In accordance with the Americans with Disabilities Act, persons requiring assistance or auxiliary aids in order to participate should contact the San Pablo EDC Offices, 1000 Gateway Avenue, First Floor, San Pablo, (510) 215-3200, as soon as possible prior to the meeting. SPEDC will give such requests primary consideration, taking into account undue financial and administrative burdens or fundamental alterations in services, programs or activities.

Next EDC Resolution Number SPEDC2026-013

SAN PABLO EDC
putting people to work

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING AGENDA

Board of Directors

Genoveva Garcia Calloway, Chair
Saman Farid, Vice Chair (excused absence)
Kanwar Singh, Treasurer
Stephen Baiter, Director (excused absence)
Arturo Cruz, Director

Thursday, June 18, 2026
9:30 AM

Copies of this agenda and non-exempt public records relating to an open session item on this agenda will be available upon request to saeidb@sanpabloedc.org. The agenda may also be viewed at www.SanPabloEDC.org.

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. 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 20, 2026 regular meeting (pages 3-4)
   Recommendation: Approve

2. San Pablo EDC FY25-26 Financial Statements ending April 30, 2026 (pages 5-11)
   Recommendation: Receive and file

3. Resolution authorizing execution of fiscal year 2026-27 CDL Instructor Trucking LLC memorandum of understanding renewal for Commercial Driver's License job training services and ratify Measure S budget expense (pages 12-26)

Recommendation: Approve

4. Resolution authorizing fiscal year 2026-27 Contra Costa College memorandum of understanding renewal for education, training and childcare services and ratifying inclusion in Measure S budget expense (pages 27-45)
   Recommendation: Approve

5. Resolution authorizing execution of fiscal year 2026-27 Michael's Transportation Services Training Academy memorandum of understanding renewal for commercial drivers license job training services and ratify Measure S budget expense (pages 46-60)
   Recommendation: Approve

6. Resolution authorizing execution of fiscal year 2026-27 OBRA Construction and Building Services memorandum of understanding for Mission Plaza Parking Lot Sweeping and Landscape Maintenance Services and ratifying budget expense of $8,760 (pages 61-73)
   Recommendation: Approve

7. Resolution authorizing fiscal year 2026-27 Vasco Career College memorandum of understanding for healthcare career training certifications and ratifying inclusion in Measure S budget expense (pages 74-89)
   Recommendation: Approve

8. Resolution authorizing cancellation of the August 19, 2026 (pages 90-92)
   Recommendation: Approve

*** * * END OF CONSENT AGENDA * * ***

REGULAR AGENDA – ITEMS FOR DISCUSSION

1. Resolution approving and adopting Fiscal Year 2026-27 Budget composed of a total income budget of $1,737,400, a total expense budget of $1,787,970, and Measure S fund balance allocation of $51,000 (pages 93-100)
   Recommendation: Approve & Adopt

2. Resolution authorizing execution of engagement letter with David Crutcher, Attorney at Law and Employee Benefits Counselor (pages 101-104)
   Recommendation: Approve

ADJOURNMENT

Adjourn to next regular meeting scheduled for **Wednesday, July 15, 2026**, at 6:00 PM.

MINUTES OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS REGULAR MEETING

WEDNESDAY, MAY 20, 2026

ROLL CALL

The Board of Directors (Board) meeting was called to order at 6:10 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 Saman Farid, Director Arturo Cruz and Director Stephen Baiter. Also present were Executive Director Leslay Choy and Board Secretary Saeid Babay Hosseini. Chair Genoveva Calloway and Treasurer Kanwar Singh had an excused absence.

PUBLIC COMMENTS

There were no public comments.

EXECUTIVE DIRECTOR REMARKS

Executive Director Choy updated the board on the Bay REPAIR grant and debriefed the Small Business and Sustainable Business of the Year mixer. She included updates about the Embarc hiring fair, San Pablo Scholarship activities and East Bay Soccer Trail free World Cup marketing opportunity for local businesses.

CONSENT AGENDA

1. Minutes of the April 22, 2026 regular meeting
   Recommendation: Approve
2. San Pablo EDC FY25-26 Financial Statements ending March 31, 2026
   Recommendation: Receive and file
3. Resolution authorizing changing the regular June 17 board meeting to June 18, 2026 at 6:00 PM
   Recommendation: Approve

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

AYES:	Baiter, Cruz, Farid
NOES:	None
ABSTAIN:	None
ABSENT:	Calloway, Singh

REGULAR AGENDA

Resolution authorizing memorandum of understanding between San Pablo EDC and the Contra Costa Community College District for the collaborative Bay REPAIR opportunity grant application

Executive Director Choy introduced the item explained the memorandum of understanding with the Contra Costa Community College District to establish the partnership structure for the Bay REPAIR Opportunity Grant application. Following board discussion, it was moved by Director Cruz, seconded by Director Baiter and passed by a vote of those present to adopt **RESOLUTION SPEDC2026-011**, a resolution to authorize execution of the partnership co-management structure memorandum of understanding between San Pablo EDC and the Contra Costa Community College District for the collaborative Bay REPAIR opportunity grant application.

AYES: Baiter, Cruz, Farid
NOES: None
ABSTAIN: None
ABSENT: Calloway, Singh

Resolution authorizing execution of a contract with Albert Nahman Plumbing, Heating, and Cooling for HVAC and electrical repair at Mission Plaza and use of operational fund balance up to $60,000 coded to 65060 "Asset Management Costs" operations class

Executive Director Choy introduced the item and outlined the recommendation to award the Mission Plaza HVAC and electrical repair contract to Albert Nahman, whose proposal provided the most complete scope of work. Following board discussion, it was moved by Director Cruz, seconded by Director Baiter and passed by a vote of those present to adopt **RESOLUTION SPEDC2026-012**, a resolution to authorize execution of a contract with Albert Nahman Plumbing, Heating, and Cooling for HVAC and electrical repair at Mission Plaza and use of operational fund balance up to $60,000 coded to 65060 "Asset Management Costs" operations class.

AYES: Baiter, Cruz, Farid
NOES: None
ABSTAIN: None
ABSENT: Calloway, Singh

ADJOURNMENT

It was moved by Vice Chair Farid and seconded by Director Cruz to adjourn the meeting at 6:25 PM to the next regular meeting scheduled for **Thursday, June 18, 2026** at 6:00 PM.

Respectfully submitted,

_____
Saeid Babay Hosseini, Board Secretary

_____
Saman Farid, Vice Chair

SAN PABLO EDC BOARD REPORT

DATE: June 18, 2026

Back to Agenda

TO: San Pablo EDC Board

FROM: Leslay Choy, Executive Director
Bradley Ward, Controller

SUBJECT: SAN PABLO ECONOMIC DEVELOPMENT CORPORATION FISCAL YEAR 2026-26 FINANCIAL STATEMENTS THROUGH APRIL 2026

RECOMMENDED ACTION

The Executive Director recommends 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 Chair, Kanwar Singh. Financials compare year-to-date expenses to annual budget in a format recommended by Treasurer Singh, which the Board is asked to review.

ANALYSIS OF FINANCIAL REPORTS

Attached is a set of financial reports through April 2026. The lead item is the balance sheet, which shows the organization's financial position as of April 30, 2026. The April balance sheet reflects assets of $4,846,598, liabilities of $1,529,490 and equity of $3,317,108. For any professional agreement where San Pablo EDC receives the lump sum up front, Account 25800 is used for the unearned portion of the agreement, 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) statement through April 30, 2026 with comparison to budget. The P&L statements are presented as a summary of the Total Budget for Operations, Measure S and Total Grants. 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). Total income through April is $1,479,517, representing 87% of budgeted income with 83% of the fiscal year complete.

The second part of the P&L, which includes other expenses less depreciation, represents expenses, the bulk of which are 62100 Contract Services, 65000 Operations and 66000 Payroll. YTD expenses were $1,293,985 or 73% of the annual budget. Note that benefits and software subscription costs continue to increase, and while San Pablo EDC changed brokers and healthcare coverage to realize savings over the proposed increase, it meant 14% increase instead of 21%, which is significantly more than anticipated.

Monthly non-cash depreciation of $3,739 (year-to-date $37,393) 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.

Attachments

- San Pablo EDC FY25-26 Financial Statements through April 2026

San Pablo Economic Development
Balance Sheet
As of Apr 30, 2026

	Total
Assets	
Current Assets	
Bank Accounts	
10000 SPEDC Checking Acct.	394,525.92
10005 Money Market ...1115	2,261,168.28
10015 TCU Checking /Savings Account	248.45
10100 Petty Cash	100.00
Total for Bank Accounts	**$2,656,042.65**
Accounts Receivable	
11000 Accounts Receivable	993,318.39
Total for Accounts Receivable	**$993,318.39**
Other Current Assets	
12000 Undeposited Funds {73}	15,000.00
13000 Prepaid Expenses	972.65
Total for Other Current Assets	**$15,972.65**
Total for Current Assets	**$3,665,333.69**
Fixed Assets	
14100 Buildings - Operating	1,540,000.00
14200 Accumulated Depreciation	(358,975.76)
Total for Fixed Assets	**$1,181,024.24**
Other Assets	
18600 Other Assets	240.00
Total for Other Assets	**$240.00**
Total for Assets	**$4,846,597.93**
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	42,416.90
Total for Accounts Payable	**$42,416.90**
Credit Cards	
20500 SPEDC Credit Card	1,861.05
Total for Credit Cards	**$1,861.05**
Other Current Liabilities	
24000 Payroll Liabilities {72}	5,528.63
25800 Unearned or Deferred Revenue	160,083.30
25820 Security Deposit	19,600.00
Total for Other Current Liabilities	**$185,211.93**

Total for Current Liabilities	**$229,489.88**
Long-term Liabilities	
27100 Notes, Mortgages, and Leases	1,300,000.00
Total for Long-term Liabilities	**$1,300,000.00**
Total for Liabilities	**$1,529,489.88**
Equity	
32100 Operations Net Assets	2,728,984.91
32500 Meas S Net assets	38,798.08
Retained Earnings	401,186.13
Net Income	148,138.93
Total for Equity	**$3,317,108.05**
Total for Liabilities and Equity	**$4,846,597.93**

Accrual Basis Thursday, June 11, 2026 09:24 PM GMTZ

San Pablo Economic Development Corporation Inc
Budget vs. Actuals: Budget_FY26_P&L - FY26 P&L Classes
July 2025 - April 2026

