humanity to boost experience gained in the 9-week program with real-world application.

Opportunity Build program targets low-income East Bay adults who are long-term unemployed, low-income workers, CalWorks recipients, ex-offenders, or homeless. In order to enroll in the program, applicants must have a high school diploma or GED, score at least an 8th grade level in both math and reading on the Test of Adult Basic Education, have a valid California driver’s license or the ability to obtain one, be able to attend all training days, be interested in working in the construction industry, and be motivated to find employment upon completion of training.

The partnership pools sources of funding and expertise to better support enrollees. Rising Sun enrolls applicants in Workforce Innovation and Opportunity Act (WIOA) and secures funding to cover the
training cohorts, including the OSHA certification. San Pablo EDC is a valued co-enrollment, marketing and recruitment, and Career Day in the Trades partner.

**ANALYSIS**

Rising Sun serves San Pablo residents at no cost. As Rising Sun has a number of funders and sponsors of interest to the San Pablo EDC, successfully partnering with Rising Sun goes beyond benefitting residents to help build a necessary foundation toward fund development. Also, the San Pablo EDC will be actively identifying potential training space in San Pablo for future potential program expansion. Formal conversations have been held about Careers in the Trades Days and Women in the Trades Days, both of which they have done successfully.

Leveraging this partnership provides greater support to San Pablo residents and stretches all dollars further. Additionally, it provides another viable option for residents looking to pursue construction and green energy careers.

Staff ask that the Board authorize execution of the FY23-24 agreement, which has an evergreen clause provided the scope of work remains as outlined with no funding exchanged.

**FISCAL IMPACT**

There is no fiscal impact.

**Attachments**

1. Rising Sun Agreement FY23-24
RESOLUTION SPEDC2023-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING EXECUTION OF FISCAL YEAR 2023-24 AGREEMENT WITH RISING SUN CENTER FOR OPPORTUNITY

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware the San Pablo EDC seeks to expand programs and services through partnership and diversifying offerings, while creatively partnering to stretch Measure S dollars further; and

WHEREAS, for several years, staff have worked with the team at Rising Sun Center for Opportunity (Rising Sun), which delivers several 300-hour pre-apprenticeship job training programs, the most well-known of which is Opportunity Build which incorporates their Green Energy Training Services (GETS) program and includes construction, carpentry, electrical, and green build programs; and

WHEREAS, Rising Sun offers comprehensive programs that include hard skills, as well as computer literacy, financial literacy, and critical life skills, and is known for its all-female and 50/50 male/female cohorts in an effort to expand women in the trades; and

WHEREAS, Rising Sun’s programs target low-income East Bay adults who are long-term unemployed, low-income workers, CalWorks recipients, ex-offenders, or homeless; and

WHEREAS, Rising Sun serves San Pablo residents at no cost, while partnering to co-enroll to maximize whole-person supports and deliver Career in the Trades days; and

WHEREAS, there is no fiscal impact; and

WHEREAS, leveraging this partnership provides greater support to San Pablo residents and stretches all dollars further, and provides another viable option for residents looking to pursue construction and green energy careers.

NOW, THEREFORE, BE IT RESOLVED by the San Pablo Economic Development Corporation Board of Directors, as follows:

1) Authorize execution of the FY23-24 Rising Sun Center for Opportunity agreement.

ADOPTED this 15th of June, 2023, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

______________________________  ________________________________
Saeid Babay Hosseini, Board Secretary  Xavier Abrams, Board Chair
Resolution SPEDC2023-0
MEMORANDUM OF UNDERSTANDING
Rising Sun Center for Opportunity & San Pablo EDC

Parties
This Agreement is entered into by San Pablo Economic Development Corporation (Partner or San Pablo EDC) located at 1000 Gateway Avenue, First Floor in San Pablo, CA and Rising Sun Center for Opportunity (Rising Sun) located at 1116 36th Street in Oakland, CA.

Purpose
The intent of this Agreement is to outline the terms and conditions as they relate to the partnership between Rising Sun and San Pablo EDC. As partners, Rising Sun and San Pablo EDC will work together to implement the scope of work and specific goals of the program as defined in attachment A.

Target Population
The Opportunity Build program targets low-income East Bay adults who are long-term unemployed, low-income workers, CalWORKs recipients, ex-offenders, or homeless. In order to enroll in the program, applicants must have a high school diploma or GED, score at least an 8th grade level in both math and reading on the Test of Adult Basic Education, have a valid California driver’s license or the ability to obtain one (strongly preferred but not required), be able to attend all training days, be interested in working in the construction industry, and be motivated to find employment upon completion of training.

Sub-grant Amount
There shall be no exchange of funding between the parties. The San Pablo EDC and Rising Sun will each invest their respective resources into participants, as detailed in Attachment A. Further, eligible applicants will be co-enrolled in the Workforce Innovation and Opportunity Act (WIOA) and any other grant opportunity that the San Pablo EDC may be managing for which the applicant may qualify and which EDC staff estimate would increase the participant’s success in the program and career path.

General Provisions on Eligibility & Responsibilities
Rising Sun and San Pablo EDC shall perform the responsibilities set forth for that party in the attached Scope of Work (Attachment A). Rising Sun determines participant eligibility requirements for enrollees into any of its program cohorts. The San Pablo EDC shall provide services as detailed in Attachment A. For designated services, only individuals meeting the participant eligibility requirements can receive those services. Currently, those requirements are:

- Resides in the incorporated City of San Pablo or is within the current San Pablo EDC WIOA caseload with current, government-issued photo ID; Rising Sun may refer enrollees within its WIOA caseload who may qualify for grants under EDC’s management for co-enrollment;
- Is a high school graduate or has a GED or other equivalency;
- Completes an SPEDC Workforce Enrollment Form and Standards of Conduct; and
- Has a valid driver’s license

Verification of residency shall be done by San Pablo EDC staff in coordination with Rising Sun.
**Communication**

Rising Sun and San Pablo EDC shall maintain open and continuous communication to facilitate execution of responsibilities. Rising Sun and San Pablo EDC shall work together to ensure all data is captured for San Pablo enrollees.

**Confidentiality**

Each party shall maintain the confidentiality of information gathered and all records generated during the period of this MOU, to the extent allowed by law. Provision of financial and organizational operations records to a party’s accountants, attorneys, auditors, board members, and other professionals or affiliated individuals is not a violation of this section. This provision does not prohibit staff from reporting suspected neglect or abuse of participants to child abuse reporting agencies as required by law.

**Indemnification**

To the fullest extent permitted by law, Rising Sun shall immediately defend, indemnify, and hold harmless the San Pablo EDC and its directors, officers, administrators, employees, volunteers, and agents from and against all liabilities regardless of nature or type, direct or indirect, in whole or in part, arising out of or resulting from Rising Sun’s performance of services under this MOU, or in connection with any negligent or wrongful act or omission of Rising Sun or its departments, programs, divisions, officers, employees, agents, or subcontractors, in the performance of this MOU. Liabilities subject to the duties to defend, indemnify, and hold harmless include, without limitation, such liabilities for: damage to property; injury or death of any person; and all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys’ fees; court costs; and costs of alternative dispute resolution. Rising Sun’s obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, Rising Sun’s indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

In its sole discretion and at its own cost and expense, the San Pablo EDC may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve Rising Sun of any obligation imposed pursuant to this MOU. The San Pablo EDC shall promptly notify Rising Sun of any such claim, action, or proceeding and shall cooperate fully in the defense of same.

The review, acceptance or approval of the Rising Sun’s work or work product by any indemnified party shall not affect, relieve or reduce the Rising Sun’s indemnification or defense obligations. This Section survives completion of the services or the termination of this contract. The provisions of this Section are not limited by and do not affect the provisions of this contract relating to insurance.

The duty of Rising Sun to indemnify and hold harmless includes the duty to defend as set forth in section 2778 of the California Civil Code. Acceptance of insurance certificates and endorsements required under this MOU does not relieve Rising Sun from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. The parties further agree that the provisions of this section shall survive any termination or expiration of this MOU.

To the fullest extent permitted by law, the San Pablo EDC shall immediately defend, indemnify, and hold harmless Rising Sun and its directors, officers, administrators, employees, volunteers, and agents against and from any liability, including for damage to property and injury or death of any person, and any claim, action, or proceeding against Rising Sun, arising solely out of or in connection with the acts or omissions
of the San Pablo EDC in the performance of this MOU. In its sole discretion and at its sole cost and expense, Rising Sun may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve the San Pablo EDC of any obligation imposed pursuant to this MOU. Rising Sun shall promptly notify the San Pablo EDC of any such claim, action, or proceeding and shall cooperate fully in the defense of same.

**Terms**
The effective date of this Agreement is 7/1/2023 and remains in effect unless terminated by either party.

If modifications are necessary to complete this Agreement, they will be added by consent of all parties involved and will be added as lettered attachments to the agreement by consent of all parties involved. Any party, upon 30-day written notice to the other parties, may terminate this Agreement.

**Termination**
This Agreement may be terminated by either party upon thirty (30) days written notice. In the event this Agreement is terminated prior to completion, a revised set of responsibilities will be drafted and agreed upon by all parties. The Agreement may also be cancelled immediately by mutual written consent.

**Dispute Resolution**
If a dispute arises under this Agreement, the parties agree to first try to resolve the dispute with the help of a mutually agreed-upon mediator. Any costs and fees other than attorney fees associated with the mediation shall be shared equally by the parties.

If it proves impossible to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to a mutually agreed upon arbitrator. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction to do so. Costs of arbitration, including attorney fees, will be allocated by the arbitrator.

**Notices**
All notices and other communications in connection with this Agreement shall be in writing and shall be considered given as follows:

- When delivered personally to the recipient's address as stated on this Agreement
- Three days after being deposited in the United States mail, with postage prepaid to the recipient's address as stated on this Agreement, or
- When sent by fax or email to the last fax number or email address of the recipient known to the person giving notice. Notice is effective upon receipt provided that a duplicate copy of the notice is promptly given by first class mail, or the recipient delivers a written confirmation of receipt.

To San Pablo EDC:  Leslay C. Choy, Executive Director
San Pablo Economic Development Corporation
1000 Gateway Avenue
San Pablo, CA 94806

To Rising Sun:  Marlin Jeffreys, Opportunity Build Program Manager
Rising Sun Center for Opportunity
1116 36th Street
Oakland, CA 94608
**If Agreement Sent via Electronic Correspondence**

All partners agree that this Agreement will be considered signed when the signature of a party is delivered by facsimile transmission or through Email. Signatures transmitted by facsimile or email shall have the same effect as original signatures.

**Severability**

If any provision of this Agreement is determined to be invalid, illegal, or unenforceable, the remaining provisions will remain in full force if the essential provisions of this Agreement for Client and Contractor remain valid, binding, and enforceable.

**Entire Agreement**

This is the entire Agreement between Partner and Rising Sun. The Agreement may not be amended, changed, or supplemented in any way except by written Agreement signed by both parties below:

---

Marlin Jeffreys, Opportunity Build Program Manager  
Rising Sun Center for Opportunity  

________________________  
Date

Leslay C. Choy, Executive Director  
San Pablo Economic Development Corporation  

________________________  
Date
ATTACHMENT A: Scope of Work

Role of Rising Sun Center for Opportunity (Rising Sun)

- Delivers Opportunity Build Core Construction Apprenticeship Readiness Program
  - Cohorts may be all female or mixed
  - Program components:
    - **280 hours Apprenticeship Readiness Program**, including construction math and a tutor through Aspire Education Project (AEP)
    - **Employment readiness and soft skills**: resume writing and interview skills, setting and following through on employment goals, communication and conflict resolution, time management, teamwork, financial literacy, physical agility
    - Building trades and unions: Overview of Building Trades, orientation to union apprenticeships and union history, how to get into a union, field trips and guest speakers, etc.
    - **Basic Construction**: career outlook, tool identification and safe use, carpentry, roofing, drywall installation and repair, window and door installation, basic electrical and plumbing, intro to blueprint reading, etc.
    - **Industry certifications**: Multi-Craft Core Curriculum (MC3) certification, OSHA 10, First Aid/CPR

- Provides case management & employment support services for one year, including but not limited to:
  - WIOA &/or grant co-enrollment with San Pablo EDC
  - Employment support funding for transportation and limited housing support services
  - Professional skills development, notably critical life skills and financial literacy
  - Computer Lab Access
  - $500 stipend for student (per cohort), pro-rated according to attendance
  - Onsite snacks and other refreshments
  - Speed networking and mock interviews
  - Job placement
  - Alumni Meetings
  - Field experience
    - Habitat for Humanity
    - GRID Alternatives

- Offers strong partnership with Trade Unions
  - Pipeline to union apprenticeships
  - History of placing graduates into trade unions

- Offers partnerships with employers, particularly construction and solar/green companies

- Partners with San Pablo EDC and other agencies to offer a Careers in the Trades Day event, promoting career pathways in the trades, or other events as mutually desired.
Role of San Pablo EDC

- Outreaches and recruits in Contra Costa County with limited outreach to WIB and workforce partners in Alameda County
- Facilitates Workforce Innovation Opportunity Act (WIOA) &/or grant co-enrollment. East Bay Works America’s Job Center of California (AJCC) services are performed by the San Pablo EDC for all Contra Costa County residents and some Alameda County. Depending on availability, funding may be used for:
  - Related training & certification costs with an approved provider
  - Transportation, emergency or food costs
  - Union dues & related (e.g., boots, tools and tool belts)
- Provides additional services for all WIOA-enrolled participants, regardless of residency, including but not limited to:
  - Enroll in any additional workshops, job fairs or classes desired
  - Additional cover letter and resume assistance for co-enrolled WIOA participants
  - Registration into Removing Barriers’ job readiness boot camp. Offer
  - Enroll into free HazWOPER40, OSHA10, Disaster Site Preparedness and COVID-19 awareness virtual trainings
  - Offer enrollment for TWIC and DSOP cards for those co-enrolled in WIOA who are eligible, provided there are funds available, and for City of San Pablo residents co-enrolled in Measure Q
  - Follow up at post-graduation milestones: 3 months, 6 months, 1 year, 18 months
- Provides additional services for City of San Pablo residents, including but not limited to:
  - Enroll eligible children into Early Learning Center and subsidize daycare, if applicable
  - Offer enrollment in Wardrobe for Opportunity for those eligible and co-enrolled in WIOA, Measure Q, or an eligible grant
  - Should WIOA funding not be available, there may be Measure Q funding for union dues and required PPE, safety or work tools
- Partners with Rising Sun and other agencies to offer a Careers in the Trades Day event, promoting career pathways in the trades
- Identifies additional employers to involve in mock interviews, as well as hiring
- Pursues bilingual PR and social media to highlight the partnership and its success stories
- Supports identification of training space in San Pablo, if desired by Partner, for future potential program expansion
DATE: June 15, 2023
TO: San Pablo EDC Board
FROM: Leslay Choy, Executive Director
SUBJECT: RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING RENEWAL OF THE MEMORANDUM OF UNDERSTANDING WITH GREEN AND FAIR JANITORIAL FOR LANDSCAPING SERVICES AT MISSION PLAZA AND RATIFYING FISCAL YEAR 2023-24 BUDGET EXPENSE OF $6,660

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

As the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware, the organization has had a long-standing relationship with Green & Fair Janitorial and Maintenance (Green & Fair). For several years, this San Pablo resident-owned, minority woman-owned business provided janitorial services at San Pablo EDC offices until the move to City Hall offices, and for three years now, has provided parking lot sweeping services at 14501 San Pablo Avenue, San Pablo, otherwise known as Mission Plaza. All contracts for services have followed a request for proposals (RFP) process and been subject to board ratification of budget expense and approval of the memorandum of understanding (MOU).

Green & Fair has been a consistently strong vendor, and has let us know when other issues (e.g., illegal dumping, graffiti abatement, other waste, etc.) are present and need to be addressed at the property, which has been helpful to property management staff and well received by Code Enforcement. Services are provided on a weekly basis or more often as required by prevailing conditions. Green & Fair is licensed, insured, and employs San Pablo residents at a fair wage with benefits. This year, their rates will increase 5% to $555 per month due to increased labor costs and trash disposal fees.

The Board is asked to authorize execution of the FY23-24 MOU with Green & Fair for lot sweeping services at Mission Plaza and ratify the budget expense of $6,660.

FISCAL IMPACT

FY23-24 fiscal impact would be $6,660 to Operations expense budget account 65060 Asset Management.

Attachments

1. MOU FY23-24 - Green & Fair Janitorial and Maintenance Parking Lot Sweeping Services
RESOLUTION SPEDC2023-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING RENEWAL OF THE MEMORANDUM OF UNDERSTANDING WITH GREEN AND FAIR JANITORIAL FOR LANDSCAPING SERVICES AT MISSION PLAZA AND RATIFYING FISCAL YEAR 2023-24 BUDGET EXPENSE OF $6,660

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) approved an MOU with Green & Fair Janitorial and Maintenance (Green & Fair) for Parking Lot Sweeping Services at 14501 San Pablo Avenue, San Pablo, otherwise known as Mission Plaza, in June 2021 by way of Resolution SPEDC2021-013, following a request for proposals (RFP) process; and

WHEREAS, Green & Fair has been a consistently strong performer both at Mission Plaza and previously as the janitorial services vendor at the EDC’s prior offices; and

WHEREAS, Green & Fair provides the required services on a weekly basis and helps EDC property management staff be more responsive to graffiti abatement and other issues that need to be remedied; and

WHEREAS, Green & Fair has all of the appropriate licensing and insurance; furthermore, they employ San Pablo residents at a fair wage with benefits; and

WHEREAS, FY23-24 fiscal impact would be $6,660 to Operations expense budget account 65060 Asset Management.

