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 SPEDC2026-021

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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
Arturo Cruz, Director

WEDNESDAY, July 15, 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/ 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 (2 items)

1. Minutes of the June 18, 2026 regular meeting (pages 3-5)
   Recommendation: Approve

2. San Pablo EDC FY25-26 Financial Statements ending May 31, 2026 (pages 6-11)
   Recommendation: Receive and file

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

REGULAR AGENDA – ITEMS FOR DISCUSSION

1. Resolution authorizing execution of the City of San Pablo Consulting Services Agreement for fiscal years 2026-27 and 2027-28 for operations funding in the amount of $562,500 annually or $1,125,000 for the contract term (pages 12-32)
   Recommendation: Approve

2. Resolution authorizing execution of the Maze & Associates letter of engagement for fiscal year 2025-26 Audit and Tax Preparation Services and ratifying fiscal year 2026-27 budget expense not to exceed $13,930 (pages 33-44)
   Recommendation: Approve

ADJOURNMENT

Adjourn to next regular meeting scheduled for **Wednesday, September 16, 2026**, at 6:00 PM. *Note, the Board is trying to work proactively on its schedule to balance the 9:30 AM and 6:00 PM needs to improve attendance.*

Back to Agenda

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

WEDNESDAY, JUNE 18, 2026

ROLL CALL

The Board of Directors (Board) meeting was called to order at 9:37 M in the San Pablo Economic Development Corporation (San Pablo EDC) Offices at 1000 Gateway Avenue, First Floor, San Pablo, California. Present were Chair Genoveva Calloway, Treasurer Kanwar Singh and Director Arturo Cruz. Also present were Executive Director Leslay Choy and Board Secretary Saeid Babay Hosseini. Vice Chair Saman Farid and Director Stephen Baiter had an excused absence.

PUBLIC COMMENTS

There were no public comments.

EXECUTIVE DIRECTOR REMARKS

Executive Director Choy updated the board on the Workforce Intake Coordinator recruitment, status of work at Mission Plaza, invitation to speak at CASAS and the June 25th San Pablo Scholars celebration with Oakland Roots ticket vouchers.

CONSENT AGENDA

1. Minutes of the May 20, 2026 regular meeting
   Recommendation: Approve

2. San Pablo EDC FY25-26 Financial Statements ending April 30, 2026
   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
   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
   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
   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

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
Recommendation: Approve

8. Resolution authorizing cancellation of the August 19, 2026
Recommendation: Approve

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

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

REGULAR AGENDA

Resolution approving and adopting 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 balance allocation of $56,110 and Measure S fund balance of $64,850

Executive Director Choy introduced the item and presented the proposed Fiscal Year 2026–27 budget, highlighting key revenue and expense projections. Following board discussion, it was moved by Treasurer Singh seconded by Director Cruz and passed by a vote of those present to adopt **RESOLUTION SPEDC2026-019**, a resolution 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.

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

Resolution authorizing execution of engagement letter with David Crutcher, Attorney at Law and Employee Benefits Counselor

Executive Director Choy introduced the item and explained the need to execute an engagement letter with David Crutcher to provide specialized legal counsel on employee benefits matters as needed. Following board discussion, it was moved by Treasurer Singh, seconded by Director Cruz and passed by a vote of those present to adopt **RESOLUTION SPEDC2026-020**, a resolution to authorize execution by Executive Director Choy of the engagement letter with David Crutcher.

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

ADJOURNMENT

It was moved by Arturo Cruz and seconded by Kanwar Singh to adjourn the meeting at 10:05 AM to the next regular meeting scheduled for **Wednesday, July 15, 2026** at 6:00 PM.

Respectfully submitted,

____
Saeid Babay Hosseini, Board Secretary

____
Genoveva Calloway, Board Chair

SAN PABLO EDC BOARD REPORT

SAN PABLO EDC
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Back to Agenda

DATE: **July 15, 2026**

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 MAY 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 May 2026. The lead item is the balance sheet, which shows the organization's financial position as of May 31, 2026. The May balance sheet reflects assets of $4,717,424, liabilities of $1,449,923 and equity of $3,267,501. 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 May 31, 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 May is $1,550,379, representing 90% of budgeted income with 92% 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 $1,410,714 or 78% 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 $41,133) 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 May 2026