	Total Operations			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support	17,800.00	18,000.00	(200.00)	98.89%
44400 Government Contracts	468,750.00	562,500.00	(93,750.00)	83.33%
44500 Government Grants	0.00	0.00	0.00	
45000 Investments	60,040.85	84,150.00	(24,109.15)	71.35%
46400 Other Types of Income	21,365.00	27,000.00	(5,635.00)	79.13%
47200 Program Income	126,167.89	194,000.00	(67,832.11)	65.03%
Sales	0.00	0.00	0.00	
Total Income	**694,123.74**	**885,650.00**	**(191,526.26)**	**78.37%**
Gross Profit	**694,123.74**	**885,650.00**	**(191,526.26)**	**78.37%**
Expenses				
60300 Awards and Grants	0.00	0.00	0.00	
60900 Business Expenses	5,939.91	6,250.00	(310.09)	95.04%
62100 Contract Services	27,643.50	53,675.00	(26,031.50)	51.50%
62800 Facilities and Equipment	670.45	4,000.00	(3,329.55)	16.76%
65000 Operations	136,578.31	169,300.00	(32,721.69)	80.67%
65100 Other Types of Insurance	25,717.80	42,995.00	(17,277.20)	59.82%
66000 Payroll Expenses {71}	419,576.36	528,841.00	(109,264.64)	79.34%
66500 Benefits	86,224.95	85,266.70	958.25	101.12%
68300 Travel and Meetings	5,491.48	8,901.00	(3,409.52)	61.70%
69000 Operational Contingency	1,379.02	5,000.00	(3,620.98)	27.58%
69010 Bank Service Charges	599.26	0.00	599.26	
Total Expenses	**709,821.04**	**904,228.70**	**(194,407.66)**	**78.50%**
Net Operating Income	**(15,697.30)**	**(18,578.70)**	**2,881.40**	**84.49%**
Other Expenses				
70100 Depreciation & Amortization	37,393.30	0.00	37,393.30	
Total Other Expenses	**37,393.30**	**0.00**	**37,393.30**	
Net Other Income	**(37,393.30)**	**0.00**	**(37,393.30)**	
Net Income	**(53,090.60)**	**(18,578.70)**	**(34,511.90)**	**285.76%**

San Pablo Economic Development Corporation Inc
Budget vs. Actuals: Budget_FY26_P&L - FY26 P&L Classes
July 2025 - April 2026

	Measure S			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support			0.00	
44400 Government Contracts			0.00	
44500 Government Grants	291,666.70	350,000.00	(58,333.30)	83.33%
45000 Investments			0.00	
46400 Other Types of Income			0.00	
47200 Program Income			0.00	
Sales			0.00	
Total Income	**291,666.70**	**350,000.00**	**(58,333.30)**	**83.33%**
Gross Profit	**291,666.70**	**350,000.00**	**(58,333.30)**	**83.33%**
Expenses				
60300 Awards and Grants	5,000.00	7,500.00	(2,500.00)	66.67%
60900 Business Expenses	2,717.98	2,950.00	(232.02)	92.13%
62100 Contract Services	63,355.24	142,075.00	(78,719.76)	44.59%
62800 Facilities and Equipment			0.00	
65000 Operations	26,464.00	28,100.00	(1,636.00)	94.18%
65100 Other Types of Insurance			0.00	
66000 Payroll Expenses {71}	130,623.51	152,275.00	(21,651.49)	85.78%
66500 Benefits	54,983.25	68,550.00	(13,566.75)	80.21%
68300 Travel and Meetings			0.00	
69000 Operational Contingency			0.00	
69010 Bank Service Charges			0.00	
Total Expenses	**283,143.98**	**401,450.00**	**(118,306.02)**	**70.53%**
Net Operating Income	**8,522.72**	**(51,450.00)**	**59,972.72**	**-16.57%**
Other Expenses				
70100 Depreciation & Amortization			0.00	
Total Other Expenses	**0.00**	**0.00**	**0.00**	
Net Other Income	**0.00**	**0.00**	**0.00**	
Net Income	**8,522.72**	**(51,450.00)**	**59,972.72**	**-16.57%**

Thursday, Jun 11, 2026 02:06:19 PM GMT-7 - Accrual Basis

San Pablo Economic Development Corporation Inc
Budget vs. Actuals: Budget_FY26_P&L - FY26 P&L Classes
July 2025 - April 2026

	Total Grants			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support	114,852.58	121,647.70	(6,795.12)	94.41%
44400 Government Contracts	366,186.30	342,419.20	23,767.10	106.94%
44500 Government Grants	0.00	0.00	0.00	
45000 Investments	0.00	0.00	0.00	
46400 Other Types of Income	0.00	0.00	0.00	
47200 Program Income	0.00	0.00	0.00	
Sales	12,687.52	0.00	12,687.52	
Total Income	**493,726.40**	**464,066.90**	**29,659.50**	**106.39%**
Gross Profit	**493,726.40**	**464,066.90**	**29,659.50**	**106.39%**
Expenses				
60300 Awards and Grants	0.00	0.00	0.00	
60900 Business Expenses	10,426.85	12,216.00	(1,789.15)	85.35%
62100 Contract Services	75,027.00	207,032.30	(132,005.30)	36.24%
62800 Facilities and Equipment	0.00	0.00	0.00	
65000 Operations	12,930.79	20,506.70	(7,575.91)	63.06%
65100 Other Types of Insurance	0.00	0.00	0.00	
66000 Payroll Expenses {71}	159,202.95	184,454.00	(25,251.05)	86.31%
66500 Benefits	43,432.00	43,302.60	129.40	100.30%
68300 Travel and Meetings	0.00	0.00	0.00	
69000 Operational Contingency	0.00	0.00	0.00	
69010 Bank Service Charges	0.00	0.00	0.00	
Total Expenses	**301,019.59**	**467,511.60**	**(166,492.01)**	**64.39%**
Net Operating Income	**192,706.81**	**(3,444.70)**	**196,151.51**	**-5594.30%**
Other Expenses				
70100 Depreciation & Amortization	0.00	0.00	0.00	
Total Other Expenses	**0.00**	**0.00**	**0.00**	
Net Other Income	**0.00**	**0.00**	**0.00**	
Net Income	**192,706.81**	**(3,444.70)**	**196,151.51**	**-5594.30%**

Thursday, Jun 11, 2026 02:06:19 PM GMT-7 - Accrual Basis

San Pablo Economic Development Corporation Inc
Budget vs. Actuals: Budget_FY26_P&L - FY26 P&L Classes
July 2025 - April 2026

	TOTAL			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support	132,652.58	139,647.70	(6,995.12)	94.99%
44400 Government Contracts	834,936.30	904,919.20	(69,982.90)	92.27%
44500 Government Grants	291,666.70	350,000.00	(58,333.30)	83.33%
45000 Investments	60,040.85	84,150.00	(24,109.15)	71.35%
46400 Other Types of Income	21,365.00	27,000.00	(5,635.00)	79.13%
47200 Program Income	126,167.89	194,000.00	(67,832.11)	65.03%
Sales	12,687.52	0.00	12,687.52	
Total Income	**1,479,516.84**	**1,699,716.90**	**(220,200.06)**	**87.04%**
Gross Profit	**1,479,516.84**	**1,699,716.90**	**(220,200.06)**	**87.04%**
Expenses				
60300 Awards and Grants	5,000.00	7,500.00	(2,500.00)	66.67%
60900 Business Expenses	19,084.74	21,416.00	(2,331.26)	89.11%
62100 Contract Services	166,025.74	402,782.30	(236,756.56)	41.22%
62800 Facilities and Equipment	670.45	4,000.00	(3,329.55)	16.76%
65000 Operations	175,973.10	217,906.70	(41,933.60)	80.76%
65100 Other Types of Insurance	25,717.80	42,995.00	(17,277.20)	59.82%
66000 Payroll Expenses {71}	709,402.82	865,570.00	(156,167.18)	81.96%
66500 Benefits	184,640.20	197,119.30	(12,479.10)	93.67%
68300 Travel and Meetings	5,491.48	8,901.00	(3,409.52)	61.70%
69000 Operational Contingency	1,379.02	5,000.00	(3,620.98)	27.58%
69010 Bank Service Charges	599.26	0.00	599.26	
Total Expenses	**1,293,984.61**	**1,773,190.30**	**(479,205.69)**	**72.97%**
Net Operating Income	**185,532.23**	**(73,473.40)**	**259,005.63**	**-252.52%**
Other Expenses				
70100 Depreciation & Amortization	37,393.30	0.00	37,393.30	
Total Other Expenses	**37,393.30**	**0.00**	**37,393.30**	
Net Other Income	**(37,393.30)**	**0.00**	**(37,393.30)**	
Net Income	**148,138.93**	**(73,473.40)**	**221,612.33**	**-201.62%**

Thursday, Jun 11, 2026 02:06:19 PM GMT-7 - Accrual Basis

SAN PABLO EDC BOARD REPORT

DATE: June 18, 2026

Back to Agenda

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 2026-27 CDL INSTRUCTOR TRUCKING LLC MEMORANDUM OF UNDERSTANDING RENEWAL FOR COMMERCIAL DRIVER'S LICENSE JOB TRAINING SERVICES AND RATIFYING 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

As the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware, earlier this year, the Board approved an initial memorandum of understanding (MOU) with CDL Instructor Trucking LLC (CDL) in Hayward to provide Class A commercial driver's license training to San Pablo residents and Workforce Innovation and Opportunity Act (WIOA) participants.

While an ongoing positive relationship exists with Michael's Transportation Services Truck Driving Academy (MTS) in Vallejo, two of workforce staff's challenges has been to accommodate Spanish-speaking participants at a qualified training provider and to find a trainer willing to offer evening and weekend classes. CDL has helped San Pablo EDC eliminate these barriers for aspiring Class A drivers.

CDL has also worked faithfully with staff to be Employer Training Panel List (ETPL)-qualified and is hopeful to achieve that this year. Despite not being on the ETPL, special grant funding was released by the Workforce Development Board of Contra Costa County (WDBCCC) to support San Pablo EDC's WIOA-qualified cohort given CDL's well-above industry standard success rates.

ANALYSIS

CDL is filling a vital equity role in helping those with barriers to training stemming from schedule or language be successful. All of San Pablo EDC cohorts have successfully completed, obtained employment or are currently completing their training requirements. This demonstrates a greater than 100% completion of training with a few incompletes due to living-wage, full-time employment opportunities.