NOW, THEREFORE, BE IT RESOLVED by the San Pablo Economic Development Corporation Board of Directors, as follows:

1) Authorize execution of the fiscal year 2023-24 MOU with Green & Fair Janitorial and Maintenance for lot sweeping services at Mission Plaza and ratify the budget expense of $6,660.

ADOPTED this 15th day of June, 2023, by the following vote, to wit:

AYES: 
NOES: 
ABSTAIN: 
ABSENT: 

ATTEST:  APPROVED:

______________________________  ______________________________
Saeid Babay Hosseini, Board Secretary  Xavier Abrams, Board Chair
San Pablo Economic Development Corporation and Green & Fair Janitorial and Maintenance

July 1, 2023

MEMORANDUM OF UNDERSTANDING
**Memorandum of Understanding** between the San Pablo Economic Development Corporation (SPEDC) and Green & Fair Janitorial and Maintenance (“Green & Fair” or “Partner”).

**Recitals**

SPEDC is engaged in economic and workforce development by delivering programs, providing access to training, engaging in public-private partnerships and linking community resources.

Partner is engaged in services and activities as specified in Exhibit A.

SPEDC and Partner are entering into a Memorandum of Understanding (“MOU”) for the purpose of providing the Service as defined in Exhibit A. Both parties intend this MOU to create a relationship for their mutual benefit.

Accordingly, the parties hereby agree as follows:

1. **General Provisions.**

   1.1. **Operation.** Each party shall perform the Program responsibilities set forth for that party in Exhibit A.

2. **Communication.**

   2.1. **Emergency Services.** Partner shall communicate proactively to SPEDC during working and non-working hours of partner operation time to assist with resolving emergency issues.

3. **Finances.**

   3.1. **Pricing.** SPEDC shall set pricing as noted in Exhibit A.

   3.2. **Invoices.** Partner shall invoice the SPEDC according to the schedule specified in Exhibit A. Invoices need to be received within the fiscal year to which they apply.

   3.3. **Satisfaction of Invoices.** The SPEDC shall pay Partner’s invoices within thirty business days of receipt, and shall notify Partner of questions or concerns. Partner and SPEDC shall determine time frame increments for invoicing.

4. **Miscellaneous**

   4.1. **Confidentiality.** Each party shall maintain the confidentiality of information gathered and all records generated during the period of this MOU, to the extent allowed by law. Provision of financial and organizational operations records to a party’s accountants, attorneys, auditors, board members, and other professionals or affiliated individuals is not a violation of this section. This provision does not prohibit staff from reporting suspected neglect or abuse of participants to child abuse...
MOU FY23-24 Green & Fair.

reporting agencies as required by law.

4.2. **Insurance.** On or before commencement of operation of the Program pursuant to this MOU, Partner, at its own expense, shall carry, maintain for the duration of the MOU, and provide proof thereof that is acceptable to the SPEDC, the insurance described in Exhibit B with insurers and under forms of insurance satisfactory in all respects to the SPEDC. Partner shall maintain limits no less than as set forth in Exhibit B. If Partner maintains higher limits than those set forth in Exhibit B, the SPEDC shall be entitled to coverage for the higher limits maintained by Partner. Partner shall not allow any subcontractor to commence work on any subcontract in operation of the Program until all insurance required of Partner has also been obtained for the subcontractor. Partner shall require and verify that any subcontractors maintain insurance as required of Partner.

4.3. **Indemnity**

4.3.1. **Indemnification of SPEDC.** To the fullest extent permitted by law, Partner shall immediately defend, indemnify, and hold harmless the SPEDC and its directors, officers, administrators, employees, volunteers, and agents from and against all liabilities regardless of nature or type, direct or indirect, in whole or in part, arising out of or resulting from Partner’s performance of services under this MOU, or in connection with any negligent or wrongful act or omission of Partner or its departments, programs, divisions, officers, employees, agents, or subcontractors, in the performance of this MOU. Liabilities subject to the duties to defend, indemnify, and hold harmless include, without limitation, such liabilities for: damage to property; injury or death of any person; and all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys’ fees; court costs; and costs of alternative dispute resolution. Partner’s obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, Partner’s indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

In its sole discretion and at its own cost and expense, the SPEDC may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve Partner of any obligation imposed pursuant to this MOU. The SPEDC shall promptly notify Partner of any such claim, action, or proceeding and shall cooperate fully in the defense of same.

The review, acceptance or approval of the Partner’s work or work product by any indemnified party shall not affect, relieve or reduce the Partner’s indemnification or defense obligations. This Section survives completion of
the services or the termination of this contract. The provisions of this Section are not limited by and do not affect the provisions of this contract relating to insurance.

The duty of Partner to indemnify and hold harmless includes the duty to defend as set forth in section 2778 of the California Civil Code. Acceptance of insurance certificates and endorsements required under this MOU does not relieve Partner from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. The parties further agree that the provisions of this section shall survive any termination or expiration of this MOU.

4.3.2. **Indemnification of Partner.** To the fullest extent permitted by law, the SPEDC shall immediately defend, indemnify, and hold harmless Partner and its directors, officers, administrators, employees, volunteers, and agents against and from any liability, including for damage to property and injury or death of any person, and any claim, action, or proceeding against Partner, arising solely out of or in connection with the acts or omissions of the SPEDC in the performance of this MOU. In its sole discretion and at its sole cost and expense, Partner may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve the SPEDC of any obligation imposed pursuant to this MOU. Partner shall promptly notify the SPEDC of any such claim, action, or proceeding and shall cooperate fully in the defense of same.

4.4. **Effective Date & Term.** This MOU shall be effective July 1, 2023 upon execution and delivery by both parties governing Program operations specified in Exhibit A through June 30, 2024 contingent upon the SPEDC Board’s approval of the fiscal year 2023-24 budget.

4.5. **Amendment.** Amendments to this MOU are effective only if agreed upon by both parties, as indicated through execution and delivery documenting the amendment.

4.6. **Termination.** Either party may terminate this MOU with or without cause by providing the other party with Thirty days’ written notice.

4.7. **Third-party Beneficiaries.** There are no third-party beneficiaries to this MOU.

4.8. **Notices.** Any notices required to be made or given pursuant to this MOU, shall be effective if made in writing and sent by registered or certified mail, return receipt requested to:

To SPEDC: Leslay C. Choy
San Pablo Economic Development Corporation
1000 Gateway Avenue, First Floor,
San Pablo, CA 94806
MOU FY23-24 Green & Fair.
MOU FY23-24 Green & Fair.

To Partner: Iracema Camargo
Green and Fair
1539 Humboldt Avenue, Apt. A
San Pablo, CA 94806

To evidence the parties’ assent to this MOU, they have signed and delivered it on the dates set forth below.

_________________________________  _________________________________
Name: Iracema Camargo           Leslay Choy
Title: Owner                            Executive Director
Organization: Green and Fair   San Pablo Economic Development Corporation

Date: ____________________________ Date: ____________________________
EXHIBIT A

Scope of Work

1. Services

   1.1. General Description.
   
   Green & Fair shall provide regular parking lot sweeping every week at Mission Plaza located at 14501 San Pablo Avenue, San Pablo, CA 94806, a commercial property owned and managed by the San Pablo EDC. Green & Fair shall schedule the maintenance crew to provide the following weekly services.

   1.1.1. Sweep the parking lot and sidewalks

   1.1.2. Remove trash from all areas, including landscaping

   1.1.3. Haul away trash

   1.1.4. Provide electronic mail notice of any irregularities noted during servicing; if the item requires urgent address, Partner shall call the assigned EDC staff.

   1.1.5. Upon request, Partner shall provide maintenance, such as light bulb replacement, light graffiti removal and other building maintenance. These requests will be quoted and charged at an hourly rate to be agreed upon in writing, plus materials. All work and costs will have prior written approval from management.

2. Term of the Contract

   2.1. Terms

   2.1.1. This contract shall remain in effect on a continuous monthly basis until canceled by either party. Should either party elect to cancel the agreement, it is understood that the party initiating cancellation shall provide the other with a thirty (30) day written notice of their intent to cancel the agreement, and both parties shall remain bound to the terms of the contract through the thirty-day cancellation period. Green and Fair may terminate services without providing a thirty-day notice in the event that the Property Owner is in breach of agreement, including, but not limited to, failure to pay for services.

   2.1.2. The contract may be re-negotiated at any time for addendum or deletions. However, all parties to this agreement must agree, in writing, to any changes prior to such changes becoming effective.

   2.1.3. If either party brings an action to enforce the terms hereof or declare rights hereunder, the prevailing party in such action, at trial, arbitration or appeal, shall be entitled to attorney’s fees actually incurred, all expenses necessitated by prosecuting or defending the action and all costs.
2.1.4. This agreement constitutes the final and complete agreement between the parties and incorporates and supersedes all prior oral negotiations and/or agreements. Any changes and additions to, or deletions from the provisions of this contract regarding work and pricing must be made in writing and signed by an authorized representative of Green and Fair.

2.2. Finances

2.2.1. Cost for parking lot sweeping is $555 per month.

2.2.2. Vendor shall invoice SPEDC on a monthly basis; invoices shall be payable and due within 30 days.

Notices. Any notices required to be made or given pursuant to this Agreement, shall be effective if made in writing and sent by registered or certified mail, return receipt requested to:

To SPEDC: Leslay C. Choy, Executive Director
San Pablo Economic Development Corporation
1000 Gateway Avenue, First Floor
San Pablo, CA 94806

To Vendor: Iracema Camargo
Green and Fair
1539 Humboldt Avenue, Apt. A
San Pablo, CA 94806
Exhibit B

Insurance Requirements

Insurance


   1.1. On or before beginning any of the services or work called for by any term of this agreement, Vendor, at its own cost and expense, shall carry, maintain for the duration of the agreement, and provide proof thereof that is acceptable to SPEDC the insurance specified herein below with insurers and under forms of insurance satisfactory in all respects. This is in addition to medical malpractice insurance which must be provided by Vendor and any Vendor sub-contractors. Vendor shall not allow any subcontractor to commence work on any subcontract until all insurance required of the Vendor has also been obtained for the subcontractor. Vendor shall maintain limits no less than set forth below. If Vendor maintains higher limits than the minimums shown above, the SPEDC shall be entitled to coverage for the higher limits maintained by Vendor. If Vendor certifies students do not travel in, nor are allowed to drive, Vendor vehicles, evidence of automotive liability is not necessary.

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

      1.1.1.2. Automotive liability: $1,000,000 per accident for bodily injury and property damage.

      1.1.1.3. Workers’ Compensation: As Required by the State of California. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of the SPEDC for all work performed by the Vendor, its employees, agents and subcontractors.

      1.1.1.4. Employers’ Liability: $1,000,000 each accident; $1,000,000 policy limit bodily injury by disease; $1,000,000 each employee bodily injury by disease.

2. Deductibles and Self-Insured Retentions

2.1. Any deductibles or self-insured retentions must be declared to and approved by SPEDC. At the option of SPEDC, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the SPEDC, its officers, officials, employees and volunteers; or the Vendor shall provide a financial guarantee satisfactory to the guaranteeing payment of losses and related investigations, claim administration, and defense expenses.


The General Liability and Automobile Liability policies are to contain, or be endorsed to
contain the following provisions:
3.1. SPEDC, and their officers, officials, and employees are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Vendor; and with respect to liability arising out of work or operations performed by or on behalf of the Vendor including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (form CG 20 10 11 85, or forms CG2010 version 10/01 and GC 2037 versions 10/01 or equivalent) to the SPEDC’s insurance policy, or as a separate owner’s policy.

3.1.1. For any claims related to this project, the Vendor’s insurance coverage shall be primary insurance as respects the SPEDC, its officers, officials, and employees. Any insurance or self-insurance maintained by SPEDC, its officers, officials, or employees, shall be excess of the Vendor’s insurance and shall not contribute with it.

3.1.2. 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 has been provided to the SPEDC.

3.1.3. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

3.1.3.1. SPEDC, and its officers, officials, and employees are to be covered as insureds as respects each of the following: liability arising out of activities performed by or on behalf of Vendor, including the insured’s general supervision of Vendor; products and completed operations of Vendor; premises owned, occupied or used by Vendor; or automobiles owned, leased, hired, or borrowed by Vendor. The coverage shall contain no special limitations on the scope of protection afforded to SPEDC, and its officers, officials, and employees.

3.1.3.2. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

3.1.3.3. An endorsement must state that coverage is primary insurance and that no other insurance affected by SPEDC will be called upon to contribute to a loss under the coverage.

3.1.3.4. Any failure of SPEDC to comply with reporting provisions of the policy shall not affect coverage provided to SPEDC and its officers, officials, and employees.

3.1.3.5. Notice of cancellation or non-renewal must be received by SPEDC at least thirty days prior to such change.
4. **Deductibles and Self Insured Retentions**

4.1. Vendor shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this agreement. During the period covered by this agreement, upon express written authorization of the Executive Director, SPEDC may increase such deductibles or self-insured retentions with respect to its officers, employees, agents, and volunteers. The Executive Director may condition approval of an increase in deductible or self-insured retention levels upon a requirement that Vendor procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

5. **Notice of Reduction in Coverage**

5.1. In the event that any coverage required under this section of the agreement is reduced, limited, or materially affected in any other manner, Vendor shall provide written notice to SPEDC at Vendor’s earliest possible opportunity and in no case later than five days after SPEDC is notified of the change in coverage.

6. **Waiver of Subrogation**

6.1. Vendor hereby agrees to waive subrogation, which any insurer of Vendor may acquire from SPEDC by virtue of the payment of any loss. Vendor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

7. **Acceptability of Insurers**

7.1. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A: VII unless otherwise acceptable to SPEDC. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

8. **Verification of Coverage**

8.1. Vendor shall furnish SPEDC with endorsements effecting coverage required by this clause. Vendor’s insurer may provide complete copies of all required insurance policies, including endorsements effecting the coverage required by the specifications. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by SPEDC before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements.
SAN PABLO EDC BOARD REPORT

DATE: June 15, 2023
TO: San Pablo EDC Board
FROM: Leslay Choy, Executive Director
SUBJECT: RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING FISCAL YEAR 2023-24 RENEWAL OF ENVIRO VIEWS, INC. MEMORANDUM OF UNDERSTANDING FOR LANDSCAPING SERVICES AT MISSION PLAZA AND RATIFYING BUDGET EXPENSE OF $3,000

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

As the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware, the San Pablo EDC owns a commercial property at 14501 San Pablo Avenue known as Mission Plaza, which it also manages.

Following a request for proposal (RFP) for landscaping services three years ago, the Board approved a memorandum of understanding (MOU) with Enviro Views, Inc. (Enviro Views). As Enviro Views has performed well, completed additional services expeditiously and is licensed in the City of San Pablo, San Pablo EDC staff recommend contract renewal. The FY23-24 MOU would continue landscaping services at monthly cost of $250, a $10 per month or 4% increase from FY22-23.

The Board is asked to authorize the fiscal year 2023-24 MOU renewal with Enviro Views for landscape services at Mission Plaza, contingent upon the adoption of the FY23-24 budget and ratify expense under 65060 Asset Management Costs operations class in the amount of $3,000.

FISCAL IMPACT

FY23-24 fiscal impact would be $3,000 to operations expense account 65060 Asset Management Costs.

Attachments

1. MOU FY23-24 - Enviro Views, Inc.
RESOLUTION SPEDC2023-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING FISCAL YEAR 2023-24 ENVIRO VIEWS, INC. MEMORANDUM OF UNDERSTANDING RENEWAL OF FOR LANDSCAPING SERVICES AT MISSION PLAZA AND RATIFYING BUDGET EXPENSE OF $3,000

WHEREAS, as the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware, the San Pablo EDC owns a commercial property at 14501 San Pablo Avenue known as Mission Plaza, which it also manages; and

WHEREAS, following completion of Phase I of the parking lot accessibility improvement project, San Pablo EDC established an MOU for landscaping services following a request for proposal (RFP) process with Enviro Views, Inc. (Enviro Views); and

WHEREAS, Enviro Views has performed well and is licensed in the City of San Pablo; and

WHEREAS, the FY23-24 MOU would continue landscaping services at a total monthly cost of $250; and

WHEREAS, FY23-24 fiscal impact would be $3,000 to operations expense account 65060 Asset Management Costs.

NOW, THEREFORE, BE IT RESOLVED by the San Pablo Economic Development Corporation Board of Directors, as follows:

1) Authorize execution of fiscal year 2023-24 Enviro Views, Inc. MOU renewal for Mission Plaza landscaping services and ratifying budget expense of $3,000.

ADOPTED this 15th day of June, 2023, by the following vote, to wit:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:  

ATTEST: APPROVED:

Saeid Babay Hosseini, Board Secretary Xavier Abrams, Board Chair
San Pablo Economic Development Corporation &
and Enviro Views Inc.

July 1, 2023

MEMORANDUM OF UNDERSTANDING
Memorandum of Understanding between the San Pablo Economic Development Corporation (SPEDC) and Enviro Views Inc. (Partner).

Recitals

SPEDC is engaged in economic and workforce development by delivering programs, providing access to training, engaging in public-private partnerships and linking community resources.

Partner is engaged in services and activities as specified in Exhibit A.

SPEDC and Partner are entering into a Memorandum of Understanding ("MOU") for the purpose of providing the Service as defined in Exhibit A. Both parties intend this MOU to create a relationship for their mutual benefit.

Accordingly, the parties hereby agree as follows:

   1.1. Operation. Each party shall perform the Program responsibilities set forth for that party in Exhibit A.

2. Communication.
   2.1. Emergency Services. Partner shall communicate proactively to SPEDC during working and non-working hours of partner operation time to assist with resolving emergency issues.

3. Finances.
   3.1. Pricing. SPEDC shall set pricing as noted in Exhibit A.
   3.2. Invoices. Partner shall invoice the SPEDC according to the schedule specified in Exhibit A. Invoices need to be received within the fiscal year to which they apply.
   3.3. Satisfaction of Invoices. The SPEDC shall pay Partner’s invoices within thirty business days of receipt, and shall notify Partner of questions or concerns. Partner and SPEDC shall determine time frame increments for invoicing.

4. Miscellaneous
   4.1. Confidentiality. Each party shall maintain the confidentiality of information gathered and all records generated during the period of this MOU, to the extent allowed by law. Provision of financial and organizational operations records to a party’s accountants, attorneys, auditors, board members, and other professionals or affiliated individuals is not a violation of this section. This provision does not prohibit staff from reporting suspected neglect or abuse of participants to child abuse
reporting agencies as required by law.

4.2. **Insurance.** On or before commencement of operation of the Program pursuant to this MOU, Partner, at its own expense, shall carry, maintain for the duration of the MOU, and provide proof thereof that is acceptable to the SPEDC, the insurance described in Exhibit B with insurers and under forms of insurance satisfactory in all respects to the SPEDC. Partner shall maintain limits no less than as set forth in Exhibit B. If Partner maintains higher limits than those set forth in Exhibit B, the SPEDC shall be entitled to coverage for the higher limits maintained by Partner. Partner shall not allow any subcontractor to commence work on any subcontract in operation of the Program until all insurance required of Partner has also been obtained for the subcontractor. Partner shall require and verify that any subcontractors maintain insurance as required of Partner.

4.3. **Indemnity**

4.3.1. **Indemnification of SPEDC.** To the fullest extent permitted by law, Partner shall immediately defend, indemnify, and hold harmless the SPEDC and its directors, officers, administrators, employees, volunteers, and agents from and against all liabilities regardless of nature or type, direct or indirect, in whole or in part, arising out of or resulting from Partner’s performance of services under this MOU, or in connection with any negligent or wrongful act or omission of Partner or its departments, programs, divisions, officers, employees, agents, or subcontractors, in the performance of this MOU. Liabilities subject to the duties to defend, indemnify, and hold harmless include, without limitation, such liabilities for: damage to property; injury or death of any person; and all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys’ fees; court costs; and costs of alternative dispute resolution. Partner’s obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, Partner’s indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

In its sole discretion and at its own cost and expense, the SPEDC may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve Partner of any obligation imposed pursuant to this MOU. The SPEDC shall promptly notify Partner of any such claim, action, or proceeding and shall cooperate fully in the defense of same.

The review, acceptance or approval of the Partner’s work or work product by any indemnified party shall not affect, relieve or reduce the Partner’s indemnification or defense obligations. This Section survives completion of
the services or the termination of this contract. The provisions of this Section are not limited by and do not affect the provisions of this contract relating to insurance.

The duty of Partner to indemnify and hold harmless includes the duty to defend as set forth in section 2778 of the California Civil Code. Acceptance of insurance certificates and endorsements required under this MOU does not relieve Partner from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. The parties further agree that the provisions of this section shall survive any termination or expiration of this MOU.

4.3.2. **Indemnification of Partner.** To the fullest extent permitted by law, the SPEDC shall immediately defend, indemnify, and hold harmless Partner and its directors, officers, administrators, employees, volunteers, and agents against and from any liability, including for damage to property and injury or death of any person, and any claim, action, or proceeding against Partner, arising solely out of or in connection with the acts or omissions of the SPEDC in the performance of this MOU. In its sole discretion and at its sole cost and expense, Partner may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve the SPEDC of any obligation imposed pursuant to this MOU. Partner shall promptly notify the SPEDC of any such claim, action, or proceeding and shall cooperate fully in the defense of same.

4.4. **Effective Date & Term.** This MOU shall be effective July 1, 2023 upon execution and delivery by both parties governing Program operations specified in Exhibit A through June 30, 2024 contingent upon the SPEDC Board’s approval of the fiscal year 2023-24 budget.

4.5. **Amendment.** Amendments to this MOU are effective only if agreed upon by both parties, as indicated through execution and delivery documenting the amendment.

4.6. **Termination.** Either party may terminate this MOU with or without cause by providing the other party with Thirty days’ written notice.

4.7. **Third-party Beneficiaries.** There are no third-party beneficiaries to this MOU.

4.8. **Notices.** Any notices required to be made or given pursuant to this MOU, shall be effective if made in writing and sent by registered or certified mail, return receipt requested to:

To SPEDC: Leslay C. Choy
San Pablo Economic Development Corporation
1000 Gateway Avenue, First Floor,
San Pablo, CA 94806
MOU FY23-24 Enviro Views Inc.

To Partner: Armando Vega
Enviro Views Inc.
2701 Goodrick Avenue
Richmond, CA 94801

To evidence the parties’ assent to this MOU, they have signed and delivered it on the dates set forth below.

_________________________________  _________________________________
Name: Armando Vega                                           Leslay Choy
Title: President                            ________     Executive Director
Organization: Enviro Views Inc.   ______             San Pablo Economic Development Corporation

Date: ____________________________  Date:  ____________________________
EXHIBIT A

Scope of Services

1. Services.
   1.1. General Description.
       Vendor shall provide regular landscaping maintenance once a month at Mission Plaza located at 14501 San Pablo Avenue, San Pablo, CA 94806, a commercial property owned and managed by the San Pablo EDC.

2. Service Delivery.
   2.1. Landscape Maintenance Services
      2.1.1. Shrubs and Ground Cover.
          2.1.1.1. Trim and shape shrubs to a well-maintained appearance.
          2.1.1.2. Trim all groundcover away from the sidewalks, buildings, fences, water, electrical boxes, and other fixtures. This includes keeping the ivy 8-12 inches away from trees and buildings.
          2.1.1.3. Prevent groundcover from growing up hedges and shrubs.
          2.1.1.4. Remove debris (i.e., paper, bottles, leaves, and branches) and/or other landscape materials every service day.
      2.1.2. Irrigation
          2.1.2.1. Monitor irrigation schedule on a quarterly basis (every three months).
          2.1.2.2. Sprinkler heads will be checked, cleaned, and adjusted to ensure proper use and to ensure that structures are not being sprayed.
          2.1.2.3. Irrigation repairs are subject to additional charges of labor and materials used. Broken sprinklers, valves or sprinkler lines will be reported immediately to San Pablo Economic Development Corporation.
          2.1.2.4. Contractor shall start repair work upon authorization from SPEDC.
          2.1.2.5. Any damages caused by Enviro Views Inc. shall be repaired without charge to SPEDC.
          2.1.2.6. It is the SPEDC Property Manager’s responsibility to provide controller keys.
          2.1.2.7. There will be a $90.00 additional charge for emergency irrigation shut–down should a malfunction occur during weekends and other not regularly scheduled hours. All other work will be
charged at a labor rate of $80.00 per hour. Labor and material will be itemized on the billing.

2.1.3. Tree Care Services
2.1.3.1. Shape and prune all trees up to 12 feet from the ground and branches up to 1.5 inches in diameter.
2.1.3.2. Prune trees for pedestrian clearance and prune away from buildings, outdoor lighting and structures. Adjust tree stakes as needed.
2.1.3.3. Enviro Views Inc. is not responsible for any damage caused by fallen limbs or trees (other than that occurring during work performed by Enviro Views Inc.).

2.1.4. Debris Removal
2.1.4.1. Enviro Views, Inc. is responsible for removal of all landscape debris generated by normal landscape maintenance activities the same day.
2.1.4.2. Clean–up wind debris removal during late fall and winter periods, especially leaves in areas such as parking areas and walkways.
2.1.4.3. Litter to be removed every service day.
2.1.4.4. Power blowers may be used in clean up operations.

2.1.5. Weed Abatement
2.1.5.1. Weeds on the landscaped areas will be kept as low as possible at all times in areas specified by management.
2.1.5.2. Weed control includes application of a nontoxic chemical broadleaf weed control or hand removal during the spring in landscaped areas; use of Round-up or similar chemical is not permitted.

2.1.6. Scheduling of The Maintenance Crew
2.1.6.1. Enviro Views Inc. to service the property once a month.
2.1.6.2. Enviro Views Inc. management will inspect the site every service date.

2.1.7. Communication
2.1.7.1. During working hours, 7:00 AM to 4:00 PM, Enviro Views Inc. provides customer service personnel to handle all landscape requests.
2.1.7.2. During non-working hours, or emergency services, Enviro Views Inc. can be reached through cell phones and email. The number will be provided to SPEDC Property Management.
3. Term of the Contract

3.1. Terms

3.1.1. This contract shall remain in effect on a continuous monthly basis until canceled by either party. Should either party elect to cancel the agreement, it is understood that the party initiating cancellation shall provide the other with a thirty (30) day written notice of their intent to cancel the agreement, and both parties shall remain bound to the terms of the contract through the thirty-day cancellation period. Enviro Views, Inc. may terminate services without providing a thirty-day notice in the event that the Property Owner is in breach of agreement, including, but not limited to, failure to pay for services.

3.1.2. The contract may be re-negotiated at any time for addendum or deletions. However, all parties to this agreement must agree, in writing, to any changes prior to such changes becoming effective.

3.1.3. If either party brings an action to enforce the terms hereof or declare rights hereunder, the prevailing party in such action, at trial, arbitration or appeal, shall be entitled to attorney’s fees actually incurred, all expenses necessitated by prosecuting or defending the action and all costs.

3.1.4. This agreement constitutes the final and complete agreement between the parties and incorporates and supersedes all prior oral negotiations and/or agreements. Any changes and additions to, or deletions from the provisions of this contract regarding work and pricing must be made in writing and signed by an authorized representative of Enviro Views, Inc.

3.2. Finances

3.2.1. Cost for landscape maintenance is $250.00 per month.

3.2.2. Vendor shall invoice SPEDC on a monthly basis; invoices shall be payable and due within 30 days.

3.2.3. Vendor shall apply a finance charge of 1.5% per month on past due accounts.

Notices. Any notices required to be made or given pursuant to this Agreement, shall be effective if made in writing and sent by registered or certified mail, return receipt requested to:

To SPEDC: Leslay C. Choy, Executive Director
San Pablo Economic Development Corporation
1000 Gateway Avenue, First Floor
San Pablo, CA 94806

To Vendor: Armando Vega Enviro Views Inc.
2701 Goodrick Avenue
Richmond, CA 94801
Exhibit B

Insurance Requirements

Insurance


1.1. On or before beginning any of the services or work called for by any term of this agreement, Vendor, at its own cost and expense, shall carry, maintain for the duration of the agreement, and provide proof thereof that is acceptable to SPEDC the insurance specified herein below with insurers and under forms of insurance satisfactory in all respects. This is in addition to medical malpractice insurance which must be provided by Vendor and any Vendor sub-contractors. Vendor shall not allow any subcontractor to commence work on any subcontract until all insurance required of the Vendor has also been obtained for the subcontractor. Vendor shall maintain limits no less than set forth below. If Vendor maintains higher limits than the minimums shown above, the SPEDC shall be entitled to coverage for the higher limits maintained by Vendor. If Vendor certifies students do not travel in, nor are allowed to drive, Vendor vehicles, evidence of automotive liability is not necessary.

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

1.1.1.2. Automotive liability: $1,000,000 per accident for bodily injury and property damage

1.1.1.3. Workers’ Compensation: As Required by the State of California. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of the SPEDC for all work performed by the Vendor, its employees, agents and subcontractors.

1.1.1.4. Employers’ Liability: $1,000,000 each accident; $1,000,000 policy limit bodily injury by disease, $1,000,000 each employee bodily injury by disease.

2. Deductibles and Self-Insured Retentions

2.1. Any deductibles or self-insured retentions must be declared to and approved by SPEDC. At the option of SPEDC, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the SPEDC, its officers, officials, employees and volunteers; or the Vendor shall provide a financial guarantee satisfactory to the guaranteeing payment of losses and related investigations, claim administration, and defense expenses.


The General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:
3.1. SPEDC, and their officers, officials, and employees are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Vendor; and with respect to liability arising out of work or operations performed by or on behalf of the Vendor including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (form CG 20 10 11 85, or forms CG2010 version 10/01 and GC 2037 versions 10/01 or equivalent) to the SPEDC’s insurance policy, or as a separate owner’s policy.

3.1.1. For any claims related to this project, the Vendor’s insurance coverage shall be primary insurance as respects the SPEDC, its officers, officials, and employees. Any insurance or self-insurance maintained by SPEDC, its officers, officials, or employees, shall be excess of the Vendor’s insurance and shall not contribute with it.

3.1.2. 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 has been provided to the SPEDC.

3.1.3. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

3.1.3.1. SPEDC, and its officers, officials, and employees are to be covered as insureds as respects each of the following: liability arising out of activities performed by or on behalf of Vendor, including the insured’s general supervision of Vendor; products and completed operations of Vendor; premises owned, occupied or used by Vendor; or automobiles owned, leased, hired, or borrowed by Vendor. The coverage shall contain no special limitations on the scope of protection afforded to SPEDC, and its officers, officials, and employees.

3.1.3.2. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

3.1.3.3. An endorsement must state that coverage is primary insurance and that no other insurance affected by SPEDC will be called upon to contribute to a loss under the coverage.

3.1.3.4. Any failure of SPEDC to comply with reporting provisions of the policy shall not affect coverage provided to SPEDC and its officers, officials, and employees.

3.1.3.5. Notice of cancellation or non-renewal must be received by SPEDC at least thirty days prior to such change.
4. **Deductibles and Self Insured Retentions**

   4.1. Vendor shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this agreement. During the period covered by this agreement, upon express written authorization of the Executive Director, SPEDC may increase such deductibles or self-insured retentions with respect to its officers, employees, agents, and volunteers. The Executive Director may condition approval of an increase in deductible or self-insured retention levels upon a requirement that Vendor procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

5. **Notice of Reduction in Coverage**

   5.1. In the event that any coverage required under this section of the agreement is reduced, limited, or materially affected in any other manner, Vendor shall provide written notice to SPEDC at Vendor’s earliest possible opportunity and in no case later than five days after SPEDC is notified of the change in coverage.

6. **Waiver of Subrogation**

   6.1. Vendor hereby agrees to waive subrogation, which any insurer of Vendor may acquire from SPEDC by virtue of the payment of any loss. Vendor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

7. **Acceptability of Insurers**

   7.1. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A: VII unless otherwise acceptable to SPEDC. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

8. **Verification of Coverage**

   8.1. Vendor shall furnish SPEDC with endorsements effecting coverage required by this clause. Vendor’s insurer may provide complete copies of all required insurance policies, including endorsements effecting the coverage required by the specifications. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by SPEDC before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements.
SAN PABLO EDC BOARD REPORT

DATE: June 15, 2023
TO: San Pablo EDC Board
FROM: Leslay Choy, Executive Director
SUBJECT: RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING FISCAL YEAR 2023-24 RENEWAL OF CONTRA COSTA COLLEGE MEMORANDUM OF UNDERSTANDING FOR EDUCATION, TRAINING AND CHILDCARE SERVICES AND RATIFYING INCLUSION IN MEASURE S BUDGET EXPENSE

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

Strategic 2: Innovate, provide and coordinate efforts to enhance workforce development impact in family-sustaining jobs and progressive-wage careers Measure S

As the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware, the San Pablo EDC has invested the past several years in cultivating a robust partnership with Contra Costa College (CCC) and its parent, Contra Costa Community College District (4CD). This has stretched beyond the Memorandum of Understanding (MOU) to extend to Strong Workforce funding, Contra Costa Workforce Collaborative (CCWC) WIOA services, West County Career Fairs, collaboration with the Contra Costa Building Trades Council to build a stronger pipeline, and collaboration with employers.

The MOU offers San Pablo residents subsidized education, training and childcare services. Residents may enroll in multiple career education and associate degree programs, including, Automotive Services, Biotechnology, Business Office Technology, Digital Media, Emergency Medical Services, Information Technology, Nursing, Criminal Justice and Medical Assistant programs, as well as childcare services at CCC’s Early Learning Center (ELC). Selected CE programs and associate degrees represent living-wage, in-demand jobs.