CDL Instructor Trucking LLC offers a decade of experience training Class A commercial drivers; the owner was previously a commercial truck driver and maintains his Class A license. San Pablo EDC has used non-WIOA funding to train a couple of Spanish speaking participants for whom the Class A license has the difference between no benefits, low pay and poor working conditions and a progressive-wage, fully benefitted career with choice of schedule. EDC staff has had a productive, responsive and fully successful relationship with CDL.

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:

- 50% after first two weeks of attendance
- 40% after passing the California DMV Class-A 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 memoranda of understanding (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. 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 fiscal year 2026-27 (FY26-27) budget, which includes funding for this partnership under expense account 62160 Job Training.

The Board is asked to authorize execution of fiscal year 2026-27 CDL Instructor Trucking LLC memorandum of understanding renewal for Commercial Driver's License job training services and ratify Measure S budget expense.

FISCAL IMPACT

Fiscal impact from the FY26-27 Measure S budget expense account 62160 Job Training & Employment Support Services will depend on the number of residents enrolled.

Attachments

1. CDL Instructor Trucking LLC Training Academy FY26-27 MOU

RESOLUTION SPEDC2026-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING EXECUTION OF FISCAL YEAR 2026-27 CDL INSTRUCTOR TRUCKING LLC MEMORANDUM OF UNDERSTANDING RENEWAL FOR COMMERCIAL DRIVER'S LICENSE JOB TRAINING SERVICES AND RATIFYING MEASURE S BUDGET EXPENSE

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) has positive relationship with CDL Instructor Trucking LLC (CDL) in Hayward to provide Class A commercial driver's license training to San Pablo residents and Workforce Innovation and Opportunity Act (WIOA) participants; and

WHEREAS, CDL Instructor Trucking LLC offers a decade of experience training Class A commercial drivers; the owner was previously a commercial truck driver and maintains his Class A license; and

WHEREAS, CDL is filling a vital equity role in helping those with barriers to training stemming from schedule or language be successful; and

WHEREAS, total possible Measure S reimbursement to CDL will not exceed $5,000 per resident and CDL will assist with job placement; and

WHEREAS, approval of this MOU is contingent upon the Board's approval of the proposed fiscal year 2026-27 budget, which includes funding for this partnership under expense account 62160 Job Training; and

WHEREAS, Fiscal impact from the FY26-27 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 fiscal year 2026-27 CDL Instructor Trucking LLC memorandum of understanding renewal for Commercial Driver's License job training services and ratify Measure S budget expense.

ADOPTED this 18th day of June, 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

Saeid Babay Hosseini, Board Secretary Genoveva Calloway, Board Chair

San Pablo Economic Development Corporation & CDL Instructor Trucking LLC

July 1, 2026

SAN PABLO EDC
putting people to work

MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding between CDL Instructor Trucking LLC ("Partner") and San Pablo Economic Development Corporation (“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. General Provisions.

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 and Data. Partner shall provide progress reports to the SPEDC on Program operation under this MOU upon request, including information regarding total participants, training completion rates, licensing success rate, and job placement; 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. Referrals. SPEDC shall refer qualified participants whose documents are complete to Partner. From time to time, Partner may refer potential participants to SPEDC. In no event are participants referred to SPEDC to begin training until approved in writing by SPEDC to Partner with confirmation of start date. Enrollment of participants under this MOU by Partner without SPEDC authorization will not be compensated by SPEDC. A participant may not begin training until there is an approved SPEDC date, as it invalidates all funding that SPEDC uses.

2.3. Program Performance Reports. If requested, 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 template provided by SPEDC for the annual progress report.

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, 2026 upon execution and delivery by both parties governing Program operations specified in Exhibit A through June 30, 2027 contingent upon the SPEDC Board's approval of the fiscal year 2026-27 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: Ricardo Escalante, CEO
CDL Instructor Trucking LLC
18060 Meekland Ave,
Hayward, CA 94541

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

_____	_____
Name: Ricardo Escalante	Leslay C. Choy
Title: CEO	Executive Director
Organization: CDL Instructor Trucking LLC	San Pablo Economic Development Corporation
Date: _____	Date: _____

EXHIBIT A

Program Description

1. Program Overview.

1.1. General Description of Program Purpose.

CDL Instructor Trucking LLC Services specializes in Class-A and Class-B commercial driver's training. The Program covered by this MOU covers Class A only at this time. The Class A curriculum includes 95 hours for Professional Transit Operator, 180 hours Tractor – Trailer Operator, and 80 hours Straight Truck Operator. The training covers DMV Driving Permit Training, Behind the Wheel Training, Inspections, Skills, and Job Placement Assistance.

This training provides students with the knowledge, practical skills, and support to obtain a California Commercial Class A Driver's License. Students must complete the curriculum and hours as outlined above. Once graduates obtain their licenses, CDL Instructor Trucking Services will recommend the student to its partner employers to get a job.

Under this MOU, SPEDC will provide funding for pre-approved San Pablo residents, including trainees taking their behind-the-wheel examination. The number of slots made available will be contingent upon funding.

2. Program Engagement.

2.1. Marketing and Recruiting

2.1.1. Marketing Responsibilities. SPEDC and Partner shall actively participate in the marketing of the Program to potential students. Partner will be responsive and collaborative with San Pablo EDC to provide current content, images, success stories, etc., to keep collateral and messages updated. Both parties shall promote program marketing materials through all available channels, including career fairs. Both parties shall share materials with any other Program Partners and Recruitment Partners specified in Exhibit A.

2.1.2. Recruiting Responsibilities. SPEDC shall recruit San Pablo residents to the Program. Partner shall refer potential San Pablo residents to SPEDC for qualification and enrollment.

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 receives SPEDC-approved funding.

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. Partner shall promptly notify SPEDC if the participant does not pass the driving test. Upon notification, SPEDC shall assess the issue, develop an improvement plan, and collaborate with both the Partner and the participant to ensure successful completion on the second attempt. If the participant fails the second attempt, the same protocol established for the first attempt will be followed. Should the participant fail the driving test a third time, the Partner must immediately notify SPEDC. SPEDC shall further evaluate to determine next steps. Both Partner and SPEDC will determine, based on next steps outlined by SPEDC, any additional costs.

2.2.1.6. As noted in section 2.3, Partner shall provide an annual agreement performance report if requested.

2.2.1.7. Partner shall provide an updated list upon request of partner employers.

2.2.1.8. Partner shall provide job placement assistance.

2.2.2. SPEDC Administration Responsibilities.

2.2.2.1. SPEDC shall screen prospective participants to assess training readiness, complete WIOA and other funding applications, gather required documentation and determine qualification, as well as funding limits, prior to referral to Partner.

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

2.2.2.3. SPEDC may visit Partner training site to conduct interviews with students and attend any graduations or events held by Partner.

2.2.2.4. SPEDC shall conduct all case management & WIOA obligations, which includes request of progress reports and documentation of milestones, such as measurable skills gain, permit and license.

3. Participant Eligibility

3.1. Verification of Eligibility. Partner shall request verification from the SPEDC for San Pablo resident eligibility and approval of funding amounts and start date before enrollment in the Program.

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
    - Both parties acknowledge mailing address is established by the US Postal Service and does not accurately reflect residency according to municipal jurisdictional boundaries. SPEDC shall make residency determination based on current government-issued photo ID, and if needed, a bill or statement sent to the address to verify.
- Meet in person or virtually with SPEDC staff, be pre-approved for WIOA & Measure S funding and receive financial counseling from SPEDC staff **before** enrolling at CDL Instructor Trucking LLC; failure to do so will disqualify enrollee from funding
- Complete an SPEDC Workforce Enrollment Form and supply all documentation, which includes signed WIOA documents, such as an Objective Assessment and Individual Education Plan; 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

3.1.2. Partner shall refer potential San Pablo residents directly to SPEDC. SPEDC staff shall 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 provide updated data to SPEDC for all San Pablo students who receive services under this MOU, including, but not limited to contact information, demographic data, enrollment status, exit date, certification completion dates, most recent employer, and salary.

4.2.1. Partner must notify SPEDC within five (5) 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. SPEDC agrees to provide Measure S funding in an amount to be determined not to exceed $5,000 per eligible San Pablo resident, up to the limits of available funding. San Pablo residents may be eligible for additional grant funding from SPEDC, pending pre-approval and availability of funds. SPEDC and Partner agree each eligible student will pay some portion of the program expense, nominally $500. WIOA-enrolled students may also qualify for WIOA funding. If so, the amount will be clearly outlined in the ITA and invoiced by Partner directly to the approving entity, typically the Contra Costa County Employment and Human Services Department (EHSD). WIOA-enrolled non-San Pablo residents may also be enrolled with Partner if referred by SPEDC with an approved WIOA ITA.

5.2. Participant Withdrawal. If a Program Participant drops, withdraws or is expelled, no further payments shall be made under this agreement. If a participant withdraws from the program due to an emergency, Partner shall permit SPEDC to select a replacement participant, ensuring continuity in program engagement.

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
- 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, 2026 through June 30, 2027.

Exhibit B

Insurance Requirements

Insurance

1. General, Automotive, and Employer's Liability, and Workers' Compensation Provisions

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.

1.1.1.1. General Liability: $2,000,000 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 Partner, 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 Partner shall provide a financial guarantee satisfactory to the SPEDC guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

3. Other Insurance Provisions

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.

SAN PABLO EDC BOARD REPORT

DATE: June 18, 2026

Back to Agenda

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 2026-27 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

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, 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. For example, currently, there is a waiting list at the ELC. San Pablo residents receive priority because of the MOU-based relationship. Also the College has been helpful with WIOA enrollment of emergency medical technician (EMT) cohorts, enabling San Pablo EDC to train more efficiently and leverage funding beyond WIOA, Measure S and EDC grants.

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 degree or CTE cohort services. EMT and Nursing remain top demands of San Pablo residents at CCC.

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 FY26-27 budget, which includes funding for this partnership under expense account 62160 Job Training & Employment Support Services.

Staff ask the Board to authorize fiscal year 2026-2027 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 FY26-27 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 FY26-27 MOU

RESOLUTION SPEDC2026-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING FISCAL YEAR 2026-27 CONTRA COSTA COLLEGE MEMORANDUM OF UNDERSTANDING RENEWAL FOR EDUCATION, TRAINING AND CHILDCARE SERVICES AND RATIFYING INCLUSION IN MEASURE S BUDGET EXPENSE

WHEREAS, as the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is aware, the San Pablo EDC invested for 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 FY26-27 MOU renewal and ratify the FY26-27 budget allocation contingent upon its approval of the FY26-27 budget; and

WHEREAS, fiscal impact from the FY26-27 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 fiscal year 2026-27 Contra Costa College MOU renewal for education, training and childcare services and ratify inclusion in Measure S budget expense.