The partnership between the San Pablo EDC and CCC supports students by removing barriers to meaningful employment, specifically the financial cost of obtaining relevant employment skills and education, and childcare. As such, the agreement will defray expenses associated with tuition, textbooks, supplies and childcare at ELC for qualifying participants.

Annually, four to six San Pablo participants continue education services into the next fiscal year and two to six residents will initiate education services. As CCC pivoted many programs to be online or hybrid, San Pablo residents were successful in advancing their goals, including graduating another multi-lingual nurse! San Pablo EDC also awarded several scholarships to those transferring to four-year schools.

All Measure S job training MOUs are funded under expense account 62160 Job Training class Measure S. There are no guarantees of funded slots, as client demand is addressed on a first-come, most-responsive basis. This approach allows partners who outperform to be able to enroll more residents and avoids underspending of Measure S. Each MOU specifies that funding for each resident may only be
approved by San Pablo EDC staff, which ensures well-managed funding and allows staff to leverage WIOA and other grant funds to more fully serve San Pablo residents.

Approval of this MOU is contingent upon the Board’s approval of the proposed FY23-24 budget, which includes funding for this partnership under expense account 62160 Job Training & Employment Support Services.

Staff ask the Board to authorize fiscal year 2023-24 Contra Costa College MOU renewal for education, training and childcare services and ratify inclusion in Measure S budget expense.

**FISCAL IMPACT**

Fiscal impact from the FY23-24 Measure S budget expense account 62160 Job Training & Employment Support Services will depend on the number of students enrolled in coursework and the number of children enrolled at ELC.

**Attachments**

1. Contra Costa College FY23-24 MOU
RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING FISCAL YEAR 2023-24 RENEWAL OF CONTRA COSTA COLLEGE MEMORANDUM OF UNDERSTANDING AND RATIFYING BUDGET ALLOCATION

WHEREAS, as the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware, the San Pablo EDC has invested the past several years in cultivating a robust partnership with Contra Costa College (CCC); and

WHEREAS, the memorandum of understanding (MOU) offers San Pablo residents a broad range of career education programs and associates’ degrees that represent living-wage, in-demand jobs, as well as childcare at CCC’s Early Learning Center (ELC); and

WHEREAS, the partnership between the San Pablo EDC and CCC is designed to support students by removing barriers to meaningful employment, specifically the financial cost of obtaining relevant employment skills and education, and childcare; and

WHEREAS, in addition to directly benefiting residents by helping them overcome barriers to achieving their educational and career goals, this program benefits the community by subsidizing childcare at ELC; and

WHEREAS, all Measure S job training MOUs are funded under expense account 62160 Job Training class Measure S as a single funding pool; and

WHEREAS, the Board is asked to authorize execution of the FY23-24 MOU renewal and ratify the FY23-24 budget allocation contingent upon its approval of the FY23-24 budget; and

WHEREAS, fiscal impact from the FY23-24 Measure S budget expense account 62160 Job Training & Employment Support Services will depend on the number of students enrolled in coursework and the number of children enrolled at ELC.

NOW, THEREFORE, BE IT RESOLVED by the San Pablo Economic Development Corporation Board of Directors, as follows:

1) Authorize execution of the fiscal year 2023-24 Contra Costa College MOU renewal and ratifying inclusion in Measure S budget expense.

ADOPTED this 15th day of June, 2023, by the following vote, to wit:

AYES: 
NOES: 
ABSTAIN: 
ABSENT: 

ATTEST:                  APPROVED:

_________________________       ________________________
Saeid Babay Hosseini, Board Secretary   Xavier Abrams, Board Chair
Resolution SPEDC2023-0
San Pablo Economic Development Corporation & Contra Costa College

July 1, 2023

MEMORANDUM OF UNDERSTANDING
Memorandum of Understanding between Contra Costa College ("Partner" or “CCC”) and San Pablo Economic Development Corporation (the “SPEDC”).

Recitals

SPEDC is engaged in economic and workforce development by delivering programs, providing access to training, engaging in public-private partnerships and linking community resources.

Partner is engaged in services and activities as specified in Exhibit A.

SPEDC and Partner are entering into a Memorandum of Understanding ("MOU") for the purpose of providing the Program as defined in Exhibit A. Both parties have complementary missions and share a desire to cooperate to the ends described herein. To that extent, the parties intend this MOU to create a relationship for their mutual benefit.

Accordingly, the parties hereby agree as follows:


1.1. Program Operation. Each party shall perform the Program responsibilities set forth for that party in Exhibit A.

1.2. Participant Eligibility. Each party shall provide Program services only to individuals meeting the participant eligibility requirements set forth in Exhibit A.

2. Communication.

2.1. Progress Reports. Partner shall provide progress reports to the SPEDC on Program operation under this MOU upon request, including information regarding total numbers of referrals and participants; graduation, certification, and licensing data, as applicable; identification of challenges; information regarding any program participants’ withdrawal or expulsion from the Program; and any other information required to be reported as described in Exhibit A.

2.2. Data. The SPEDC provides Partner with a spreadsheet template used to submit prospects for verification and enrollment. Verification of residency and post-enrollment data submittal will only be done and exchanged between the parties on this template. Once a resident has been verified and enrolled under this MOU, Partner agrees to submit a completed SPEDC Workforce Enrollment Form (WEF), copy of valid, government-issued photo ID, and a copy of the MBC Enrollment Agreement with total cost included.

2.3. Program Performance Reports. Partner shall provide the SPEDC an annual Program performance report, containing the information required in the section 2.1 above, compiled for the fiscal year (July 1, 2023 – June 30, 2024). Partner shall
3. Finances.

3.1. Invoices. Partner shall invoice the SPEDC according to the schedule specified in Exhibit A.

3.2. Satisfaction of Invoices. The SPEDC shall pay Partner’s invoices within thirty business days of receipt provided all documentation is complete, and shall notify Partner if there are questions or concerns regarding submitted invoices.

4. Miscellaneous

4.1. Confidentiality. Each party shall maintain the confidentiality of information gathered and all records generated during the period of this MOU, to the extent allowed by law. Provision of financial and organizational operations records to a party’s accountants, attorneys, auditors, board members, and other professionals or affiliated individuals is not a violation of this section. This provision does not prohibit staff from reporting suspected neglect or abuse of participants to child abuse reporting agencies as required by law.

4.2. Insurance. On or before commencement of operation of the Program pursuant to this MOU, Partner, at its own expense, shall carry, maintain for the duration of the MOU, and provide proof thereof that is acceptable to the SPEDC, the insurance described in Exhibit B with insurers and under forms of insurance satisfactory in all respects to the SPEDC. Partner shall maintain limits no less than as set forth in Exhibit B. If Partner maintains higher limits than those set forth in Exhibit B, the SPEDC shall be entitled to coverage for the higher limits maintained by Partner. Partner shall not allow any subcontractor to commence work on any subcontract in operation of the Program until all insurance required of Partner has also been obtained for the subcontractor. Partner shall require and verify that any subcontractors maintain insurance as required of Partner.

4.3. Indemnity

4.3.1. Indemnification of SPEDC. To the fullest extent permitted by law, Partner shall immediately defend, indemnify, and hold harmless the SPEDC and its directors, officers, administrators, employees, volunteers, and agents from and against all liabilities regardless of nature or type, direct or indirect, in whole or in part, arising out of or resulting from Partner’s performance of services under this MOU, or in connection with any negligent or wrongful act or omission of Partner or its departments, programs, divisions, officers, employees, agents, or subcontractors, in the performance of this MOU. Liabilities subject to the duties to defend, indemnify, and hold harmless include, without limitation, such liabilities for: damage to property; injury
or death of any person; and all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys’ fees; court costs; and costs of alternative dispute resolution. Partner’s obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole active negligence or sole willful misconduct of an indemified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemified party, Partner’s indemnification obligation shall be reduced in proportion to the established comparative liability of the indemified party.

In its sole discretion and at its own cost and expense, the SPEDC may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve Partner of any obligation imposed pursuant to this MOU. The SPEDC shall promptly notify Partner of any such claim, action, or proceeding and shall cooperate fully in the defense of same.

The review, acceptance or approval of the Partner’s work or work product by any indemified party shall not affect, relieve or reduce the Partner’s indemnification or defense obligations. This Section survives completion of the services or the termination of this contract. The provisions of this Section are not limited by and do not affect the provisions of this contract relating to insurance.

The duty of Partner to indemnify and hold harmless includes the duty to defend as set forth in section 2778 of the California Civil Code. Acceptance of insurance certificates and endorsements required under this MOU does not relieve Partner from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. The parties further agree that the provisions of this section shall survive any termination or expiration of this MOU.

4.3.2. **Indemnification of Partner.** To the fullest extent permitted by law, the SPEDC shall immediately defend, indemnify, and hold harmless Partner and its directors, officers, administrators, employees, volunteers, and agents against and from any liability, including for damage to property and injury or death of any person, and any claim, action, or proceeding against Partner, arising solely out of or in connection with the acts or omissions of the SPEDC in the performance of this MOU. In its sole discretion and at its sole cost and expense, Partner may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve the SPEDC of any obligation imposed pursuant to this MOU. Partner shall promptly notify the SPEDC of any such
claim, action, or proceeding and shall cooperate fully in the defense of same.

4.4. **Effective Date & Term.** This MOU shall be effective July 1, 2023 upon execution and delivery by both parties and shall govern Program operations specified in Exhibit A through June 30, 2024. If parties specify a program commencement date prior to the effective date of this MOU, then to the extent feasible, they shall apply terms of this MOU to Program operations preceding the effective date.

4.5. **Amendment.** Amendments to this MOU are effective only if agreed upon by both parties, as indicated through execution and delivery documenting the amendment.

4.6. **Termination.** Either party may terminate this MOU with or without cause by providing the other party with sixty days’ written notice.

4.7. **Third-party Beneficiaries.** There are no third-party beneficiaries to this MOU.

4.8. **Notices.** Any notices required to be made or given pursuant to this MOU, shall be effective if made in writing and sent by registered or certified mail, return receipt requested to:

To SPEDC: Leslay C. Choy, Executive Director
San Pablo Economic Development Corporation
1000 Gateway Avenue, First Floor
San Pablo, CA 94806

To Partner: Evan Decker, Dean, Workforce and Economic Development
Contra Costa College
2600 Mission Bell Drive
San Pablo, CA 94806

To evidence the parties’ assent to this MOU, they have signed and delivered it on the dates set forth below.

_________________________________  _________________________________
Amy Sterry                                                       Leslay C. Choy
Director of Purchasing and Contracts                    Executive Director
Contra Costa Community College District             San Pablo Economic Development Corporation

Date: ____________________________  Date:  ____________________________
EXHIBIT A

Program Description

1. Program Overview.
   1.1. General Description of Program Purpose.

   The Partner Program between the SPEDC and CCC is designed to support current and future workforce, who may or may not be CCC students, by removing barriers to employment, specifically the financial cost of getting career education (CE), a college degree and access to affordable childcare. As such, the Partner Program will defray expenses associated with tuition, textbooks, supplies and childcare at CCC’s Early Learning Center (ELC) for qualifying participants. The Partner Program will defray 50% of the costs of books, tuition, and supplies for up to ten San Pablo residents; this Program shall only apply to participants who are verified residents of the incorporated City of San Pablo. These students also have the option to enroll into WIOA employment and training services with the SPEDC, providing the possibility of additional debt-reduction funding through WIOA training funds. The childcare element of this Partner Program will cover up to twelve San Pablo residents, and may extend to non-San Pablo residents who are grant funded; this is subject to individual approval and is negotiated directly between the ELC Director and the San Pablo EDC Executive Director.

   This program will serve the following City of San Pablo residents:

   - CCC students enrolled in CE programs as follows: Administration of Justice, Automotive Services, Biotechnology, Emergency Medical Services, Business Office Technology, Business Management, Digital Media, Information Technology, Certified Nursing Assistant and Medical Assistant programs, and Computer and Communications/Information Technology (network technology);

   - CCC students enrolled in degrees for progressive, living-wage careers, e.g., nursing, computer science, computer information systems, administration of justice, healthcare-related, computer and information communications technology (network technology) and automotive services; and

   - Individuals receiving job training services at SPEDC partner providers, or working San Pablo residents.

   San Pablo resident students enrolled in one of CCC’s target CE programs will have the opportunity to benefit from assistance with educational expenses and/or
childcare costs based upon his or her situation. Students will choose the type(s) of assistance that will be most helpful given their circumstances.

In addition to directly benefiting students by helping them overcome barriers to achieving their educational and career goals, this program will benefit the community by supporting CCC’s Early Learning Center (ELC). The ELC is a valuable community asset offering quality child care at a reasonable price. The ELC provides Montessori and traditional curricula and features a highly-trained, multilingual staff. While this MOU addresses Measure Q funding for San Pablo residents who may wish to enroll their children at ELC, SPEDC may also utilize grant funding for San Pablo and non-San Pablo residents who wish to enroll their children.

The SPEDC will approve Measure Q/S funding for residents living in the incorporated City of San Pablo only. For non-San Pablo residents who are WIOA-eligible, SPEDC may also enroll those individuals for degrees and CE according to WIOA and Employment Training Provider list (ETPL) guidelines.

2. **Program Operation.**

2.1. **Marketing and Recruiting**

2.1.1. **SPEDC Marketing and Recruiting Responsibilities.** The SPEDC shall actively participate in the marketing of the Partner Program to students, faculty, San Pablo residents, agency partners and SPEDC job training grant recipients.

2.1.1.1. SPEDC shall capture photographs and create collateral, as well as website content, graphics, e-blasts and social media posts.

2.1.2. **Partner Marketing and Recruiting Responsibilities.** Partner shall share outreach responsibilities, and shall engage internal departments and faculty in creating outreach opportunities for SPEDC and Partner. Internal departments include administration, financial aid, admissions, CE Committee and the ELC.

2.1.2.1. Partner shall share photographs and other needed graphics with SPEDC to create collaterals and ads. Partner shall also host content on its website, to the extent possible through internal controls, to market this funding opportunity.

2.2. **Administration**

2.2.1. **SPEDC Administrative Responsibilities: Education and Childcare.**

2.2.1.1. SPEDC shall be responsible for the administration of SPEDC job training grant recipients who wish to enroll their children at the ELC, but who are not Contra Costa College students, and will provide a list of approved students to the ELC who qualify under
this MOU. SPEDC staff will provide enrollees and ELC staff contact a referral form that lets the ELC know the person is approved to enroll their child(ren) under this MOU, the dates during which funding will be covered and the amount; this form requires the signature of the SPEDC Executive Director to be valid, without which SPEDC is not responsible for any costs.

2.2.1.2. Funding for education is only available once a student or workforce enrollee has been verified as eligible by SPEDC staff after having met all qualifications as outlined in Section 3 Participant Eligibility

2.2.1.3. SPEDC shall commit a dedicated staff person to serve as the administrative point of contact for all education enrollees under SPEDC staff case management.

2.2.2. Partner Administrative Responsibilities.

2.2.2.1. Partner shall commit a dedicated staff person to serve as the administrative point of contact.

2.2.2.2. Partner shall make every effort to educate Admissions, Counselors, Student Services and Deans, Chairs and Professors at Contra Costa College about this program, and assist SPEDC with the onsite marketing, as well as opportunities to address faculty, staff and students.

2.2.2.3. Partner shall be responsible for all Contra Costa College students and administer the program in collaboration with the ELC.

2.2.2.4. Partner shall submit students for verification following the step by step process attached (Exhibit C).

2.2.2.5. Partner shall track the categories under which students may apply their grant for as well as keeping track that money does not exceed “not to exceed” amount under each category.

2.2.2.6. Partner shall administer the wait-list in collaboration with SPEDC staff should one develop.

3. Participant Eligibility

3.1. Verification of Eligibility. Partner shall request verification from the SPEDC for San Pablo resident eligibility before enrollment in the Program and provide to the SPEDC the documentation to confirm eligibility. Specifically:

3.1.1. To be enrolled under this program, each applicant must meet with SPEDC staff and complete the following:

- Present a valid, government-issued photo ID
- Show proof of residency in the Incorporated City of San Pablo
- Have a High School Diploma or GED, or be enrolled in said programs
- Complete an SPEDC Workforce Enrollment Form (WEF) and Standards of Conduct; enrollment may not proceed without these
- Either be a Contra Costa College student in an approved program, be an SPEDC job training grant recipient, or be an employed City of San Pablo resident who is not a CCC student seeking childcare services at the ELC; in some cases, grant funding is approved for non-San Pablo residents seeking ELC enrollment, in which case, pre-approval and all appropriate covenants of this MOU apply
- Demonstrate commitment to CE by paying all fees to the College on-time and maintaining a solid academic record
- Meet with SPEDC staff, in-person or virtually; be pre-approved for WIOA &/or Measure Q funding by staff and receive financial counseling from SPEDC staff before enrolling at CCC; failure to do so will disqualify enrollee from funding
- Be responsive to outreach from SPEDC staff regarding employment status and information; failure to do so may hold up the funding payments to Partner for which enrollee will be liable if requirement is not fulfilled
- Be willing to fulfill a volunteer commitment at the SPEDC if requested

3.1.2. Partner shall submit names of potential San Pablo residents to the SPEDC. Each student must be verified by designated SPEDC staff on the spreadsheet template as outlined in sub-section 2.2 Data of the MOU. SPEDC staff shall notify Partner whether the applicant may or may not be enrolled under this MOU. Once residency is established, enrollment must be supported by the required ID and proof of residency, as well as verification of enrollment in an approved CE program (or in the ELC, as the case may be) and completion of all data fields on the template. An invoice cannot be submitted and will not be accepted for a student until these steps have been completed and SPEDC approves student for funding.