ADOPTED this 18th day of June, 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

Saeid Babay Hosseini, Board Secretary Genoveva Garcia Calloway, Board Chair

San Pablo Economic Development Corporation & Contra Costa College

July 1, 2026

SAN PABLO EDC
putting people to work

MEMORANDUM OF UNDERSTANDING

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

Recitals

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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:

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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.

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.

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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, 2026 upon execution and delivery by both parties and shall be govern Program operations specified in Exhibit A through June 30, 2027. 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 childcare 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 waitlist 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, 2026 – June 30, 2027). 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, 2026 to June 30, 2027.

Exhibit B

Insurance Requirements

Insurance

1. General, Automotive, and Employer's Liability, and Workers' Compensation Provisions

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.

1.1.1.1. General Liability: $2,000,000 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 Partner, 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 Partner shall provide a financial guarantee satisfactory to the SPEDC guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

3. Other Insurance Provisions

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

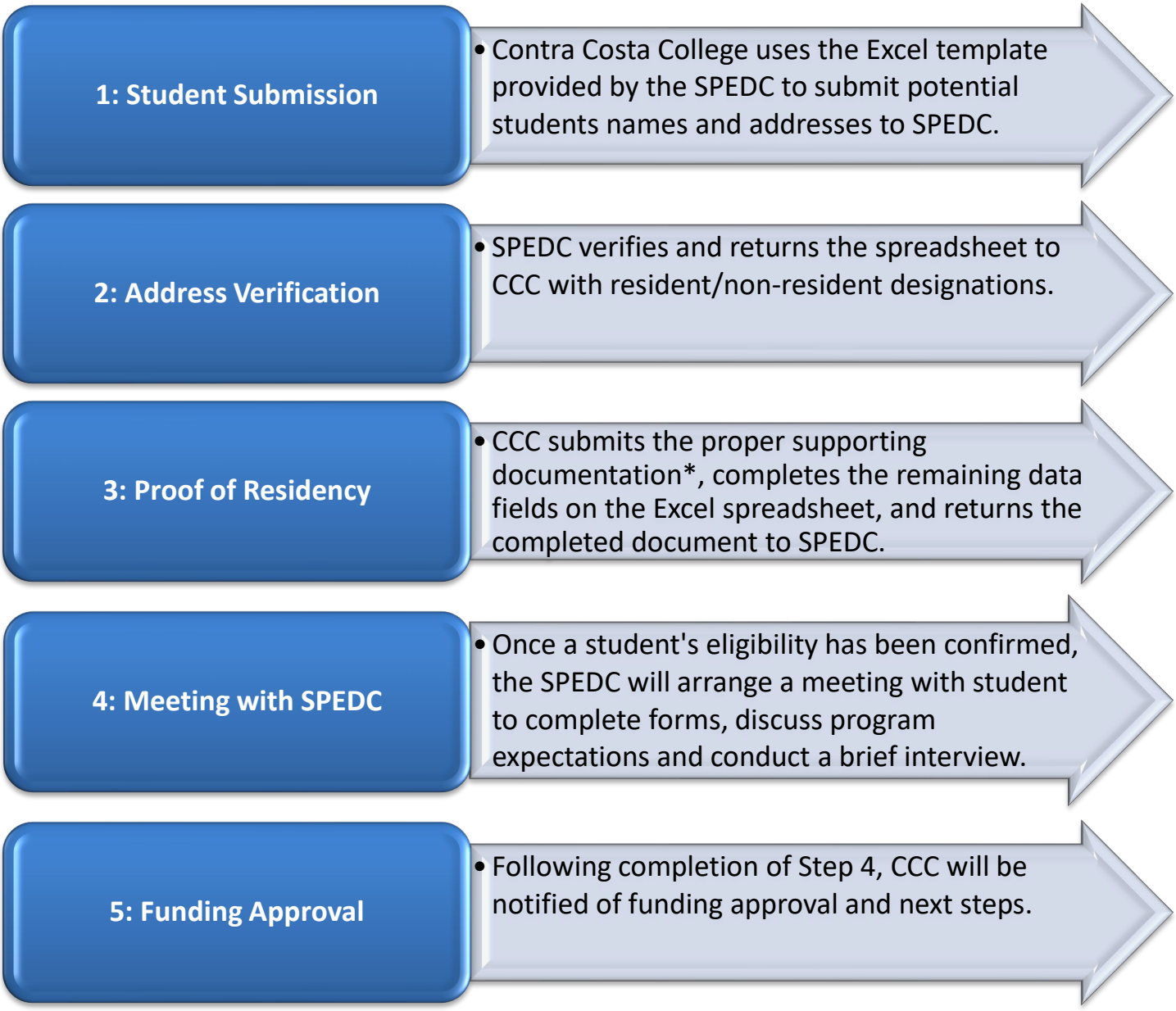
7.1. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A:VII unless otherwise acceptable to SPEDC. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

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.

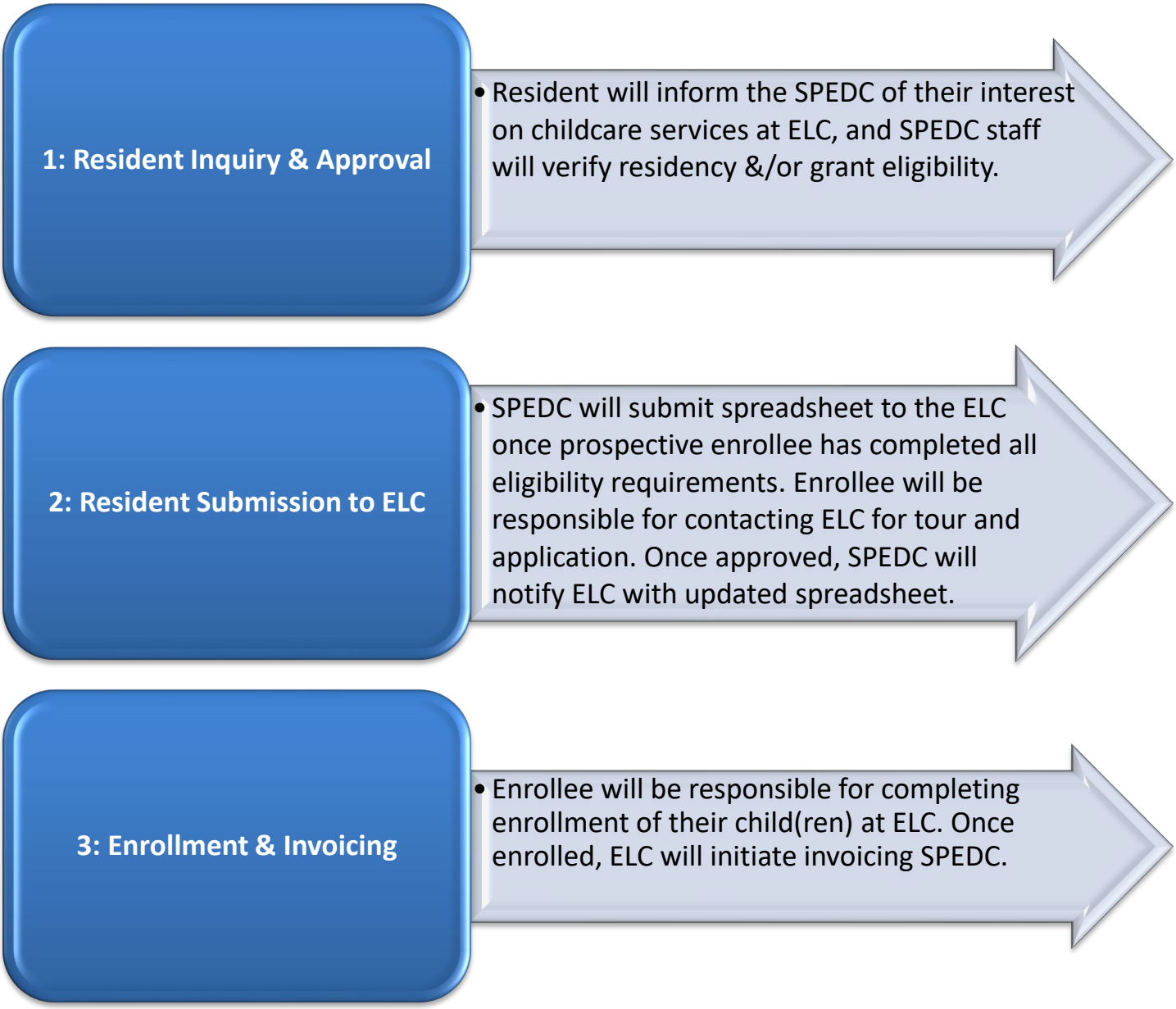
Exhibit C

Education Services Verification & Funding Process



** 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



SAN PABLO EDC BOARD REPORT

DATE: June 18, 2026

Back to Agenda

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 2026-27 MICHAEL'S TRANSPORTATION SERVICES TRAINING ACADEMY MEMORANDUM OF UNDERSTANDING RENEWAL FOR COMMERCIAL DRIVERS LICENSE JOB TRAINING SERVICES AND RATIFYING 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

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.

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:

- 50% 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 memoranda of understanding (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. 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 fiscal year 2026-27 (FY26-27) budget, which includes funding for this partnership under expense account 62160 Job Training.

The Board is asked to authorize execution of fiscal year 2026-27 Michael's Transportation Services Training Academy memorandum of understanding renewal for commercial drivers license job training services and ratify Measure S budget expense.

FISCAL IMPACT

Fiscal impact from the FY26-27 Measure S budget expense account 62160 Job Training & Employment Support Services will depend on the number of residents enrolled.

Attachments

1. MTS Training Academy FY26-27 MOU

RESOLUTION SPEDC2026-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING EXECUTION OF FISCAL YEAR 2026-27 MICHAEL'S TRANSPORTATION SERVICES TRAINING ACADEMY MEMORANDUM OF UNDERSTANDING RENEWAL FOR COMMERCIAL DRIVERS LICENSE JOB TRAINING SERVICES AND RATIFYING MEASURE S BUDGET EXPENSE

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) has had a long-term relationship 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, works closely with the Employment Development Department (EDD) and is on the Employer Training Panel List (ETPL); and

WHEREAS, total possible Measure S reimbursement to MTS will not exceed $5,000 per resident and MTS will assist with job placement; and

WHEREAS, approval of this MOU is contingent upon the Board's approval of the proposed fiscal year 2026-27 budget, which includes funding for this partnership under expense account 62160 Job Training; and

WHEREAS, Fiscal impact from the FY26-27 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 fiscal year 2026-27 Michael's Transportation Services Training Academy memorandum of understanding renewal for commercial drivers license job training services and ratify Measure S budget expense.