3.1.2.1. P.O. Boxes or addresses at commercial centers will not be accepted to establish residency.

3.1.3. Partner will work directly with SPEDC staff on all verifications, data tracking, and contract- or case management-related questions.

3.1.4. Partner shall work with the financial aid and admissions offices in the event continued funding is requested. Partner shall work with SPEDC staff to communicate the process, which includes student has satisfied all outstanding amounts the student may owe to the College, a copy of grades from the previously completed session, and proof of enrollment in the
session for which continued funding is being requested.

3.2. Confirmation of Eligibility. The SPEDC shall confirm eligibility according to the requirements described in Exhibit A and notify Partner immediately whether the applicant may or may not be enrolled under this MOU.

3.2.1. Following eligibility verification, Partner shall complete the data submission to the SPEDC using the template provided by the SPEDC, for all San Pablo students who receive services under this MOU, including, but not limited to, all applicable information as follows: contact information, demographic data, current enrollment, exit date, certification completion dates, most recent employer, and salary.

4. Communication and Recordkeeping

4.1. Program Event Dates. Partner shall notify the SPEDC of the date of each Program graduation, along with a confirmed list of San Pablo students participating in such graduation, as well as the dates of any Program-related event.

4.2. Progress Reports. Partner shall provide the SPEDC an annual Program performance report, containing the information required in the section 2.1 above, compiled for the fiscal year (July 1, 2023 – June 30, 2024). Partner shall utilize the Word template provided by SPEDC for the semi-annual and annual progress reports.

4.2.1. Partner must notify the SPEDC within five (5) business days if a San Pablo student drops, withdraws or is expelled from the college.

4.2.2. Partner must notify the SPEDC within five (5) business days if a San Pablo student drops or withdraws their child from the ELC.

4.2.3. In all cases, SPEDC funding will immediately cease for that participant.

4.3. Graduate Data. Partner shall keep graduation, employment, certification, and licensing data, as applicable, for all students referred to Partner by the SPEDC, and Partner shall share all such data with the SPEDC.

5. Finances

5.1. Compensation. Upon approval, the SPEDC agrees to provide grant funding for eligible, verified and funding approved San Pablo residents, while funding remains available. Academic enrollees receive up to 50% of the cost of tuition, books and supplies (unless WIOA funding is also applied) and ELC participants equitable support for cost of care based on family income. EDC staff make the documented determination and establish the reimbursement rate per child with ELC staff. Reimbursement will not exceed $600 per child per month.

5.1.1. As funding may be exhausted quickly, verification of residency is not
sufficient to guarantee funding. Once all data is submitted, Partner must get authorization from SPEDC to enroll under this MOU.

5.1.2. CCC will invoice SPEDC regularly, as appropriate, and shall include the approved student’s name, CE program/major and costs. Multiple students may be submitted on a single invoice.

5.1.3. The ELC shall invoice SPEDC monthly, and invoices shall include the approved resident’s name and their respective child(ren)’s names, full- or part-time enrollment and amount. Multiple residents may be submitted on a single invoice.

5.2. Participant Withdrawal. If a Program Participant drops, withdraws, or is expelled, Partner must notify SPEDC immediately. The student must return all books, and any ELC funding will terminate at the end of the month their college attendance ceased or their child stopped attending the ELC. Should a student drop out and not return the books, a hold will be placed on their record.

6. Term of Program Operations. This Exhibit A covers Program operations from July 1, 2023 to June 30, 2024.
Exhibit B

Insurance Requirements

Insurance


   1.1. On or before beginning any of the services or work called for by any term of this agreement, Partner, at its own cost and expense, shall carry, maintain for the duration of the agreement, and provide proof thereof that is acceptable to SPEDC the insurance specified herein below with insurers and under forms of insurance satisfactory in all respects. Partner shall not allow any subcontractor to commence work on any subcontract until all insurance required of the Partner has also been obtained for the subcontractor. Partner shall maintain limits no less than set forth below. If Partner maintains higher limits than the minimums shown above, the SPEDC shall be entitled to coverage for the higher limits maintained by Partner. If Partner certifies students do not travel in, nor are allowed to drive, Partner vehicles, evidence of automotive liability is not necessary.

   1.1.1. General Liability: $2,000,000 per occurrence for bodily injury, personal injury, and property damage.

   1.1.2. Automotive liability: $1,000,000 per accident for bodily injury and property damage.

   1.1.3. Workers’ Compensation: As Required by the State of California. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of the SPEDC for all work performed by the Partner, its employees, agents and subcontractors.

   1.1.4. Employers’ Liability: $1,000,000 each accident; $1,000,000 policy limit bodily injury by disease, $1,000,000 each employee bodily injury by disease.

2. Deductibles and Self-Insured Retentions

   2.1. Any deductibles or self-insured retentions must be declared to and approved by SPEDC. At the option of SPEDC, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the SPEDC, its officers, officials, employees and volunteers; or the Partner shall provide a financial guarantee satisfactory to the SPEDC guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

The General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

3.1. SPEDC, and their officers, officials, and employees are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Partner; and with respect to liability arising out of work or operations performed by or on behalf of the Partner including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (form CG 20 10 11 85, or forms CG2010 version 10/01 and GC 2037 versions 10/01 or equivalent) to the SPEDC’s insurance policy, or as a separate owner’s policy.

3.1.1. For any claims related to this project, the Partner’s insurance coverage shall be primary insurance as respects the SPEDC, its officers, officials, and employees. Any insurance or self-insurance maintained by SPEDC, its officers, officials, or employees, shall be excess of the Partner’s insurance and shall not contribute with it.

3.1.2. 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 has been provided to the SPEDC.

3.1.3. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

3.1.3.1. SPEDC, and its officers, officials, and employees are to be covered as insureds as respects each of the following: liability arising out of activities performed by or on behalf of Partner, including the insured’s general supervision of Partner; products and completed operations of Partner; premises owned, occupied or used by Partner; or automobiles owned, leased, hired, or borrowed by Partner. The coverage shall contain no special limitations on the scope of protection afforded to SPEDC, and its officers, officials, and employees.

3.1.3.2. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

3.1.3.3. An endorsement must state that coverage is primary insurance and that no other insurance affected by SPEDC will be called upon to contribute to a loss under the coverage.

3.1.3.4. Any failure of SPEDC to comply with reporting provisions of the policy shall not affect coverage provided to SPEDC and its officers, officials, and employees.
3.1.3.5. Notice of cancellation or non-renewal must be received by SPEDC at least thirty days prior to such change.

4. **Deductibles and Self Insured Retentions**

4.1. Partner shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this agreement. During the period covered by this agreement, upon express written authorization of the Executive Director, SPEDC may increase such deductibles or self-insured retentions with respect to its officers, employees, agents, and volunteers. The Executive Director may condition approval of an increase in deductible or self-insured retention levels upon a requirement that Partner procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

5. **Notice of Reduction in Coverage**

5.1. In the event that any coverage required under this section of the agreement is reduced, limited, or materially affected in any other manner, Partner shall provide written notice to SPEDC at Partner’s earliest possible opportunity and in no case later than five days after SPEDC is notified of the change in coverage.

6. **Waiver of Subrogation**

6.1. Partner hereby agrees to waive subrogation, which any insurer of Partner may acquire from SPEDC by virtue of the payment of any loss. Partner agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

7. **Acceptability of Insurers**

7.1. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A:VII unless otherwise acceptable to SPEDC. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

8. **Verification of Coverage**

8.1. Partner shall furnish SPEDC with endorsements effecting coverage required by this clause. Partner’s insurer may provide complete copies of all required insurance policies, including endorsements effecting the coverage required by the specifications. The endorsements are to be signed by a person authorized by that Insurer to bind coverage on its behalf. All endorsements are to be received and approved by SPEDC before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements.
Exhibit C

Education Services Verification & Funding Process

1: Student Submission
- Contra Costa College uses the Excel template provided by the SPEDC to submit potential students names and addresses to SPEDC.

2: Address Verification
- SPEDC verifies and returns the spreadsheet to CCC with resident/non-resident designations.

3: Proof of Residency
- CCC submits the proper supporting documentation*, completes the remaining data fields on the Excel spreadsheet, and returns the completed document to SPEDC.

4: Meeting with SPEDC
- Once a student's eligibility has been confirmed, the SPEDC will arrange a meeting with student to complete forms, discuss program expectations and conduct a brief interview.

5: Funding Approval
- Following completion of Step 4, CCC will be notified of funding approval and next steps.

* The required document is a valid, government-issued photo ID with the verified address. If the address on the ID is different than the one that has been verified, an official document with both the person's name and the approved address, such as a utility or cell phone bill, bank statement, Student ED plan, etc., will also be required. The SPEDC will let CCC know immediately if anything is missing or if the documents submitted are not sufficient.
**Student Funding and Verification Process of SPEDC Grant Recipients for Childcare Services**

1: Resident Inquiry & Approval
- Resident will inform the SPEDC of their interest on childcare services at ELC, and SPEDC staff will verify residency &/or grant eligibility.

2: Resident Submission to ELC
- SPEDC will submit spreadsheet to the ELC once prospective enrollee has completed all eligibility requirements. Enrollee will be responsible for contacting ELC for tour and application. Once approved, SPEDC will notify ELC with updated spreadsheet.

3: Enrollment & Invoicing
- Enrollee will be responsible for completing enrollment of their child(ren) at ELC. Once enrolled, ELC will initiate invoicing SPEDC.
SAN PABLO EDC BOARD REPORT

DATE: June 15, 2023
TO: San Pablo EDC Board
FROM: Leslay Choy, Executive Director
SUBJECT: RESOLUTION AUTHORIZING FISCAL YEAR 2023-24 MICHAEL’S TRANSPORTATION SERVICES TRAINING ACADEMY MOU RENEWAL FOR JOB TRAINING SERVICES AND RATIFYING INCLUSION IN MEASURE S BUDGET EXPENSE

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

Strategy 2: Innovate, provide and coordinate efforts to enhance workforce development impact in family-sustaining jobs and progressive-wage careers Measure S

As the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware, since 2017, San Pablo EDC has worked with Michael’s Transportation Services Training Academy (MTS) in Vallejo to provide Class A and Class B commercial driver’s license and school bus license training to San Pablo residents and Workforce Innovation and Opportunity Act (WIOA) participants. Given the regional growth for Class A careers and nationwide shortage of Class B passenger-endorsed drivers, this relationship and success rate are positive. Also, the San Pablo EDC trains non-San Pablo residents with WIOA funding at MTS, as Class A and B licenses are in high demand.

There are very few WIOA-qualified trainers for commercial licenses. San Pablo EDC is supporting two small bilingual (Spanish/English) vendors in San Leandro and Hayward with their qualification process, as well as a trainer/employer in San Francisco, but it will be some time before these vendors are able to make the qualified list. Staff would like to have multiple training vendors with whom it could work under Measure - S and WIOA, and hope to bring forward those MOUs later this year.

ANALYSIS

MTS has decades of experience training Class A and Class B drivers. Of note, MTS has a wealth of experience successfully training and putting to work justice-impacted and Department of Rehabilitation (DOR) clients. MTS works closely with the Employment Development Department (EDD) and is on the Employer Training Panel List (ETPL).

Total possible Measure S reimbursement to the training partner is up to $5,000 per resident. The balance of the enrollment and related fees will either be subsumed by WIOA, another grant or the enrollee’s own funding. Payment milestones are as follows:

- 25% upon enrollment and completion of the Workforce Enrollment Form and one week of attendance
- 25% after first two weeks of attendance
- 40% after passing the California DMV Class-A or Class-B behind-the-wheel examination and attending an interview with a SPEDC staff member to be coordinated with Partner
• 10% upon placement in employment in industry; placement in an unrelated industry will render this payment void.

All Measure S job training MOUs are funded under expense account 62160 Job Training class Measure S. There are no guarantees of funded slots, as client demand is addressed on a first-come, first-serve basis. In this way, job training partners who outperform will be able to enroll more people, and avoids underspending of Measure S. The MOU specifies that funding for each resident may only be approved by San Pablo EDC staff, ensuring a well-managed Measure S budget that allows staff to leverage WIOA and other grant funds.

Approval of this MOU is contingent upon the Board’s approval of the proposed FY23-24 budget, which includes funding for this partnership under expense account 62160 Job Training.

The Executive Director asks the Board to authorize execution of the FY23-24 Michael’s Transportation Services Training Academy MOU renewal and ratify inclusion in Measure S budget expense contingent upon its approval of the FY23-24 budget.

**FISCAL IMPACT**

Fiscal impact from the FY23-24 Measure S budget expense account 62160 Job Training & Employment Support Services will depend on the number of residents enrolled.

**Attachments**

1. San Pablo EDC FY23-24 MOU with MTS Training Academy
RESOLUTION SPEDC2023-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING FISCAL YEAR 2023-24 MICHAEL’S TRANSPORTATION SERVICES TRAINING ACADEMY MOU RENEWAL FOR JOB TRAINING SERVICES AND RATIFYING INCLUSION IN MEASURE S BUDGET EXPENSE

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware that since 2017, San Pablo EDC has worked with Michael’s Transportation Services Training Academy (MTS) in Vallejo to provide Class A and Class B commercial driver’s license and school bus license training to San Pablo residents and Workforce Innovation and Opportunity Act (WIOA) participants; and

WHEREAS, MTS has decades of experience training Class A and Class B drivers, and has been particularly successful training and putting to work justice-impacted and Department of Rehabilitation (DOR) clients; MTS works closely with the Employment Development Department (EDD) and is on the Employer Training Panel List (ETPL); and

WHEREAS, all Measure S job training MOUs are funded under expense account 62160 Job Training class Measure S; there are no guarantees of funded slots, as client demand is addressed on a first-come, first-serve basis; and

WHEREAS, approval of this MOU is contingent upon the Board’s approval of the proposed FY23-24 budget, which includes funding for this partnership under expense account 62160 Job Training; and

WHEREAS, fiscal impact from the FY23-24 Measure S budget expense account 62160 Job Training & Employment Support Services will depend on the number of residents enrolled.

NOW, THEREFORE, BE IT RESOLVED by the San Pablo Economic Development Corporation Board of Directors, as follows:

1) Authorize execution of the fiscal year 2023-24 Michael’s Transportation Services Training Academy MOU renewal and ratify inclusion in Measure S budget expense contingent upon its approval of the fiscal year 2023-24 budget.

ADOPTED this 15th day of June, 2023, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

Saeid Babay Hosseini, Board Secretary

Xavier Abrams, Board Chair

Resolution SPEDC2023-0
MEMORANDUM OF UNDERSTANDING

San Pablo Economic Development Corporation & Michael’s Transportation Services Training Academy

July 1, 2023
Memorandum of Understanding between Michael’s Transportation Services (MTS) Training Academy ("Partner") and San Pablo Economic Development Corporation (the “SPEDC”).

Recitals

SPEDC is engaged in economic and workforce development by delivering programs, providing access to training, engaging in public-private partnerships and linking community resources.

Partner is engaged in services and activities as specified in Exhibit A.

SPEDC and Partner are entering into a Memorandum of Understanding (“MOU”) for the purpose of providing the Program as defined in Exhibit A. Both parties have complementary missions and share a desire to cooperate to the ends described herein. To that extent, the parties intend this MOU to create a relationship for their mutual benefit.

Accordingly, the parties hereby agree as follows:


1.1. Program Operation. Each party shall perform the Program responsibilities set forth for that party in Exhibit A.

1.2. Participant Eligibility. Each party shall provide Program services only to individuals meeting the participant eligibility requirements set forth in Exhibit A in order to receive payment under this MOU.

2. Communication.

2.1. Progress Reports. Partner shall provide progress reports to the SPEDC on Program operation under this MOU upon request, including information regarding total numbers of referrals and participants; graduation, certification, and licensing data, as applicable; identification of challenges; information regarding any program participants’ withdrawal or expulsion from the Program; and any other information required to be reported as described in Exhibit A.

2.2. Data. The SPEDC provides Partner with a spreadsheet template used to submit prospects for verification and enrollment. Verification of residency and post-enrollment data submittal will only be done and exchanged between the parties on this template. Once a resident has been verified and enrolled under this MOU, Partner agrees to submit a completed SPEDC Workforce Enrollment Form (WEF), copy of valid, government-issued photo ID, and a copy of the MBC Enrollment Agreement with total cost included.

2.3. Program Performance Reports. Partner shall provide the SPEDC an annual Program performance report, containing the information required in the section
2.1 above, compiled for by fiscal year (July 1 through June 30). Partner shall utilize the Word template provided by SPEDC for the semi-annual and annual progress reports.

3. Finances.

3.1. Invoices. Partner shall invoice the SPEDC according to the schedule specified in Exhibit A.

3.2. Satisfaction of Invoices. The SPEDC shall pay Partner’s invoices within thirty business days of receipt, and shall notify Partner if there are questions or concerns regarding submitted invoices.