ADOPTED this 18th day of June, 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

Saeid Babay Hosseini, Board Secretary Genoveva Calloway, Board Chair

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

Effective: July 1, 2026

SAN PABLO EDC
putting people to work

MEMORANDUM OF UNDERSTANDING

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. General Provisions.

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.

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 participants, training completion rates, licensing success rate, and job placement; 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. Referrals. SPEDC shall refer qualified participants whose documents are complete to Partner. From time to time, Partner may refer potential participants to SPEDC. In no event are participants referred to SPEDC to begin training until approved in writing by SPEDC to Partner with confirmation of start date. Enrollment of participants under this MOU by Partner without SPEDC authorization will not be compensated by SPEDC. A participant may not begin training until there is an approved SPEDC date, as it invalidates all funding that SPEDC uses.

2.3. Program Performance Reports. If requested, 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 template provided by SPEDC for the annual progress report.

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, 2026 upon execution and delivery by both parties governing Program operations specified in Exhibit A through June 30, 2027 contingent upon the SPEDC Board's approval of the fiscal year 2026-27 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: Keith Judkins, 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
Title: Director
Organization: MTS Training Academy

Leslay C. Choy
Executive Director
San Pablo Economic Development Corporation

Date: _____ Date: _____

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, SPEDC will provide funding for pre-approved San Pablo residents, including trainees taking their behind-the-wheel examination. The number of slots made available will be contingent upon funding.

2. Program Engagement.

2.1. Marketing and Recruiting

2.1.1. Marketing Responsibilities. SPEDC and Partner shall actively participate in the marketing of the Program to potential students. Partner will be responsive and collaborative with San Pablo EDC to provide current content, images, success stories, etc., to keep collateral and messages updated. Both parties shall promote program marketing materials through all available channels, including career fairs. Both parties shall share materials with any other Program Partners and Recruitment Partners specified in Exhibit A.

2.1.2. Recruiting Responsibilities. SPEDC shall recruit San Pablo residents to the Program. Partner shall refer potential San Pablo residents to SPEDC for qualification and enrollment.

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 receives SPEDC-approved funding.

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. Partner shall promptly notify SPEDC if the participant does not pass the driving test. Upon notification, SPEDC shall assess the issue, develop an improvement plan, and collaborate with both the Partner and the participant to ensure successful completion on the second attempt. If the participant fails the second attempt, the same protocol established for the first attempt will be followed. Should the participant fail the driving test a third time, the Partner must immediately notify SPEDC. SPEDC shall further evaluate to determine next steps. Both Partner and SPEDC will determine, based on next steps outlined by SPEDC, any additional costs.

2.2.1.6. As noted in section 2.3, Partner shall provide an annual agreement performance report if requested.

2.2.1.7. Partner shall provide an updated list upon request of partner employers.

2.2.1.8. Partner shall provide job placement assistance.

2.2.2. SPEDC Administration Responsibilities.

2.2.2.1. SPEDC shall screen prospective participants to assess training readiness, complete WIOA and other funding applications, gather required documentation and determine qualification, as well as funding limits, prior to referral to Partner.

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

2.2.2.3. SPEDC may visit Partner training site to conduct interviews with students and attend any graduations or events held by Partner.

2.2.2.4. SPEDC shall conduct all case management & WIOA obligations, which includes request of progress reports and documentation of milestones, such as measurable skills gain, permit and license.

3. Participant Eligibility

3.1. Verification of Eligibility. Partner shall request verification from the SPEDC for San Pablo resident eligibility and approval of funding amounts and start date before enrollment in the Program.

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
    - Both parties acknowledge mailing address is established by the US Postal Service and does not accurately reflect residency according to municipal jurisdictional boundaries. SPEDC shall make residency determination based on current government-issued photo ID, and if needed, a bill or statement sent to the address to verify.
- Meet in person or virtually with SPEDC staff, be pre-approved for WIOA & Measure S funding and receive financial counseling from SPEDC staff **before** enrolling at CDL Instructor Trucking LLC; failure to do so will disqualify enrollee from funding
- Complete an SPEDC Workforce Enrollment Form and supply all documentation, which includes signed WIOA documents, such as an Objective Assessment and Individual Education Plan; 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

3.1.2. Partner shall refer potential San Pablo residents directly to SPEDC. SPEDC staff shall 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 provide updated data to 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 five (5) 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. SPEDC agrees to provide Measure S funding in an amount to be determined not to exceed $5,000 per eligible San Pablo resident, up to the limits of available funding. San Pablo residents may be eligible for additional grant funding from SPEDC, pending pre-approval and availability of funds. SPEDC and Partner agree each eligible student will pay some portion of the program expense, nominally $500. WIOA-enrolled students may also qualify for WIOA funding. If so, the amount will be clearly outlined in the ITA and invoiced by Partner directly to the approving entity, typically the Contra Costa County Employment and Human Services Department (EHSD). WIOA-enrolled non-San Pablo residents may also be enrolled with Partner if referred by SPEDC with an approved WIOA ITA.

5.2. Participant Withdrawal. If a Program Participant drops, withdraws or is expelled, no further payments shall be made under this agreement. If a participant withdraws from the program due to an emergency, Partner shall permit SPEDC to select a replacement participant, ensuring continuity in program engagement.

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, 2026 through June 30, 2027.

Exhibit B

Insurance Requirements

Insurance

1. General, Automotive, and Employer's Liability, and Workers' Compensation Provisions

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.

1.1.1.1. General Liability: $2,000,000 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 Partner, 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 Partner shall provide a financial guarantee satisfactory to the SPEDC guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

3. Other Insurance Provisions

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.

SAN PABLO EDC BOARD REPORT

DATE: June 18, 2026

Back to Agenda

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 2026-27 OBRA CONSTRUCTION AND BUILDING SERVICES MEMORANDUM OF UNDERSTANDING FOR MISSION PLAZA PARKING LOT SWEEPING AND LANDSCAPE MAINTENANCE SERVICES AND RATIFYING BUDGET EXPENSE OF $8,760**

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), a minority- and woman-owned business. Green & Fair has been transitioned to one of its partner employees and is now known as OBRA Construction and Building Services (OBRA); it remains a minority-owned firm.

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 at the property and need to be addressed, 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's successor, OBRA, will continue this service excellence.

The Board is asked to authorize execution of the fiscal year 2026-27 OBRA Construction and Building Services memorandum of understanding for Mission Plaza Parking Lot Sweeping and Landscape Maintenance Services and ratifying budget expense of $8,760.

FISCAL IMPACT

FY26-27 fiscal impact would be $8,760 to Operations expense budget account 65060 Asset Management.

Attachments

1. MOU FY26-27 - OBRA Construction and Building Services Parking Lot Sweeping and Landscaping Services

RESOLUTION SPEDC2026-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING EXECUTION OF FISCAL YEAR 2026-27 OBRA CONSTRUCTION AND BUILDING SERVICES MEMORANDUM OF UNDERSTANDING FOR MISSION PLAZA PARKING LOT SWEEPING AND LANDSCAPE MAINTENANCE SERVICES AND RATIFYING BUDGET EXPENSE OF $8,760

WHEREAS, San Pablo Economic Development Corporation (San Pablo EDC) has had a long-standing relationship with Green & Fair Janitorial and Maintenance (Green & Fair), a minority- and woman-owned business; and

WHEREAS, Green & Fair has been transitioned to one of its partner employees and is now known as OBRA Construction and Building Services (OBRA); it remains a minority-owned firm; and

WHEREAS, OBRA shall provide weekly lot sweeping services and semi-monthly landscaping services, and will also provide quotes for services the organization may need; and

WHEREAS, FY26-27 fiscal impact would be $8,760 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 2026-27 OBRA Construction and Building Services memorandum of understanding for Mission Plaza Parking Lot Sweeping and Landscape Maintenance Services and ratifying budget expense of $8,760.

ADOPTED this 18th day of June, 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

Saeid Babay Hosseini, Board Secretary Genoveva Calloway, Board Chair

San Pablo Economic Development Corporation and OBRA Construction and Building Services

July 1, 2026

SAN PABLO EDC
putting people to work

MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding between the San Pablo Economic Development Corporation (SPEDC) and OBRA Construction and Building Services ("OBRA" 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 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, 2026 upon execution and delivery by both parties governing Program operations specified in Exhibit A through June 30, 2027 contingent upon the SPEDC Board's approval of the fiscal year 2026-27 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

To Partner: Pablo Vazquez
OBRA Construction and Building Services
2901 Canterbury Dr,
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: Pablo Vazquez	Leslay Choy
Title: Owner	Executive Director
Organization: OBRA Building Services	San Pablo Economic Development Corporation
Date: _____	Date: _____

EXHIBIT A

Scope of Work

1. General Description

OBRA shall provide weekly parking lot sweeping and semi-monthly landscaping maintenance services (twice per month) at Mission Plaza located at 14501 San Pablo Avenue, San Pablo, CA 94806, a commercial property owned and managed by the San Pablo Economic Development Corporation (SPEDC)

1.1. Parking Lot Sweeping (Weekly)

1.1.1. Sweep the parking lot and sidewalks.

1.1.2. Remove and haul away all trash and debris from the lot, sidewalks, and landscaped areas.

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

1.1.4. 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.

1.2. Landscaping Maintenance Services (Semi-Monthly)

1.2.1. Shrubs and Ground Cover

1.2.1.1. Trim and shape shrubs to a well-maintained appearance.

1.2.1.2. Trim all groundcover away from sidewalks, building, fences, water, electrical boxes, and other fixtures. This includes keeping the ivy 8-12 inches away from trees.

1.2.1.3. Prevent groundcover from growing up signs, hedges and trees.

1.2.1.4. Remove debris (i.e., paper, bottles, leaves, branches, etc.) and other landscape materials during each service.

1.2.2. Irrigation

1.2.2.1. Monitor the irrigation schedule on a monthly basis.

1.2.2.2. Check, clean, and adjust sprinkler heads to ensure proper use and to avoid water wastage.

1.2.2.3. Irrigation repairs are subject to additional charges for labor and

materials. Broken sprinklers, valves, or sprinkler lines will be reported immediately to San Pablo Economic Development Corporation.