4. Miscellaneous

4.1. Confidentiality. Each party shall maintain the confidentiality of information gathered and all records generated during the period of this MOU, to the extent allowed by law. Provision of financial and organizational operations records to a party’s accountants, attorneys, auditors, board members, and other professionals or affiliated individuals is not a violation of this section. This provision does not prohibit staff from reporting suspected neglect or abuse of participants to child abuse reporting agencies as required by law.

4.2. Insurance. On or before commencement of operation of the Program pursuant to this MOU, Partner, at its own expense, shall carry, maintain for the duration of the MOU, and provide proof thereof that is acceptable to the SPEDC, the insurance described in Exhibit B with insurers and under forms of insurance satisfactory in all respects to the SPEDC. Partner shall maintain limits no less than as set forth in Exhibit B. If Partner maintains higher limits than those set forth in Exhibit B, the SPEDC shall be entitled to coverage for the higher limits maintained by Partner. Partner shall not allow any subcontractor to commence work on any subcontract in operation of the Program until all insurance required of Partner has also been obtained for the subcontractor. Partner shall require and verify that any subcontractors maintain insurance as required of Partner.

4.3. Indemnity

4.3.1. Indemnification of SPEDC. To the fullest extent permitted by law, Partner shall immediately defend, indemnify, and hold harmless the SPEDC and its directors, officers, administrators, employees, volunteers, and agents from and against all liabilities regardless of nature or type, direct or indirect, in whole or in part, arising out of or resulting from Partner’s performance of services under this MOU, or in connection with any negligent or wrongful act or omission of Partner or its departments, programs, divisions, officers, employees, agents, or subcontractors, in the performance of this MOU. Liabilities subject to the duties to defend, indemnify, and hold harmless include, without limitation, such liabilities for: damage to property; injury
or death of any person; and all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys’ fees; court costs; and costs of alternative dispute resolution. Partner’s obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, Partner’s indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

In its sole discretion and at its own cost and expense, the SPEDC may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve Partner of any obligation imposed pursuant to this MOU. The SPEDC shall promptly notify Partner of any such claim, action, or proceeding and shall cooperate fully in the defense of same.

The review, acceptance or approval of the Partner’s work or work product by any indemnified party shall not affect, relieve or reduce the Partner’s indemnification or defense obligations. This Section survives completion of the services or the termination of this contract. The provisions of this Section are not limited by and do not affect the provisions of this contract relating to insurance.

The duty of Partner to indemnify and hold harmless includes the duty to defend as set forth in section 2778 of the California Civil Code. Acceptance of insurance certificates and endorsements required under this MOU does not relieve Partner from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. The parties further agree that the provisions of this section shall survive any termination or expiration of this MOU.

4.3.2. Indemnification of Partner. To the fullest extent permitted by law, the SPEDC shall immediately defend, indemnify, and hold harmless Partner and its directors, officers, administrators, employees, volunteers, and agents against and from any liability, including for damage to property and injury or death of any person, and any claim, action, or proceeding against Partner, arising solely out of or in connection with the acts or omissions of the SPEDC in the performance of this MOU. In its sole discretion and at its sole cost and expense, Partner may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve the SPEDC of any obligation imposed pursuant to this MOU. Partner shall promptly notify the SPEDC of any such
claim, action, or proceeding and shall cooperate fully in the defense of same.

4.4. **Effective Date & Term.** This MOU shall be effective July 1, 2023 upon execution and delivery by both parties governing Program operations specified in Exhibit A through June 30, 2024 contingent upon the SPEDC Board’s approval of the fiscal year 2023-24 budget, with possible renewal in subsequent fiscal years.

4.5. **Amendment.** Amendments to this MOU are effective only if agreed upon by both parties, as indicated through execution and delivery documenting the amendment.

4.6. **Termination.** Either party may terminate this MOU with or without cause by providing the other party with sixty days’ written notice.

4.7. **Third Party Beneficiaries.** There are no third party beneficiaries to this MOU.

4.8. **Notices.** Any notices required to be made or given pursuant to this MOU, shall be effective if made in writing and sent by registered or certified mail, return receipt requested to:

To SPEDC: Leslay C. Choy, Executive Director  
San Pablo Economic Development Corporation  
1000 Gateway Avenue, First Floor  
San Pablo, CA 94806

To Partner: Anthony Summers, Admissions/Placement Director  
MTS Training Academy  
140 Yolano Drive  
Vallejo, CA 94589

To evidence the parties’ assent to this MOU, they have signed and delivered it on the dates set forth below.

_________________________________  _________________________________  
Name: Keith Judkins                                             Leslay C. Choy  
Title: Director                                                             Executive Director  
Organization: MTS Training Academy               San Pablo Economic Development Corporation

Date: ____________________________  Date:  ____________________________  

San Pablo Economic Development Corporation, 1000 Gateway Avenue, First Floor, San Pablo, CA 94806 P: 510-215-3200 4
EXHIBIT A

Program Description

1. Program Overview.

1.1. General Description of Program Purpose.

MTS Training Academy is a division of Michael’s Transportation Services specializing in Class-A and Class-B commercial driver’s training with an option to receive endorsements in transit operation or professional school bus driving. The curriculum includes a total of 120 hours for Professional School Bus Driver, 95 hours for Professional Transit Operator, 160 hours Tractor – Trailer Operator, and 80 hours Straight Truck Operator. The training covers the following topics: DMV Permit Training, Behind the Wheel Training, Air Brake, Passenger Endorsement, Medical Card and Job Placement Assistance.

This training provides students with the knowledge, practical skills, and support services to obtain a California Commercial Class-A or Class-B Driver’s License. Students are required to complete 40-hours of classroom instruction and 40-120 hours of field training. Once graduates obtain their license, they have an opportunity to become an employee-owner of Michael’s Transportation Services, where they will be employed in an entry-level position in the transportation industry, earning a salary with benefits and owning a share of the company.

Under this MOU, the SPEDC will provide funding for pre-approved San Pablo residents for the SPEDC fiscal year 2022-23, which includes trainees taking their behind-the-wheel examination. The number of slots made available will be contingent upon funding available and must be pre-approved by the SPEDC.

2. Program Operation.

2.1. Marketing and Recruiting

2.1.1. SPEDC Marketing and Recruiting Responsibilities. The SPEDC shall actively participate in the marketing of the Program to potential students.

2.1.2. Partner Marketing and Recruiting Responsibilities. Partner shall recruit San Pablo residents to the Program and share recruitment materials with SPEDC, and any other Program Partners and Recruitment Partners specified in Exhibit A. Partner shall notify SPEDC if contact information for these agencies is needed.

2.2. Administration

2.2.1. Partner Administrative Responsibilities.

2.2.1.1. Deliver the curriculum as outlined in the scope of services.
2.2.1.2. Provide monthly progress reports to the SPEDC on each student for which Partner has received SPEDC funding as requested by the SPEDC.

2.2.1.3. Provide notification within five (5) business days should a trainee covered under this agreement drop out or be expelled from training.

2.2.1.4. Partner shall keep graduation, employment, and licensing data for all graduates and share data with the SPEDC.

2.2.1.5. As noted in section 2.3, Partner shall provide an annual agreement performance report.

2.2.1.6. Partner shall provide an updated list upon request of the employers with whom Partner has current employment contracts.

2.2.1.7. Partner shall provide job placement assistance.

2.2.2. SPEDC Administration Responsibilities.

2.2.2.1. The SPEDC shall screen prospective students to assess readiness for the training, including residency verification, age, English language proficiency and documentation prior to providing a referral to Partner.

2.2.2.2. The SPEDC shall ensure connection with the most appropriate East Bay Works One Stop.

2.2.2.3. The SPEDC shall collect baseline data and verification documents from students prior to providing a referral to Partner.

2.2.2.4. The SPEDC shall honor invoices in a timely manner and notify Partner immediately if there are issues or questions.

2.2.2.5. The SPEDC shall visit Partner training site to conduct interviews with students and attend any graduations or events held by Partner.

2.2.2.6. The SPEDC shall follow-up with each resident after three months, six months, nine months, twelve months, twenty-four months and thirty-six months after graduation.

3. Participant Eligibility

3.1. Verification of Eligibility. Partner shall request verification from the SPEDC for San Pablo resident eligibility before enrollment in the Program through the Job Training Partner Data Verification spreadsheet and provide to the SPEDC the documentation to confirm eligibility. Specifically:

3.1.1. To be enrolled under this program, each applicant must:
• Present a valid, government-issued photo ID
• Show proof of residency in the incorporated City of San Pablo
• Have a High School Diploma or GED
• Must be able to read and speak in English
• Meet in person or virtually with SPEDC staff, be pre-approved for WIOA &/or Measure Q funding by staff and receive financial counseling from SPEDC staff before enrolling at MTS Academy; failure to do so will disqualify enrollee from funding
• Complete an SPEDC Workforce Enrollment Form; failure to do so will hold up payments to Partner for which enrollee will be liable if requirement is not fulfilled
• Be responsive to outreach from SPEDC staff regarding employment status and information; failure to do so may hold up the funding payments to Partner for which enrollee will be liable if requirement is not fulfilled
• Be willing to fulfill a volunteer commitment at the SPEDC; failure to do so will hold up the final funding payment to Partner for which enrollee will be liable if requirement is not fulfilled

3.1.2. Partner shall submit names of potential San Pablo residents to the SPEDC on the Job Training Partner Data Verification spreadsheet. Each student must be verified by designated SPEDC staff prior to referral to Partner. SPEDC staff shall notify Partner whether the applicant may or may not be enrolled under this MOU. SPEDC staff must collect all verification documents, contact information, and baseline data prior to the student enrolling in the program.

3.1.2.1. P.O. Boxes or addresses at commercial centers will not be accepted to establish residency.

3.1.3. Partner will work directly with SPEDC staff on all verifications, data tracking, and contract- or case management-related questions.

4. Communication and Recordkeeping

4.1. Program Event Dates. Partner shall notify the SPEDC of the date of each Program graduation, along with a confirmed list of San Pablo students participating in such graduation, as well as the dates of any Program event.

4.2. Participant Data. Partner shall, on a quarterly basis, provide updated data to the SPEDC using the template provided by the SPEDC, for all San Pablo students who receive services under this MOU, including, but not limited to, all applicable information as follows: contact information, demographic data, current enrollment, cohort number, exit date, certification completion dates, most recent
employer, and salary.

4.2.1. Partner must notify the SPEDC within 10 business days if a San Pablo student drops, withdraws or is expelled from the program.

4.3. Graduate Data. Partner shall keep graduation, employment, certification, and licensing data, as applicable, for all students referred to Partner by the SPEDC, and Partner shall share all such data with the SPEDC.

5. Finances

5.1. Compensation. The SPEDC agrees to provide grant in the amount of $3,000 (not to exceed $5,000) per eligible San Pablo resident, up to the limits of available funding. Eligible San Pablo residents may be eligible for additional funding from SPEDC, pending pre-approval and availability of EDC funds. SPEDC and Partner agree each eligible student will pay some portion of the program expense, nominally $500. Students also have the option to enroll into WIOA employment and training services, possibly bringing additional debt-reduction funding, depending on availability of WIOA funding for training. Non-San Pablo residents can also be enrolled at MTS Academy if WIOA-enrolled, and their training at MTS can be funded through WIOA ITAs pending availability of funds.

5.2. Participant Withdrawal. If a Program Participant drops, withdraws or is expelled, no further payments shall be made under this agreement.

5.3. Partner shall invoice the SPEDC for each eligible participant as outlined below. Provided the participant has been approved by SPEDC, Partner may elect to invoice the SPEDC after more than one milestone has passed.

- 50% after two weeks of attendance
- 40% after passing the California DMV Class-A or Class-B behind-the-wheel examination and attending an interview with a SPEDC staff member to be coordinated with Partner
- 10% upon placement in employment in industry; placement in an unrelated industry will render this payment void.

6. Term of Program Operations. This Exhibit A covers Program operations from July 1, 2023 through June 30, 2024.
Exhibit B

Insurance Requirements

Insurance


   1.1. On or before beginning any of the services or work called for by any term of this agreement, Partner, at its own cost and expense, shall carry, maintain for the duration of the agreement, and provide proof thereof that is acceptable to SPEDC the insurance specified herein below with insurers and under forms of insurance satisfactory in all respects. Partner shall not allow any subcontractor to commence work on any subcontract until all insurance required of the Partner has also been obtained for the subcontractor. Partner shall maintain limits no less than set forth below. If Partner maintains higher limits than the minimums shown above, the SPEDC shall be entitled to coverage for the higher limits maintained by Partner. If Partner certifies students do not travel in, nor are allowed to drive, Partner vehicles, evidence of automotive liability is not necessary.

   1.1.1. General Liability: $2,000,000 per occurrence for bodily injury, personal injury, and property damage.

   1.1.2. Automotive liability: $1,000,000 per accident for bodily injury and property damage

   1.1.3. Workers’ Compensation: As Required by the State of California. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of the SPEDC for all work performed by the Partner, its employees, agents and subcontractors.

   1.1.4. Employers’ Liability: $1,000,000 each accident; $1,000,000 policy limit bodily injury by disease, $1,000,000 each employee bodily injury by disease.

2. Deductibles and Self-Insured Retentions

   2.1. Any deductibles or self-insured retentions must be declared to and approved by SPEDC. At the option of SPEDC, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the SPEDC, its officers, officials, employees and volunteers; or the Partner shall provide a financial guarantee satisfactory to the SPEDC guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

The General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

3.1. SPEDC, and their officers, officials, and employees are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Partner; and with respect to liability arising out of work or operations performed by or on behalf of the Partner including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (form CG 20 10 11 85, or forms CG2010 version 10/01 and GC 2037 versions 10/01 or equivalent) to the SPEDC’s insurance policy, or as a separate owner’s policy.

3.1.1. For any claims related to this project, the Partner’s insurance coverage shall be primary insurance as respects the SPEDC, its officers, officials, and employees. Any insurance or self-insurance maintained by SPEDC, its officers, officials, or employees, shall be excess of the Partner’s insurance and shall not contribute with it.

3.1.2. 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 has been provided to the SPEDC.

3.1.3. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

3.1.3.1. SPEDC, and its officers, officials, and employees are to be covered as insureds as respects each of the following: liability arising out of activities performed by or on behalf of Partner, including the insured's general supervision of Partner; products and completed operations of Partner; premises owned, occupied or used by Partner; or automobiles owned, leased, hired, or borrowed by Partner. The coverage shall contain no special limitations on the scope of protection afforded to SPEDC, and its officers, officials, and employees.

3.1.3.2. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

3.1.3.3. An endorsement must state that coverage is primary insurance and that no other insurance affected by SPEDC will be called upon to contribute to a loss under the coverage.

3.1.3.4. Any failure of SPEDC to comply with reporting provisions of the policy shall not affect coverage provided to SPEDC and its officers, officials, and employees.
3.1.3.5. Notice of cancellation or non-renewal must be received by SPEDC at least thirty days prior to such change.

4. **Deductibles and Self Insured Retentions**

4.1. Partner shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this agreement. During the period covered by this agreement, upon express written authorization of the Executive Director, SPEDC may increase such deductibles or self-insured retentions with respect to its officers, employees, agents, and volunteers. The Executive Director may condition approval of an increase in deductible or self-insured retention levels upon a requirement that Partner procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

5. **Notice of Reduction in Coverage**

5.1. In the event that any coverage required under this section of the agreement is reduced, limited, or materially affected in any other manner, Partner shall provide written notice to SPEDC at Partner’s earliest possible opportunity and in no case later than five days after SPEDC is notified of the change in coverage.

6. **Waiver of Subrogation**

6.1. Partner hereby agrees to waive subrogation, which any insurer of Partner may acquire from SPEDC by virtue of the payment of any loss. Partner agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

7. **Acceptability of Insurers**

7.1. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A.VII unless otherwise acceptable to SPEDC. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

8. **Verification of Coverage**

8.1. Partner shall furnish SPEDC with endorsements effecting coverage required by this clause. Partner’s insurer may provide complete copies of all required insurance policies, including endorsements effecting the coverage required by the specifications. The endorsements are to be signed by a person authorized by that Insurer to bind coverage on its behalf. All endorsements are to be received and approved by SPEDC before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements.
RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

Strategy 2: Innovate, provide and coordinate efforts to enhance workforce development impact in family-sustaining jobs and progressive-wage careers Measure S

The San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) reviews and approves contracts with service and training providers. The healthcare industry stands out as a critical sector offering living-wage jobs with benefits and consistent demand for skilled labor. Vasco Career College (Vaso) has proved a highly successful partner with 100% success rate thus far. Training is not inexpensive, ranging from $3,000 to $7,000.

Vasco offers online, hybrid and in-person classes, including evening and Saturday schedules, certification, and externship and job placement. Vasco’s certificate classes, offered in a wide variety of healthcare specializations, prepare students to take the relevant state certificate examinations. For EDC staff, another important element is that all of the courses selected (except for Saturday-only courses) are designed to be completed in 20 weeks or less, allowing the team to get people gainfully employed in a shorter amount of time. Finally, the courses proposed in this MOU are not only in high demand, they are all on the Employment Training Provider List (ETPL), which is essential for any workforce client enrolled under the Workforce Innovation and Opportunity Act (WIOA).