1.2.2.4. OBRA shall start repair work upon authorization from SPEDC.

1.2.2.5. Any damages caused by OBRA shall be repaired without charge to SPEDC

1.2.2.6. SPEDC Property Manger is responsible for Providing controller keys.

1.2.2.7. There will be a $80.00 additional charge for emergency irrigation shut-down should a malfunction occur during weekends and not other regularly scheduled times. All other work will be charged at a labor rate of $45 per hour. Labor and material will be itemized on the billing.

1.2.3. Tree Care Services

1.2.3.1. Tree trimming is not included as a recurring service.

1.2.3.2. Any tree trimming or pruning must be separately quoted and approved by SPEDC prior to scheduling.

1.2.4. Weed Abatement

1.2.4.1. Keep the landscaped areas weed-free.

1.2.4.2. Weed control includes application of a nontoxic Chemical broadleaf weed control and/or hand removal during the spring in landscaped area; the use of Roundup or similar chemicals is not allowed.

1.2.5. Service Verification and Documentation

To ensure quality and accountability, OBRA shall implement the following service verification protocols:

1.2.5.1. Weekly invoices will include before-and-after photos of serviced areas, with timestamps.

1.2.5.2. Close-up photos of landscaped areas will be provided to show detailed maintenance work.

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. OBRA 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 OBRA.

2.2. Finances

2.2.1. Cost for parking lot sweeping and landscape maintenance services is $730 per month; cost to remove dumping is an additional charge.

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 receiptrequested to:

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

To Vendor: Pablo Vazquez
OBRA Construction and Building Services
1480 10th Street,
Berkeley, CA, 94710

Exhibit B
Insurance Requirements

Insurance

1. General, Automotive, and Employer's Liability, and Workers' Compensation Provisions

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.

3. Other Insurance Provisions

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 beginningany 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-insuredretentions 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 providewritten 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 obtainany 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 theState Compensation Insurance Fund when not specifically rated.

8. Verification of Coverage

8.1. Vendor shall furnish SPEDC with endorsements effecting coverage required by thisclause. 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 thatInsurer 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 18, 2026

Back to Agenda

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 2026-27 VASCO CAREER COLLEGE MEMORANDUM OF UNDERSTANDING RENEWAL FOR HEALTHCARE CAREER TRAINING CERTIFICATIONS AND RATIFYING 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**

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 (VCC) has proved a highly successful partner with 100% success rate thus far. Currently, training costs range from $3,500 to $8,000.

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 have successfully leveraged Workforce Innovation and Opportunity Act (WIOA) and other grant funding to cover virtually all of the tuition and any national certification fees.

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 FY26-27 budget, which includes funding for this partnership under expense account 62160 Job Training.

All training vendors approved by the Board to train San Pablo residents under this funding access a single pool of funding, approved on a first come, first service basis until the funds are depleted.

The Board is asked to authorize execution of the fiscal year 2026-27 Vasco Career College MOU and ratify inclusion in Measure S budget expense contingent upon approval of the FY26-27 budget.

FISCAL IMPACT

Fiscal impact from the FY26-27 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 FY26-27

RESOLUTION SPEDC2026-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING FISCAL YEAR 2026-27 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 renewal of the memorandum of understanding (MOU) with Vasco Career College (Vasco) for in-demand healthcare industry careers; and

WHEREAS, equity is important to Vasco, which offers online, hybrid and in-person class, as well as evening and Saturday class options; and

WHEREAS, most courses are designed to be completed in 20 weeks or less, allowing workforce clients to enter into 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 has demonstrated a successful track record in training participants, providing more equitable opportunity for local residents to start successful careers and build resilience; and

WHEREAS, approval of this MOU is contingent upon the Board's approval of the proposed fiscal year 2026-27 budget, which includes funding for this partnership under expense account 62160 Job Training & Employment Support Services; and

WHEREAS, fiscal impact from the FY26-27 Measure S budget expense account 62160 Job Training & Employment Support Services will depend on the number of students approved to enroll in coursework, but in no event will exceed the amount approved by the Board in the FY26-27 budget.

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

1) Authorize execution of the fiscal year 2026-27 Vasco Career College memorandum of understanding and ratify Measure S budget expense.

ADOPTED this 18th day of June, 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

Saeid Babay Hosseini, Board Secretary Genoveva Garcia Calloway, Board Chair

San Pablo Economic Development Corporation & Vasco Career College

Effective: July 1, 2026

SAN PABLO EDC
putting people to work

MEMORANDUM OF UNDERSTANDING

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. General Provisions.

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, 2026 – June 30, 2027). 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, 2026 upon execution and delivery by both parties and shall govern Program operations specified in Exhibit A through June 30, 2027. 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 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 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. 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. 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. 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) 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, 2026 – June 30, 2027). 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, WIOA approval is in place and progress report has been received.

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, 2026 to June 30, 2027.

Exhibit B

Insurance Requirements

Insurance

1. General, Automotive, and Employer's Liability, and Workers' Compensation Provisions

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.

1.1.1.1. General Liability: $2,000,000 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 Partner, 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 Partner shall provide a financial guarantee satisfactory to the SPEDC guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

3. Other Insurance Provisions

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 affect 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.

SAN PABLO EDC BOARD REPORT

DATE: June 18, 2026

Back to Agenda

TO: San Pablo EDC Board

FROM: Leslay Choy, Executive Director

SUBJECT: RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING CANCELLATION OF THE AUGUST 19, 2026 MEETING

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

The San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is afforded a recess from time to time when there is no pressing board business. As there are no agenda items slated for its regularly scheduled August 19th meeting, staff recommend the Board recognize a recess for August. The next regular meeting is scheduled for Wednesday, September 16, 2026.

The Board is asked to authorize cancellation of the April 19, 2026 board meeting.

FISCAL IMPACT

There is no fiscal impact.

Attachments

1. Notice of Cancellation

RESOLUTION SPEDC2026-000

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING CANCELLATION OF THE AUGUST 19, 2026 BOARD MEETING

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) is afforded a recess from time to time when there is no pressing board business; and

WHEREAS, there are no agenda items slated for its regularly scheduled August 19th meeting; and

WHEREAS, there is no fiscal impact.

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

1) Authorize cancellation of the August 19, 2026 board meeting.

ADOPTED this 18th day of June, 2026, by the following vote, to wit:

AYES: None
NOES: None
ABSTAIN: None
ABSENT: None

ATTEST: APPROVED:

Saeid Babay Hosseini, Board Secretary Genoveva Calloway, Board Chair

In accordance with the Americans with Disabilities Act, persons requiring assistance or auxiliary aids in order to participate should contact the San Pablo EDC Offices, 1000 Gateway Avenue, First Floor, San Pablo, (510) 215-3200, as soon as possible prior to the meeting. The SPEDC will give such requests primary consideration, taking into account undue financial and administrative burdens or fundamental alterations in services, programs or activities.

Next SPEDC Resolution Number SPEDC2026-000

SAN PABLO EDC
putting people to work

NOTICE OF BOARD MEETING CANCELLATION

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION REGULAR BOARD MEETING AGENDA

Board of Directors

Genoveva Garcia Calloway, Chair
Saman Farid, Vice Chair
Kanwar Singh, Treasurer
Arturo Cruz, Director
Stephen Baiter, Director

WEDNESDAY, August 19, 2026
6:00 PM

Copies of this agenda and non-exempt public records relating to an open session item on this agenda will be available for public view at the SPEDC offices, 1000 Gateway Avenue, First Floor, San Pablo. The full agenda packet may also be viewed on the SPEDC's website at www.SanPabloEDC.org.

The August 19, 2026 regular board meeting is hereby canceled.

NEXT MEETING:

September 16, 2026 at 6:00 PM

SAN PABLO EDC BOARD REPORT

DATE: June 18, 2026

Back to Agenda

TO: San Pablo EDC Board Finance Committee

FROM: Leslay Choy, Executive Director

SUBJECT: **RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS APPROVING AND ADOPTING FISCAL YEAR 2026-27 BUDGET COMPOSED OF A TOTAL INCOME BUDGET OF $1,494,825 AND A TOTAL EXPENSE BUDGET OF $1,615,785, AND INCLUDING OPERATIONS FUND BALANCE EXPENSE OF $56,110 MEASURE S FUND BALANCE EXPENSE OF $64,850**

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

Annually, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) considers adoption of the organization's next fiscal year budget. The San Pablo EDC fiscal year 2026-2027 (FY26-27) budget and use of fund balances were reviewed by the Finance Committee on June 2, 2026.

Through capable board guidance and sound financial practice, San Pablo EDC has operated in the black since it opened its doors in September 2012. The organization has assumed mitigated risks, successfully completed significant multi-year grants and diversified its revenue streams while modestly growing existing ones, with the exception of housing, which is undergoing a correction nationally. Interest, housing prices, and economic anxiety remain high while purchasing power, especially of lower income individuals, is rapidly declining. Overall, Executive Director Choy would like to see additional growth through new revenue and larger grant awards.

Initially, San Pablo EDC was slated to use fund balance for the first time in fiscal year 2025-26 (FY25-26); however, ultimately, produced other revenue that eliminated the need. The organization needed to free up the Executive Director's time to pursue relationship-building and grant opportunities, which gave promotional opportunities for two staff, one of whom took on operations performance management, enabling San Pablo EDC to triple its access to training dollars due to top county performance, and the other of whom took on a sponsor-focused role, which improved performance nearly 40%; however, as that line item is a lower contributor to the organization's income, further growth is needed to strengthen sponsorship funding. Executive Director Choy used greater bandwidth for strategic growth, exceeding anticipated grant income by 30% and is exploring a new contract and a new revenue stream.

San Pablo EDC negotiates the best possible terms at all times. The commercial broker engaged for Mission Plaza did several times the work contracted and reduced commission each year of the lease term. When healthcare benefits costs increased 21%, Executive Director Choy changed brokers and health plans, improving coverage and lowering out-of-pocket costs while saving 7%. This year, Executive Director Choy is proposing to use Measure S and Operations fund balance to meet expense demands and work actively with the Finance Committee to review revenue and expense models that could more sustainably position the organization.