The MOU is designed such that it would fund up to $5,000 per qualified San Pablo resident, 50 percent of which would be paid after two weeks of course completion, 40 percent of which would be paid after the half-way point has been reached, and 10 percent of which would be paid once the certified graduate is employed in industry. All enrollees under this MOU would also be WIOA co-enrolled.

Staff are eager to continue the EDC’s partnership with Vasco Career College, offering professional coursework that can quickly prepare residents for well-paying, benefitted jobs with opportunities for career progression. Vasco Career College has already demonstrated a successful track record in training EDC participants. In our continuous effort to build resilience and promote equity in our community, this vendor provides invaluable opportunities for San Pablo residents.

Approval of this MOU is contingent upon the Board’s approval of the proposed FY23-24 budget, which includes funding for this partnership under expense account 62160 Job Training.
The Board is asked to authorize execution of the FY23-24 Vasco Career College MOU and ratify inclusion in Measure S budget expense contingent upon approval of the FY23-24 budget.

FISCAL IMPACT

Fiscal impact from the FY23-24 Measure S budget expense account 62160 Job Training & Employment Support Services will depend on the number of students approved to enroll in coursework.

Attachments

1. Vasco Career College MOU FY23-24
RESOLUTION SPEDC2023-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING FISCAL YEAR 2023-24 VASCO CAREER COLLEGE MEMORANDUM OF UNDERSTANDING RENEWAL FOR HEALTHCARE CAREER TRAINING CERTIFICATIONS AND RATIFYING MEASURE S BUDGET EXPENSE

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) reviews and approves contracts with service and training providers, and staff is recommending a memorandum of understanding (MOU) with Vasco Career College (Vasco) for in-demand healthcare industry careers; and

WHEREAS, EDC workforce case managers have successfully sent workforce participants to Vasco, which is one of the more resilient trainers given the online, hybrid and in-person class options, including evening and Saturday classes; and

WHEREAS, most courses are designed to be completed in 20 weeks or less, allowing workforce clients to get to progressive-wage employment sooner; and

WHEREAS, Vasco’s courses are on the Employment Training Provider List (ETPL), which means the Workforce Innovation and Opportunity Act (WIOA) funding may be used in addition to the funding under this MOU, which would allocate up to $5,000 per qualified San Pablo resident; and

WHEREAS, Vasco Career College already has a proven record of successfully training EDC participants, and in an era of building resilience and striving to strike equity in this community, the opportunity to help local residents begin successful careers is vital; and

WHEREAS, approval of this MOU is contingent upon the Board’s approval of the proposed FY23-24 budget, which includes funding for this partnership under expense account 62160 Job Training & Employment Support Services; and

WHEREAS, fiscal impact from the FY23-24 Measure S budget expense account 62160 Job Training & Employment Support Services will depend on the number of students approved to enroll in coursework.

NOW, THEREFORE, BE IT RESOLVED by the San Pablo Economic Development Corporation Board of Directors, as follows:

1) Authorize execution of the fiscal year 2023-24 Vasco Career College MOU and ratify inclusion in Measure S budget expense contingent upon approval of the FY23-24 budget.

ADOPTED this 15th day of June, 2023, by the following vote, to wit:

AYES:    NOES:    ABSTAIN:    ABSENT:

ATTEST:  APPROVED:

_________________________________________  ______________________________________
Saeid Babay Hosseini, Board Secretary            Xavier Abrams, Board Chair
MEMORANDUM OF UNDERSTANDING

San Pablo Economic Development Corporation & Vasco Career College

July 1, 2023
Memorandum of Understanding between Vasco Career College ("Partner" or "Vasco") and San Pablo Economic Development Corporation (the “SPEDC”).

Recitals

SPEDC is engaged in economic and workforce development by delivering programs, providing access to training, engaging in public-private partnerships and linking community resources.

Partner is engaged in services and activities as specified in Exhibit A.

SPEDC and Partner are entering into a Memorandum of Understanding ("MOU") for the purpose of providing the Program as defined in Exhibit A. Both parties have complementary missions and share a desire to cooperate to the ends described herein. To that extent, the parties intend this MOU to create a relationship for their mutual benefit.

Accordingly, the parties hereby agree as follows:


1.1. Program Operation. Each party shall perform the Program responsibilities set forth for that party in Exhibit A.

1.2. Participant Eligibility. Each party shall provide Program services only to individuals meeting the participant eligibility requirements set forth in Exhibit A.

2. Communication.

2.1. Progress Reports. Partner shall provide progress reports to the SPEDC on Program operation under this MOU upon request, including information regarding total numbers of referrals and participants; graduation, certification, and licensing data, as applicable; identification of challenges; information regarding any program participants’ withdrawal or expulsion from the Program; and any other information required to be reported as described in Exhibit A.

2.2. Data. The SPEDC provides Partner with a spreadsheet template used to submit prospects for verification and enrollment. Verification of residency and post-enrollment data submittal will only be done and exchanged between the parties on this template. Once a resident has been verified and enrolled under this MOU, Partner agrees to submit a completed SPEDC Workforce Enrollment Form (WEF), copy of valid, government-issued photo ID, and a copy of the Vasco Enrollment Agreement with total cost included.

2.3. Program Performance Reports. Partner shall provide the SPEDC an annual Program performance report, containing the information required in the section 2.1 above, compiled for the fiscal year (July 1, 2023 – June 30, 2024). Partner shall
utilize the Word template provided by SPEDC for the semi-annual and annual progress reports, and commits to turning them in by the deadline specified provided the SPEDC provides Partner with the template one month in advance.

3. Finances.

3.1. Invoices. Partner shall invoice the SPEDC according to the schedule specified in Exhibit A.

3.2. Satisfaction of Invoices. The SPEDC shall pay Partner’s invoices within thirty business days of receipt provided all documentation is complete, and shall notify Partner if there are questions or concerns regarding submitted invoices.

4. Miscellaneous

4.1. Confidentiality. Each party shall maintain the confidentiality of information gathered and all records generated during the period of this MOU, to the extent allowed by law. Provision of financial and organizational operations records to a party’s accountants, attorneys, auditors, board members, and other professionals or affiliated individuals is not a violation of this section. This provision does not prohibit staff from reporting suspected neglect or abuse of participants to child abuse reporting agencies as required by law.

4.2. Insurance. On or before commencement of operation of the Program pursuant to this MOU, Partner, at its own expense, shall carry, maintain for the duration of the MOU, and provide proof thereof that is acceptable to the SPEDC, the insurance described in Exhibit B with insurers and under forms of insurance satisfactory in all respects to the SPEDC. Partner shall maintain limits no less than as set forth in Exhibit B. If Partner maintains higher limits than those set forth in Exhibit B, the SPEDC shall be entitled to coverage for the higher limits maintained by Partner. Partner shall not allow any subcontractor to commence work on any subcontract in operation of the Program until all insurance required of Partner has also been obtained for the subcontractor. Partner shall require and verify that any subcontractors maintain insurance as required of Partner.

4.3. Indemnity

4.3.1. Indemnification of SPEDC. To the fullest extent permitted by law, Partner shall immediately defend, indemnify, and hold harmless the SPEDC and its directors, officers, administrators, employees, volunteers, and agents from and against all liabilities regardless of nature or type, direct or indirect, in whole or in part, arising out of or resulting from Partner’s performance of services under this MOU, or in connection with any negligent or wrongful act or omission of Partner or its departments, programs, divisions, officers, employees, agents, or subcontractors, in the performance of this MOU. Liabilities subject to the duties to defend, indemnify, and hold harmless include, without limitation, such liabilities for: damage to property; injury
or death of any person; and all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys’ fees; court costs; and costs of alternative dispute resolution. Partner’s obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, Partner’s indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

In its sole discretion and at its own cost and expense, the SPEDC may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve Partner of any obligation imposed pursuant to this MOU. The SPEDC shall promptly notify Partner of any such claim, action, or proceeding and shall cooperate fully in the defense of same.

The review, acceptance or approval of the Partner’s work or work product by any indemnified party shall not affect, relieve or reduce the Partner’s indemnification or defense obligations. This Section survives completion of the services or the termination of this contract. The provisions of this Section are not limited by and do not affect the provisions of this contract relating to insurance.

The duty of Partner to indemnify and hold harmless includes the duty to defend as set forth in section 2778 of the California Civil Code. Acceptance of insurance certificates and endorsements required under this MOU does not relieve Partner from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. The parties further agree that the provisions of this section shall survive any termination or expiration of this MOU.

**4.3.2. Indemnification of Partner.** To the fullest extent permitted by law, the SPEDC shall immediately defend, indemnify, and hold harmless Partner and its directors, officers, administrators, employees, volunteers, and agents against and from any liability, including for damage to property and injury or death of any person, and any claim, action, or proceeding against Partner, arising solely out of or in connection with the acts or omissions of the SPEDC in the performance of this MOU. In its sole discretion and at its sole cost and expense, Partner may participate in the defense of any such claim, action, or proceeding, utilizing legal counsel of its choice; however, such participation shall not relieve the SPEDC of any obligation imposed pursuant to this MOU. Partner shall promptly notify the SPEDC of any such
claim, action, or proceeding and shall cooperate fully in the defense of same.

4.4. Effective Date & Term. This MOU shall be effective July 1, 2023 upon execution and delivery by both parties and shall govern Program operations specified in Exhibit A through June 30, 2024. If parties specify a program commencement date prior to the effective date of this MOU, then to the extent feasible, they shall apply terms of this MOU to Program operations preceding the effective date.

4.5. Amendment. Amendments to this MOU are effective only if agreed upon by both parties, as indicated through execution and delivery documenting the amendment.

4.6. Termination. Either party may terminate this MOU with or without cause by providing the other party with sixty days’ written notice.

4.7. Third-party Beneficiaries. There are no third-party beneficiaries to this MOU.

4.8. Notices. Any notices required to be made or given pursuant to this MOU, shall be effective if made in writing and sent by registered or certified mail, return receipt requested to:

To SPEDC: Leslay C. Choy, Executive Director
San Pablo Economic Development Corporation
1000 Gateway Avenue, First Floor
San Pablo, CA 94806

To Partner: Drusilla Lamptey-Mercer, Director
Vasco Career College College
11155 San Pablo Ave. Ste. A
El Cerrito, CA 94806

To evidence the parties’ assent to this MOU, they have signed and delivered it on the dates set forth below.

___________________________________________________________________________  ___________________________________________________________________
Drusilla Lamptey-Mercer                           Leslay C. Choy
Director                                            Executive Director
Vasco Career College                               San Pablo Economic Development Corporation

Date: ____________________________  Date: ____________________________
EXHIBIT A

Program Description

1. Program Overview.

1.1. General Description of Program Purpose.

Vasco Career College is a healthcare training provider that has been in operation in West Contra Costa County since 2014. Vasco offers certificate training programs for Pharmacy Technician, Medical Administrative Assistant/Billing and Coding Specialist, Clinical Medical Assistant, Medical Assistant, Billing and Coding Specialist, EKG Technician, and Certified Nursing Assistant. Vasco students also have the option to enroll into WIOA employment and training services with the SPEDC, providing the possibility of additional debt-reduction funding through WIOA training funds.

The SPEDC will approve Measure Q funding for residents living in the incorporated City of San Pablo only. For non-San Pablo residents who are WIOA-eligible, SPEDC may also enroll those individuals according to WIOA and Employment Training Provider (ETP) list guidelines. San Pablo residents funded under this MOU will be contingent upon funding available and must be pre-approved by the SPEDC. By pre-approved, this means they are referred to an EDC Case Manager and approved for funding by the Case Manager and Executive Director, before they enroll at MBC. Under no circumstances may Partner commit funds on behalf of the SPEDC. Enrollment under this MOU must first be approved by the SPEDC.

2. Program Operation.

2.1. Marketing and Recruiting

2.1.1. SPEDC Marketing and Recruiting Responsibilities. The SPEDC shall actively lead and participate in the marketing of the Partner Program to students, faculty, San Pablo residents, agency partners and SPEDC job training grant recipients. SPEDC shall capture photographs and create collateral, as well as website content, graphics, e-blasts and social media posts.

2.1.1.1. Partner Marketing and Recruiting Responsibilities. Partner shall recruit San Pablo residents to the Programs and share current recruitment materials with SPEDC, and any other Program Partners and Recruitment Partners specified in Exhibit A. Partner shall notify SPEDC if contact information for these agencies is needed. Partner shall share photographs and other needed graphics with SPEDC to create collaterals and ads.
Partner shall also host content on its website, to the extent possible through internal controls, to market this funding opportunity.

2.2. **Administration**

2.2.1. **SPEDC Administrative Responsibilities.**

2.2.1.1. The SPEDC shall work directly with the Partner staff on all verifications, data tracking, and contract or case management related questions, and will provide templates to Partner staff for enrollment verification and progress reports.

2.2.1.2. The SPEDC shall respond quickly regarding documentation needed to verify enrollment, and any necessary items required in order for an invoice to be advanced.

2.2.1.3. Honor invoices in a timely manner and notify Partner immediately if there are issues or questions.

2.2.1.4. Visit Partner training site to conduct interviews with students and attend any graduations or events held by Partner.

2.2.2. **Partner Administrative Responsibilities.**

2.2.2.1. Provide enrollment data, agreements, substantiating documentation and completed Workforce Enrollment Forms

2.2.2.2. Deliver the curriculum as outlined in the scope of services.

2.2.2.3. Provide timely progress reports to the SPEDC on each student receiving a grant as requested by the SPEDC.

2.2.2.4. Partner shall keep graduation, employment, and licensing data for all graduates and share data with the SPEDC.

2.2.2.5. Partner shall provide an annual agreement performance report.

2.2.2.6. Partner shall provide job placement assistance.

3. **Participant Eligibility**

3.1. **Verification of Eligibility.** Partner shall request verification from the SPEDC for San Pablo resident eligibility before enrollment in the Program and provide to the SPEDC the documentation to confirm eligibility. Specifically:

3.1.1. Partner shall submit names of potential San Pablo residents to the SPEDC using the approved verification and enrollment tracking template provided by the SPEDC. Partner agrees all information must be complete in order for SPEDC verification to take place.

3.1.2. To be enrolled under this program, each applicant must:

- Present a valid, government-issued photo ID
- Show proof of residency in the Incorporated area of the City of San Pablo
• Have a High School Diploma or GED
• Meet in person (or virtually, depending upon COVID-19 requirements) with SPEDC staff, be pre-approved for WIOA funding by staff before enrolling at Vasco Career College; failure to do so will disqualify enrollee from funding
• Complete an SPEDC Workforce Enrollment Form; failure to do so will hold up payments to Partner
• Be responsive to outreach from SPEDC staff regarding employment status and information; failure to do so may hold up the funding payments to Partner for which enrollee will be liable if requirement is not fulfilled
• Be willing to fulfill a volunteer commitment at the SPEDC; failure to do so will hold up the final funding payment to Partner for which enrollee will be liable if requirement is not fulfilled

3.1.1. Partner shall submit names of potential San Pablo residents to the SPEDC. Each student must be verified by designated SPEDC staff on the spreadsheet template as outlined in sub-section 2.2 Data of the MOU. SPEDC staff shall notify Partner whether the applicant may or may not be enrolled under this MOU. Once residency is established, enrollment must be supported by the required ID and proof of residency, as well as verification of enrollment in an approved healthcare vocational training program (or in the ELC, as the case may be) and completion of all data fields on the template. An invoice cannot be submitted and will not be accepted for a student until these steps have been completed and SPEDC approves student for funding.

3.1.1.1. P.O. Boxes or addresses at commercial centers will not be accepted to establish residency.

3.1.2. Partner will work directly with SPEDC staff on all verifications, data tracking, and contract- or case management-related questions.

3.2. Confirmation of Eligibility. The SPEDC shall confirm eligibility according to the requirements described in Exhibit A and notify Partner immediately whether the applicant may or may not be enrolled under this MOU.

3.2.1. Following eligibility verification, Partner shall complete the data submission to the SPEDC using the template provided by the SPEDC, for all San Pablo students who receive services under this MOU, including, but not limited to, all applicable information as follows: contact information, demographic data, current enrollment, exit date, certification completion dates, most recent employer, and salary.

4. Communication and Recordkeeping
4.1. **Program Event Dates.** Partner shall notify the SPEDC of the date of each Program graduation, along with a confirmed list of San Pablo students participating in such graduation, as well as the dates of any Program-related event.

4.2. **Progress Reports.** Partner shall provide the SPEDC an annual Program performance report, containing the information required in the section 2.1 above, compiled for the fiscal year (July 1, 2023 – June 30, 2024). Partner shall utilize the Word template provided by SPEDC for the semi-annual and annual progress reports.

4.2.1. Partner must notify the SPEDC within five (5) business days if a San Pablo student drops, withdraws or is expelled from the college.

4.2.2. In all cases, SPEDC funding will immediately cease for that participant.

4.3. **Graduate Data.** Partner shall keep graduation, employment, certification, and licensing data, as applicable, for all students referred to Partner by the SPEDC, and Partner shall share all such data with the SPEDC.