ANALYSIS

Action has been taken to reduce or eliminate all possible expenses without reducing benefits or eliminating staff. San Pablo EDC's ability to help defray operational costs through Microsoft's Multi-volume licensing portal, Tech Soup, and indirect cost grant revenue helps the organization significantly. However, as mentioned above, it will need to more meaningfully grow its revenue streams to sustainably operate with a positive bottom line. Executive Director Choy will continue to need to be more available for strategic endeavors to make progress and staffing will need to reflect grants and contracts. To pursue growth and address expenses accelerated by inflation, fund balance use this year will be necessary.

While the cost of insurance and benefits continues to rise, overall, spending has been kept in check and increases prioritized in areas that support revenue growth. A conservative approach was taken in development of the FY26-27 Expense Budget, which is about $223,000 lower than the adopted FY25-26 budget due to decreased grant revenue, which puts more pressure on the operations budget. Following are important highlights. The budget, as proposed, would keep the organization operating responsibly.

The proposed San Pablo EDC FY26-27 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) 25-26 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.

FY26-27 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/loss.

The FY26-27 proposed **total income budget** is $1,494,825 composed of $892,125 Operations, $350,000 Measure S and $252,700 Grants.

The FY26-27 proposed **total expense budget** is 1,615,785 composed of $948,235 Operations, $414,850 Measure S and $252,700 Grants.

The proposed expense budget requires use of Operations fund balance in the amount of $56,110 and use of Measure S fund balance in the amount of $64,850. While this is the proposed fund balance use, as grants and additional revenue are realized, operations fund balance allocation will be reduced. Similarly with Measure S, while the anticipated fund balance is $65,000, should the fund balance prove lower or opportunities to offset Measure S costs realized through grants, use of fund balance will be reduced. Of note, it was necessary to reduce the cost-of-living adjustment (COLA) to 2.5% to avoid schedule reductions or layoffs; however, if Executive Director Choy is successful in growing revenue to meet or exceed projections adequately enough, she received Finance Committee support to come back with a mid-year budget adjustment that would increase the COLA to 3%.

FY26-27 Income Budget

Overall, the total income budget of $1,494,825 represents a year-over-year decrease of $323,788 due to successfully completing multi-year grants. Home loan administration for SPLASH has not performed this

year and is not anticipated to grow in FY26-27 due to economic conditions, which remain unchecked. This is a reality worthy of discussion.

No changes are anticipated for the sub-recipient contract for Workforce Innovation and Opportunity Act (WIOA) funding through the Contra Costa Workforce Collaborative (CCWC) led by Rubicon Programs, which is problematic as staff, benefits and training costs have increased, but the Workforce Development Board is keeping the contract at its amount approved five years ago.

In the grants class budget, since $73,000 of 43405 Direct Public Grants funding has been awarded for FY26-27, an additional $50,000 will be pursued to help address operational costs, such as staff.

Growth of existing revenue streams and diversification of income will be Executive Director Choy's focus this fiscal year, which will mean expanding some staff responsibilities.

FY26-27 Expense Budget

The total expense budget of $1,615,785 represents a year-over-year decrease of $223,443 due to reduced grant-related costs.

Expense account group 66000 encompassing staff salary and benefits was prioritized. San Pablo EDC pays competitively for a nonprofit; however, it competes for staff with government and for-profit corporations that often offer more substantial retirement benefits. Within the staffing structure, there are two promotions anticipated with expansion of responsibilities and cost-of-living adjustments (COLA) for all. As noted earlier, should Executive Director Choy and her staff be successful expanding revenue, the COLA would be increased from 2.5 to 3% with board approval at the mid-year mark.

San Pablo EDC has steadily diversified revenue; however, it is not without tolerable risks. The acquisition of Mission Plaza and the opening of the Money Market Account (MMA) are examples. The MMA generates about $80,000 in interest per year. The income generated by Mission Plaza, as well as the valuation of the property as a portfolio asset are important; however, lease revenue bears risk and older properties require investment, as we have experienced over the past year and will realize each time tenant improvements are made of which San Pablo EDC bears cost per square foot.

ACTION

The Board is asked to approve and adopt the Fiscal Year 2026-27 Budget composed of a total income budget of $1,494,825, a total expense budget of $1,615,785, and including Operations fund balance of $56,110 and Measure S fund balance of $64,850.

FISCAL IMPACT

Should all $1,494,825 of income and $1,615,785 of expense be realized, net fiscal impact at fiscal year-end would be the reduction of Operations fund balance by $56,110 and Measure S fund balance by $64,850.

Attachments

1. Fiscal Year 2026-27 San Pablo EDC Proposed Budget

RESOLUTION SPEDC2026-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS APPROVING AND ADOPTING FISCAL YEAR 2026-27 BUDGET COMPOSED OF A TOTAL INCOME BUDGET OF $1,494,825 AND A TOTAL EXPENSE BUDGET OF $1,615,785, AND INCLUDING OPERATIONS FUND BALANCE EXPENSE OF $56,110 MEASURE S FUND BALANCE EXPENSE OF $64,850

WHEREAS, annually, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) considers adoption of the organization's next fiscal year budget; the San Pablo EDC fiscal year 2026-2027 (FY26-27) budget and use of fund balances were reviewed by the Finance Committee on June 2, 2026; and

WHEREAS, through capable board guidance and sound financial practice, San Pablo EDC has operated in the black since it opened its doors in September 2012; and

WHEREAS, in fiscal year 2025-26 (FY25-26), some revenue expanded, while housing-related revenue contracted, and multiple opportunities to reduce expenses were realized; however, expenses are anticipated to outpace revenue, so use of Measure S and Operations fund balance in FY26-27 is necessary while Executive Director Choy actively works with the Finance Committee to identify strategies that could more sustainably position the organization; and

WHEREAS, the FY26-27 proposed total income budget is $1,494,825 composed of $892,125 Operations, $350,000 Measure S and $252,700 Grants; and

WHEREAS, the FY26-27 proposed total expense budget is 1,615,785 composed of $948,235 Operations, $414,850 Measure S and $252,700 Grants; and

WHEREAS, the proposed expense budget requires use of Operations fund balance in the amount of $56,110 and use of Measure S fund balance in the amount of $64,850; and

WHEREAS, should all $1,494,825 of income and $1,615,785 of expense be realized, net fiscal impact at fiscal year-end would be the reduction of Operations fund balance by $56,110 and Measure S fund balance by $64,850.

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

1) Approve and adopt the Fiscal Year 2026-27 Budget composed of a total income budget of $1,494,825, a total expense budget of $1,615,785, and including Operations fund balance of $56,110 and Measure S fund balance of $64,850.

ADOPTED this 18th day of June, 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Saeid Babay Hosseini, Board Secretary

APPROVED:

Genoveva Calloway, Board Chair

FY26-27 Budget Executive Summary

Operations		Measure S		Grants		Total FY26-27 Budget	
FY25-26 est. fund balance	$ 380,486	FY25-26 est. fund balance	$ 64,963	Fund balance is NA			
Revenue FY26-27	**$ 892,125**	**Revenue FY26-27**	**$ 350,000**	**Revenue FY26-27**	**$ 252,700**	**Revenue FY26-27**	**$ 1,494,825**
Expenses FY26-27	**$ 948,235**	**Expenses FY26-27**	**$ 414,850**	**Expenses FY26-27**	**$ 252,700**	**Expenses FY26-27**	**$ 1,615,785**
Net income FY26-27 (projected)	$ (56,110)	Net income FY26-27 (projected)	$ (64,850)	Net income FY26-27 (projected)	$ -	Net income FY26-27 (projected)	$ (120,960)
Fund balance	$ 56,110	Fund balance needed	$ 64,850	Fund balance	$ -	Fund balance	$ 120,960
Net income	$ 0	Net income	$ -	Net income	$ -	Net Income	$ 0
Est. FYE fund balance	**$ 324,376**	**Est. FYE fund balance**	**$ 113**	**Est. FYE fund balance**	**$ -**	**Est. FYE Total fund balance**	**$ 324,489**

FY26-27 Income Budget Summary				Comparison		
	Operations (1)	Measure S (2)	Grants (3)	FY26-27 Total Income (1+2+3)	FY25-26 Total Income Budget	Variance
43400 · Direct Public Support						
43405 · Direct Public Grants	-	-	$123,000	$123,000	$ 100,000	23,000
43410 · Corporate Contributions/Sponsorships	$20,000	-	-	$20,000	$ 16,000	$ 4,000
43450 · Individ, Business Contributions	-	-	-	-	-	-
43490 · Direct Public Support - Other	-	-	-	-	-	$ -
43400 · Direct Public Support Total	**$20,000**	-	**$123,000**	**$143,000**	**$ 116,000**	**$ 27,000**
44400 · Government Contracts						
44410 · Agency (Government) Contracts	-	-	129,700	$129,700	$ 129,700	-
44420 · Federal Contracts	-	-	-	-	$ -	-
44430 · Local Government Contracts	$562,500	-	-	$562,500	$ 562,500	-
44450 · State Contracts	-	-	-	-	$ -	-
44400 · Government Contracts - Other	-	-	-	-	-	-
44400 · Government Contracts Total	**$562,500**	-	**$129,700**	**$692,200**	**$ 1,047,463**	**(355,263)**
44500 · Government Grants						
44510 · Agency (Government) Grants	-	-	-	-	-	-
44520 · Federal Grants	-	-	-	$0	$ -	-
44530 · Local Government Grants	-	350,000	-	$350,000	$ 350,000	-
44540 · State Grants	-	-	-	$0	$ -	-
44500 · Government Grants - Other	-	-	-	-	-	-
44500 · Government Grants Total	**-**	**$350,000**	**-**	**$350,000**	**$ 350,000**	**-**
45000 · Investments						
45030 · Interest-Savings, Short-term CD	$80,150	-	-	$80,150	$ 84,150	(4,000)
45000 · Investments - Other	$80,150	-	-	$80,150	$ 84,150	(4,000)
45000 · Investments Total	**$80,150**	**-**	**-**	**$80,150**	**$ 84,150**	(4,000)
46400 · Other Types of Income						
46410 · Other Income: Advertising Sales	$25,044	-	-	$25,044	$ 27,000	(1,956)
46400 · Other Types of Income Total	**$25,044**	**-**	**-**	**$25,044**	**$ 27,000**	**($1,956)**
47200 · Program Income						
47230 · Membership Dues	$5,000	-	-	$5,000	$ 5,000	-
47240 · Rental & Loan Admin Income	$175,931	-	-	$175,931	$ 166,500	9,431
47250 · Program Service Fees "Other"	$23,500	-	-	$23,500	$ 22,500	1,000
47200 · Program Income Total	**$204,431**	**-**	**-**	**$204,431**	**$ 194,000**	**10,431**
GRAND TOTAL	**$892,125**	**$350,000**	**$252,700**	**$1,494,825**	**$1,818,613**	**$ (323,788)**

FY26-27 Expense Budget Summary				Comparison		
PERSONNEL COSTS	**Operations**	**Measure S**	**Grants**	**FY26-27 Total**	**FY25-26 Total**	**Variance**
66000 Payroll Expenses						
66100 Executive Director Salary	190,410	20,500	-	210,910	$204,500	$6,410
66200 Staff Salary	371,285	150,000	162,000	683,285	$664,084	$19,201
66300 Payroll Taxes	37,000	13,000	10,000	60,000	$57,770	$2,230
66400 Worker's Comp	600	500	-	1,100	$1,350	($250)
65050 Phone, Telecom, Smart Phones	4,740	-	-	4,740	$5,350	($610)
66500 Other: Health Benefits & Retirement	63,000	62,500	27,100	152,600	$143,878	$8,722
66000 Payroll Expenses Total	**667,035**	**246,500**	**199,100**	**1,112,635**	**$1,076,932**	**$35,703**
NON-PERSONNEL COSTS	**Operations**	**Measure S**	**Grants**	**FY26-27 Total**	**FY25-26 Total**	**Variance**
60300 Sponsorships, Awards & Grants						
60310 Charitable Sponsorships	-	5,000	-	$5,000	$7,500	($2,500)
60300 Sponsorships, Awards & Grants Total	**-**	**5,000**	**-**	**$5,000**	**$7,500**	($2,500)
60900 Business Expenses						
60910 Uniforms	-	-	-	$0	$0	$0
60920 Business Membership Fees	2,350	450	-	$2,800	$2,350	$450
60930 Subscriptions (Other)	3,500	2,500	-	$6,000	$6,400	($400)
60950 Indirect Costs/Admin Fee	-	-	11,500	$11,500	$9,362	$2,138
60900 Business Expenses Total	**$5,850**	**$2,950**	**$11,500**	**$20,300**	**$18,112**	**$2,188**
62100 Professional Contract Services						
62110 Accounting/IRS/FTB	4,500	6,500	-	$11,000	$11,300	($300)
62120 Information Technology	1,800	-	-	$1,800	$1,800	-
62130 Grantwriting/Fundraising	7,500	7,500	-	$15,000	$10,500	$4,500
62140 Legal Counsel	8,000	-	-	$8,000	$21,000	($13,000)
62150 PR Social Media, Website & Related	27,700	27,700	-	$55,400	$55,150	$250
62160 Job Training & Employment Support Svces	-	85,000	35,000	$120,000	$349,499	($229,499)
62190 Other Contract Services	1,000	1,750	-	$2,750	$4,000	($1,250)
62100 Professional Contract Services Total	**$50,500**	**$128,450**	**35,000**	**$213,950**	**$453,249**	**($239,299)**
62800 Facilities & Equipment						
62801 Office Equipment	4,000	-	-	$4,000	$5,000	($1,000)
62840 Equipment Rental & Maintenance	-	-	-	-	-	-
62850 Janitorial Services	-	-	-	-	-	-
62860 Facilities Improvement	-	-	-	-	-	-
62890 Rent & Utilities	-	-	-	-	-	-
62800 Facilities & Equipment Total	**$4,000**	**$0**	**$0**	**$4,000**	**$5,000**	**($1,000)**
65000 Operations						
65030 Printing/Copying/Postage	26,250	24,950	3,900	$55,100	$48,650	$6,450
65040 Program Costs and Supplies (Marketing)	8,000	7,000	3,200	$18,200	$32,989	($14,789)
65041 Meeting costs & General Office Supplies	3,500	-	-	$3,500	$4,000	($500)
65060 Asset Management Costs	122,000	-	-	$122,000	$135,900	($13,900)
65000 Operations Total	**$159,750**	**$31,950**	**$7,100**	**$198,800**	**$221,539**	**($22,739)**
65100 Insurance - Other						
65110 Vehicle Insurance	-	-	-	-	$0	$0
65120 Insurance: Liability/D&O/Excess Liability	46,000	-	-	$46,000	$42,995	$3,005
65100 Insurance - OtherTotal	**$46,000**	**$0**	**$0**	**$46,000**	**$42,995**	**$3,005**
68300 Training and Travel						
68301 Mileage	600	-	-	$600	$401	$199
68302 Fuel	-	-	-	-	-	$0
68310 Conferences, Conventions, etc.	1,500	-	-	$1,500	$1,500	-
68320 Travel costs	5,000	-	-	$5,000	$4,000	-
68340 Training & Development	3,000	-	-	$3,000	$3,000	-
68300 Training and Travel	**10,100**	**-**	**-**	**$10,100**	**$8,901**	-
69000 Operational Contingency	**5,000**	**-**	**-**	**$5,000**	**$5,000**	**$0**
70000 Business Grants						
71000 Mini-BIGs (Business Improvement Grant)	-	-	-	$0	$0	NA
72000 B2B (Back to Business)	-	-	-	$0	$0	NA
70000 Business Grants	**-**	**-**	**-**	**$0**	**$0**	NA
Subtotal Non-Personnel Costs	**281,200**	**168,350**	**53,600**	**$503,150**	**$762,296**	**($259,146)**
	$948,235	**$414,850**	**$252,700**	**$1,615,785**	**$1,839,228**	**($223,443)**

SAN PABLO EDC BOARD REPORT

DATE: June 18, 2026

Back to Agenda

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 ENGAGEMENT LETTER WITH DAVID CRUTCHER, FOR EMPLOYEE BENEFITS LEGAL ADVISORY SERVICES

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

The San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) approves all contracts and services for the organization. The Law Offices of Julian Gross handles San Pablo EDC's general legal needs and C. Nicole Murphy handles all real estate-related legal needs.

As a 21% increase in healthcare premiums and other benefits increases sparked a need for change to control and reduce costs, new brokers, third-party administrators and providers were engaged. Julian Gross recommended for this specialized area that we seek out legal advice from someone with expertise. David Crutcher is a practicing attorney and employee benefits counselor located in the San Francisco Bay Area. He did some preliminary advice pro bono. Based on the quality of his work and responsiveness, Executive Director Choy requested he submit an engagement letter in case the organization has need of his services in the future.

Mr. Crutcher's hourly rate is $560 per hour. There is no minimum or retainer required.

The Board is asked to authorize execution by Executive Director Choy of the engagement letter with David Crutcher.

FISCAL IMPACT

There is no fiscal impact. Should the organization need Mr. Crutcher's services during the year, those expenses will be assumed under expense account 62140 Legal Counsel Operations class.

Attachments

1. David Crutcher Engagement Letter dated May 23, 2026

RESOLUTION SPEDC2026-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING EXECUTION OF ENGAGEMENT LETTER WITH DAVID CRUTCHER, FOR EMPLOYEE BENEFITS LEGAL ADVISORY SERVICES

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) approves all contracts and services for the organization; and

WHEREAS, when San Pablo EDC changed its broker, third-party administrators and select providers and sought legal advice, the Law Offices of Julian Gross who handles San Pablo EDC's general needs recommended seeking someone with specialized expertise; and

WHEREAS, David Crutcher is a practicing attorney and employee benefits counselor located in the San Francisco Bay Area from whom Executive Director Choy requested an engagement letter in case the organization has need of his services in the future; and

WHEREAS, Mr. Crutcher's hourly rate is $560 per hour; and

WHEREAS, there is no fiscal impact.

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

1) Authorize execution by Executive Director Choy of the engagement letter with David Crutcher.

ADOPTED this 18th day of June, 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

Saeid Babay Hosseini, Board Secretary Genoveva Calloway, Board Chair

851 Irwin St., Ste. 221
San Rafael, CA 94901
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David F. Crutcher
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Employee Benefits Counselor

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PDF Via Email

May 23, 2026

Leslay Choy, Executive Director
San Pablo EDC
1000 Gateway Avenue
San Pablo, CA 94806

ATTORNEY CLIENT PRIVILEGED

Re: Engagement Letter

Dear Ms. Choy:

You have asked me to advise the San Pablo Economic Development Corporation (the "Organization") on employee benefit matters including the Organization's 403(b) retirement plan. My understanding is that you have legal authority to represent the Organization regarding the Plan, and to bind the Organization to the terms of this engagement letter. This letter confirms, and sets forth the general understanding of, my engagement by the Organization to provide legal services to the Organization and becomes effective on the date set forth above when and if this letter is executed by you.

The Engagement

The general subject of my advice concerns compliance issues that routinely arise in connection with the Organization's sponsorship and administration of any of its employee benefit plans including its 403(b) plan. I will generally be available to respond to your inquiries as they arise from time to time, and become involved in the resolution of any issues and projects that arise as appropriate and upon your request.

The Organization Is My Client

The Organization is my client, and not you, any other Organization official, any Organization director or shareholder, any of its plans nor any other person. To my knowledge, I have no conflict of interest representing the Organization. Generally, communication is expected to be via email and phone calls as necessary. You agree that I may communicate all matters relating to this engagement with you, at least until such time that the Organization informs me otherwise.

Fees

My hourly fee for rendering the services described above is $560. Charges will be billed each month for time incurred in the preceding month and are due 30 days after the invoice date. In general, I will cover any incidental business expenses I incur relating to this engagement, except I reserve the discretion to charge back to you transportation costs to attend substantive meetings (at the standard IRS mileage rate), printing and copying costs for significant projects, and similar out-of-pocket expenses.

Should my services be required after the close of a current calendar year, I may increase my hourly fee beginning in January by a percentage that roughly accounts for general cost-of-living increases experienced in the prior year. You agree to that increase once you have paid the first such invoice that includes the increase.

Duty to Provide Information and Cooperate

I will strive to provide the highest quality of service, which will require your cooperation and assistance. Please fully respond to my inquiries, provide written materials or documents in a timely manner, and otherwise provide me with any and all information necessary to address the issues. Failure to provide such information will reduce the effectiveness of my representation.

Termination of Engagement

Either of us may terminate this engagement at any time upon reasonable notice. After services conclude, I will, upon request, deliver any of your files and property then in my possession.

If you agree with the terms set forth in this letter, please sign a duplicate copy and return it to me. Thank you for retaining me, and if you have any questions, please give me a call.

Sincerely,

David F. Crutcher

AGREED.

San Pablo Economic Development Corporation

By: _____ _____

Leslay Choy, Executive Director Date