5. **Finances**

5.1. **Compensation.** Upon approval of each participant by SPEDC staff and verified by the executive director, the SPEDC agrees to provide grant funding up to $5,000 per eligible and verified San Pablo resident, up to the limits of available funding, provided each funding milestone is met; any milestone which is not met will not be compensated. SPEDC and Partner agree each eligible student will pay some portion of the program expense. Students also have the option to enroll into WIOA employment and training services, possibly bringing additional individual training account (ITA) funding.

5.1.1. Authorization is not a guarantee of funding. As funding may be exhausted quickly, verification of residency is not sufficient to guarantee funding. Once all data is submitted, Partner must get authorization from SPEDC to enroll under this MOU.

5.1.2. SPEDC may bring additional WIOA funding to further reduce the debt incurred by each San Pablo resident who enrolls in WIOA and completes an ITA training packet prior to enrollment at Partner.

5.1.3. VASCO Career College will invoice SPEDC regularly, as appropriate, and shall include the approved student’s name, healthcare vocational program and costs. Multiple students may be submitted on a single invoice.

5.2. Partner shall invoice the SPEDC for each eligible participant as follows:

a) 50% of funding after the completion of first two weeks of the first course provided a completed WEF has been received, residency has been verified, and WIOA approval is in place.

b) 40% of funding after completion of the half-way point, acknowledging that
this varies by program; preference is certification. Both parties recognize that high industry standard is 75% certification of those who complete these courses.

a. Should Partner not realize at least a 70% certification rate of San Pablo residents enrolled under this MOU who complete their course, this milestone will be revisited.

c) 10% of funding after client lands a job within industry relative to the certification.

5.3. **Participant Withdrawal.** If a Program Participant drops, withdraws, or is expelled, Partner must notify SPEDC immediately. The student must return all books, and any ELC funding will terminate at the end of the month their college attendance ceased or their child stopped attending the ELC. Should a student drop out and not return the books, a hold will be placed on their record.

6. **Term of Program Operations.** This Exhibit A covers Program operations from July 1, 2023 to June 30, 2024.
Exhibit B

Insurance Requirements

Insurance


1.1. On or before beginning any of the services or work called for by any term of this agreement, Partner, at its own cost and expense, shall carry, maintain for the duration of the agreement, and provide proof thereof that is acceptable to SPEDC the insurance specified herein below with insurers and under forms of insurance satisfactory in all respects. Partner shall not allow any subcontractor to commence work on any subcontract until all insurance required of the Partner has also been obtained for the subcontractor. Partner shall maintain limits no less than set forth below. If Partner maintains higher limits than the minimums shown above, the SPEDC shall be entitled to coverage for the higher limits maintained by Partner. If Partner certifies students do not travel in, nor are allowed to drive, Partner vehicles, evidence of automotive liability is not necessary.

1.1.1. General Liability: $2,000,000 per occurrence for bodily injury, personal injury, and property damage.

1.1.2. Automotive liability: $1,000,000 per accident for bodily injury and property damage.

1.1.3. Workers’ Compensation: As Required by the State of California. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of the SPEDC for all work performed by the Partner, its employees, agents and subcontractors.

1.1.4. Employers’ Liability: $1,000,000 each accident; $1,000,000 policy limit bodily injury by disease, $1,000,000 each employee bodily injury by disease.

2. Deductibles and Self-Insured Retentions

2.1. Any deductibles or self-insured retentions must be declared to and approved by SPEDC. At the option of SPEDC, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the SPEDC, its officers, officials, employees and volunteers; or the Partner shall provide a financial guarantee satisfactory to the SPEDC guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

The General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

3.1. SPEDC, and their officers, officials, and employees are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Partner; and with respect to liability arising out of work or operations performed by or on behalf of the Partner including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (form CG 20 10 11 85, or forms CG2010 version 10/01 and GC 2037 versions 10/01 or equivalent) to the SPEDC’s insurance policy, or as a separate owner’s policy.

3.1.1. For any claims related to this project, the Partner’s insurance coverage shall be primary insurance as respects the SPEDC, its officers, officials, and employees. Any insurance or self-insurance maintained by SPEDC, its officers, officials, or employees, shall be excess of the Partner’s insurance and shall not contribute with it.

3.1.2. 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 has been provided to the SPEDC.

3.1.3. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

3.1.3.1. SPEDC, and its officers, officials, and employees are to be covered as insureds as respects each of the following: liability arising out of activities performed by or on behalf of Partner, including the insured’s general supervision of Partner; products and completed operations of Partner; premises owned, occupied or used by Partner; or automobiles owned, leased, hired, or borrowed by Partner. The coverage shall contain no special limitations on the scope of protection afforded to SPEDC, and its officers, officials, and employees.

3.1.3.2. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

3.1.3.3. An endorsement must state that coverage is primary insurance and that no other insurance affected by SPEDC will be called upon to contribute to a loss under the coverage.

3.1.3.4. Any failure of SPEDC to comply with reporting provisions of the policy shall not affect coverage provided to SPEDC and its officers, officials, and employees.
3.1.3.5. Notice of cancellation or non-renewal must be received by SPEDC at least thirty days prior to such change.

4. Deductibles and Self Insured Retentions

4.1. Partner shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this agreement. During the period covered by this agreement, upon express written authorization of the Executive Director, SPEDC may increase such deductibles or self-insured retentions with respect to its officers, employees, agents, and volunteers. The Executive Director may condition approval of an increase in deductible or self-insured retention levels upon a requirement that Partner procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

5. Notice of Reduction in Coverage

5.1. In the event that any coverage required under this section of the agreement is reduced, limited, or materially affected in any other manner, Partner shall provide written notice to SPEDC at Partner’s earliest possible opportunity and in no case later than five days after SPEDC is notified of the change in coverage.

6. Waiver of Subrogation

6.1. Partner hereby agrees to waive subrogation, which any insurer of Partner may acquire from SPEDC by virtue of the payment of any loss. Partner agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

7. Acceptability of Insurers

7.1. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A:VII unless otherwise acceptable to SPEDC. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

8. Verification of Coverage

8.1. Partner shall furnish SPEDC with endorsements effecting coverage required by this clause. Partner’s insurer may provide complete copies of all required insurance policies, including endorsements effecting the coverage required by the specifications. The endorsements are to be signed by a person authorized by that Insurer to bind coverage on its behalf. All endorsements are to be received and approved by SPEDC before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements.
DATE: June 15, 2023
TO: San Pablo EDC Board
FROM: Leslay Choy, Executive Director
SUBJECT: RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS ADOPTING FISCAL YEAR 2023-24 BUDGET COMPOSED OF A TOTAL INCOME BUDGET OF $2,080,551 AND A TOTAL EXPENSE BUDGET OF $1,799,235

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve and adopt by resolution

BACKGROUND

Before the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is the approval and adoption of the fiscal year 2023-2024 (FY23-24) budget. On May 17, 2023, the Board approved the mid-year budget adjustment which modestly reduced expenses and revenue while rebalancing cost centers. The FY23-24 budget allows for staff cost increases, as the team has grown, salaries must rise to keep competitive and pace with inflation, and insurance costs continue to increase, but remains low while allowing the organization a positive margin.

While Finance Committee members have had a chance to review the organizations financials and this budget, they have not had the opportunity to discuss it at a meeting.

San Pablo EDC has taken the step of opening a Money Market Account, which generates a new, albeit modest, revenue source, and will bring forward an investment policy and strategy for the Board’s consideration later this year.

San Pablo EDC continues to operate in the black. In FY22-23, the organization benefitted from a one-time national dislocated worker grant and three multi-year grants, reducing grant writing costs significantly and multiplying the layers of support EDC staff were able to provide workforce, businesses and aspiring homeowners.

ANALYSIS

Thanks to the completion and substantial completion of two main grants, the FY23-24 Expense Budget is modestly lower ($6,500) than the adopted mid-year FY22-23 budget. As such, there are just a handful of highlights for the Board. The budget, as proposed, would keep the organization operating responsibly.

The proposed San Pablo EDC FY23-24 budget is organized as follows:

1. Executive Summary: illustrates expense, revenue, and variance by budget class while providing the Board with a clear view of the anticipated fiscal year end (FYE) 23-24 fund balances.
2. Income Budget Summary: provides account breakdown of the Income Budget by class.
3. Expense Budget Summary: provides account breakdown of the Expense Budget by class.

All summaries present the budgets in class order Operations, Measure S, Grants and Total.
FY23-24 Budget Executive Summary

To begin, the Board is presented with an Executive Summary which provides an overview of total budget revenue and expenses by budget class (i.e., Operations, Measure S, Grants), use of fund balance, if any, and net anticipated profit.

The FY23-24 proposed **total income budget** is $2,080,551 composed of $930,200 Operations, $500,000 Measure S and $650,351 Grants.

The FY23-24 proposed **total expense budget** is $1,799,235, composed of $603,884 Operations, $545,000 Measure S and $650,351.

Should all revenue and expenses be realized within their respective budgets and no additional expenses be approved, San Pablo EDC would realize a $326,316 profit. The organization’s depreciating asset and its maturing as an organization will likely place FY23-24 demands on this margin.

FY23-24 Income Budget

Overall, the total income budget of $2,080,551 represents a year-over-year increase of just under $70,000. The increase in Measure Q (now S) is $285,000, and the organization opened a new revenue stream with the Money Market Account, which means that although one-time grants have been removed, these positive changes net an overall year-over-year increase.

The Board will note a significant increase year-over-year in Measure S from $215,000 to $500,000. San Pablo voters restored Measure Q to its full half-cent rate for five years as Measure S. Based on projections, the budgeted Measure S allocation to San Pablo EDC to serve San Pablo businesses and residents has increased to $500,000, subject to council ratification. Measure S is shared between four cost centers identified as priorities by voters.

San Pablo EDC has three multi-year grants and a few multi-year professional contracts underway. This provides greater assurance for the majority of projected income. The one contract that has been signed at the county level but has not been negotiated yet with subcontractors is the Contra Costa Workforce Collaborative (CCWC) contract. Executive Director Choy will keep the Board apprised. San Pablo EDC is a top performing contributor and the main West County partner.

FY23-24 Expense Budget

The total expense budget of $1,799,235 represents a year-over-year decrease of just under $6,500. Services for one-time grants and other one-time professional services contracts were satisfied, which relieved the expense budget of those exceptions and allowed Executive Director Choy to focus on staff retention, development and recruitment.

In terms of expenses, expense account 66200 Staff salary and benefits was prioritized. Not only are salaries increasing in all industries as the labor pool remains constrained, but inflation has increased seven percent, so every effort was made to increase staff salaries as close to that as possible. San Pablo EDC has contractual obligations that require experienced, hard-working staff, which it is quite fortunate to have. Further, there are key staff promotions anticipated, which will not be feasible without the requisite pay increase. There is one key position for which Executive Director Choy, which is challenging and may require some flexibility. So, it seemed prudent to help staff keep pace with inflation, as well as to increase pay commensurate with increasing responsibilities, to retain staff and demonstrate the organization’s commitment to them.
After discussion, the Board is asked to approve and adopt the fiscal year 2023-2024 budget composed of a total income budget of $2,080,551 and a total expense budget of $1,799,235.

**FISCAL IMPACT**

Should all income and expenses be realized, net fiscal impact at fiscal year end would be $326,316 added to the bottom line.

**Attachments**

1. Fiscal Year 2023-24 Budget
RESOLUTION SPEDC2023-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS ADOPTING FISCAL YEAR 2023-24 BUDGET COMPOSED OF A TOTAL INCOME BUDGET OF $2,080,551 AND A TOTAL EXPENSE BUDGET OF $1,799,235

WHEREAS, before the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is the approval and adoption of the fiscal year 2023-2024 (FY23-24) budget, which has been provided in advance to Finance Committee members for review; and

WHEREAS, the FY23-24 proposed total income budget is $2,080,551 composed of $930,200 Operations, $500,000 Measure S and $650,351 Grants; and

WHEREAS, the total income budget of $2,080,551 represents a year-over-year increase of just under $70,000, noting the majority of projected income comes from established, multi-year funding streams with one contract yet to complete negotiations; and

WHEREAS, the FY23-24 proposed total expense budget is $1,799,235, composed of $603,884 Operations, $545,000 Measure S and $650,351; and

WHEREAS, given completion and substantial completion of two main grants, the FY23-24 Expense Budget is modestly lower ($6,500) than the adopted mid-year FY22-23 budget; and

WHEREAS, should all income and expenses be realized, net fiscal impact at fiscal year-end would be $326,316 added to the bottom line.

NOW, THEREFORE, BE IT RESOLVED by the San Pablo Economic Development Corporation Board of Directors, as follows:

1) Adopt the fiscal year 2023-2024 budget composed of a total income budget of $2,080,551 and a total expense budget of $1,799,235.

ADOPTED this 15th day of June, 2023, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

_________________________  __________________________
Saeid Babay Hosseini, Board Secretary  Xavier Abrams, Board Chair

Resolution SPEDC2023-0
## FY23-24 Budget Executive Summary

<table>
<thead>
<tr>
<th></th>
<th>Operations</th>
<th>Measure S</th>
<th>Grants</th>
<th>Total FY23-24 Budget</th>
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<td>Expenses FY23-24</td>
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<td>$1,799,235</td>
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<td>Net income FY23-24 (projected)</td>
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<td>Net income FY23-24 (projected)</td>
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<td>Measure S (2)</td>
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<td>Mid-year Total Income (1+2+3)</td>
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<td>45000 · Investments</td>
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<td>46410 · Other Income: Advertising Sales</td>
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<td>47200 · Program Income</td>
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<td>47230 · Membership Dues</td>
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## FY23-24 Expense Budget Summary

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<tr>
<th>PERSONNEL COSTS</th>
<th>Operations</th>
<th>Measure S</th>
<th>Grants</th>
<th>FY23-24 Total Budget</th>
<th>FY22-23 Total Budget</th>
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</table>

<table>
<thead>
<tr>
<th>NON-PERSONNEL COSTS</th>
<th>Operations</th>
<th>Measure Q</th>
<th>Grants</th>
<th>FY23-24 Total Budget</th>
<th>FY22-23 Total Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>60300 Sponsorships, Awards &amp; Grants</td>
<td>12,500</td>
<td>14,500</td>
<td>$14,500</td>
<td>$31,717</td>
<td>($17,217)</td>
<td></td>
</tr>
<tr>
<td><strong>60300 Sponsorships, Awards &amp; Grants Total</strong></td>
<td>12,500</td>
<td>14,500</td>
<td><strong>$14,500</strong></td>
<td><strong>$31,717</strong></td>
<td><strong>($17,217)</strong></td>
<td></td>
</tr>
<tr>
<td>60900 Business Expenses</td>
<td>3,000</td>
<td>-</td>
<td>3,000</td>
<td>-</td>
<td>$3,000</td>
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<tr>
<td>60910 Uniforms</td>
<td>2,800</td>
<td>-</td>
<td>2,800</td>
<td>-</td>
<td>$2,780</td>
<td>$20</td>
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<tr>
<td>60930 Subscriptions (Other)</td>
<td>4,100</td>
<td>2,470</td>
<td>6,570</td>
<td>$5,620</td>
<td>$950</td>
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<tr>
<td>60950 Indirect Costs/Admin Fee</td>
<td>-</td>
<td>14,500</td>
<td>14,500</td>
<td>31,717</td>
<td>($17,217)</td>
<td></td>
</tr>
<tr>
<td><strong>60900 Business Expenses Total</strong></td>
<td><strong>$9,900</strong></td>
<td>2,470</td>
<td>$14,500</td>
<td>$26,870</td>
<td><strong>($40,117)</strong></td>
<td>($13,247)</td>
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</tbody>
</table>

| 62100 Professional Contract Services | 10,000 | 75,000 | 125,000 | $242,328 | $2,000 |
| **62100 Professional Contract Services Total** | **$69,350** | **$112,550** | 96,500 | **$278,400** | ($91,778) |

| 62800 Facilities & Equipment | 5,000 | - | 5,000 | $3,500 | $1,500 |
| **62800 Facilities & Equipment Total** | **$5,500** | 0 | $0 | **$5,500** | **$4,850** | **$650** |

| 65000 Operations | 24,330 | 3,800 | 51,260 | 64,700 | ($13,440) |
| **65000 Operations Total** | **$145,330** | **$30,630** | $5,300 | **$181,260** | **$188,864** | ($7,604) |

| 65100 Insurance - Other | 1,250 | - | 1,250 | $3,500 | ($2,250) |
| 65120 Insurance: Liability/D&O/Excess Liability | 43,450 | - | 43,450 | 30,214 | $13,236 |
| **65100 Insurance - OtherTotal** | **$44,700** | 0 | 0 | **$44,700** | **$33,714** | **$10,986** |

| 68300 Training and Travel | 425 | - | 425 | $400 | $25 |
| **68300 Training and Travel** | **$425** | 0 | 0 | **$425** | **$400** | **$25** |

| 71000 Business Grants | - | 45,000 | 45,000 | $15,000 | NA |
| 72000 B2B (Back to Business) | - | 200,000 | 200,000 | $320,000 | NA |
| **70000 Business Grants** | **$245,000** | **$30,630** | 96,500 | **$278,400** | ($91,778) |
| **Subtotal Non-Personnel Costs** | **$603,884** | **$545,000** | **$650,351** | **$2,470,235** | ($196,493) | ($6,468) |