San Pablo Economic Development
Balance Sheet
As of May 31, 2026

	Total
Assets	
Current Assets	
Bank Accounts	
10000 SPEDC Checking Acct.	360,305.07
10005 Money Market ...1115	2,245,279.76
10015 TCU Checking /Savings Account	248.45
10100 Petty Cash	100.00
Total for Bank Accounts	**$2,605,933.28**
Accounts Receivable	
11000 Accounts Receivable	953,077.08
Total for Accounts Receivable	**$953,077.08**
Other Current Assets	
12000 Undeposited Funds {73}	(20,083.86)
13000 Prepaid Expenses	972.65
Total for Other Current Assets	**$(19,111.21)**
Total for Current Assets	**$3,539,899.15**
Fixed Assets	
14100 Buildings - Operating	1,540,000.00
14200 Accumulated Depreciation	(362,715.09)
Total for Fixed Assets	**$1,177,284.91**
18600 Other Assets	240.00
Total for Other Assets	**$240.00**
Total for Assets	**$4,717,424.06**
Liabilities and Equity	
Liabilities	
Current Liabilities	
20000 Accounts Payable	23,395.12
Total for Accounts Payable	**$23,395.12**
20500 SPEDC Credit Card	4,196.05
Total for Credit Cards	**$4,196.05**
Other Current Liabilities	
24000 Payroll Liabilities {72}	3,689.83
25800 Unearned or Deferred Revenue	99,041.63
25820 Security Deposit	19,600.00
Total for Other Current Liabilities	**$122,331.46**
Total for Current Liabilities	**$149,922.63**
Long-term Liabilities	
27100 Notes, Mortgages, and Leases	1,300,000.00
Total for Long-term Liabilities	**$1,300,000.00**
Total for Liabilities	**$1,449,922.63**
Equity	
30000 Opening Balance Equity	291,056.62
32100 Operations Net Assets	2,728,984.91
32500 Meas S Net assets	38,798.08
Retained Earnings	110,129.51
Net Income	98,532.31
Total for Equity	**$3,267,501.43**
Total for Liabilities and Equity	**$4,717,424.06**

Accrual Basis Monday, July 13, 2026 04:14 PM GMTZ

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

	Total Operations			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support	22,800.00	18,000.00	4,800.00	126.67%
44400 Government Contracts	515,625.00	562,500.00	(46,875.00)	91.67%
44500 Government Grants	0.00	0.00	0.00	
45000 Investments	65,383.11	84,150.00	(18,766.89)	77.70%
46400 Other Types of Income	23,165.00	27,000.00	(3,835.00)	85.80%
47200 Program Income	122,553.28	194,000.00	(71,446.72)	63.17%
Total Income	**$ 749,526.39**	**$ 885,650.00**	**$ (136,123.61)**	**84.63%**
Gross Profit	**$ 749,526.39**	**$ 885,650.00**	**$ (136,123.61)**	**84.63%**
Expenses				
60300 Awards and Grants	0.00	0.00	0.00	
60900 Business Expenses	6,346.89	6,250.00	96.89	101.55%
62100 Contract Services	30,041.23	53,675.00	(23,633.77)	55.97%
62800 Facilities and Equipment	670.45	4,000.00	(3,329.55)	16.76%
65000 Operations	143,040.79	169,300.00	(26,259.21)	84.49%
65100 Other Types of Insurance	25,717.80	42,995.00	(17,277.20)	59.82%
66000 Payroll Expenses {71}	457,699.30	528,841.00	(71,141.70)	86.55%
66500 Benefits	95,359.03	89,183.37	6,175.66	106.92%
68300 Travel and Meetings	5,846.29	8,901.00	(3,054.71)	65.68%
69000 Operational Contingency	1,379.02	5,000.00	(3,620.98)	27.58%
69010 Bank Service Charges	706.44	0.00	706.44	
Total Expenses	**$ 766,807.24**	**$ 908,145.37**	**$ (141,338.13)**	**84.44%**
Net Operating Income	**$ (17,280.85)**	**$ (22,495.37)**	**$ 5,214.52**	**76.82%**
Other Expenses				
70100 Depreciation & Amortization	41,132.63	0.00	41,132.63	
Total Other Expenses	**$ 41,132.63**	**$ -**	**$ 41,132.63**	
Net Other Income	**$ (41,132.63)**	**$ -**	**$ (41,132.63)**	
Net Income	**$ (58,413.48)**	**$ (22,495.37)**	**$ (35,918.11)**	**259.67%**

Monday, Jul 13, 2026 08:41:58 AM GMT-7 - Accrual Basis

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

	Measure S			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support			0.00	
44400 Government Contracts			0.00	
44500 Government Grants	320,833.37	350,000.00	(29,166.63)	91.67%
45000 Investments			0.00	
46400 Other Types of Income			0.00	
47200 Program Income			0.00	
Total Income	**$ 320,833.37**	**$ 350,000.00**	**$ (29,166.63)**	**91.67%**
Gross Profit	**$ 320,833.37**	**$ 350,000.00**	**$ (29,166.63)**	**91.67%**
Expenses				
60300 Awards and Grants	5,000.00	7,500.00	(2,500.00)	66.67%
60900 Business Expenses	2,875.97	2,950.00	(74.03)	97.49%
62100 Contract Services	79,199.67	142,075.00	(62,875.33)	55.74%
62800 Facilities and Equipment			0.00	
65000 Operations	29,416.62	28,100.00	1,316.62	104.69%
65100 Other Types of Insurance			0.00	
66000 Payroll Expenses {71}	143,439.65	152,275.00	(8,835.35)	94.20%
66500 Benefits	63,633.37	68,550.00	(4,916.63)	92.83%
68300 Travel and Meetings			0.00	
69000 Operational Contingency			0.00	
69010 Bank Service Charges			0.00	
Total Expenses	**$ 323,565.28**	**$ 401,450.00**	**$ (77,884.72)**	**80.60%**
Net Operating Income	**$ (2,731.91)**	**$ (51,450.00)**	**$ 48,718.09**	**5.31%**
Other Expenses				
70100 Depreciation & Amortization			0.00	
Total Other Expenses	**$ -**	**$ -**	**$ -**	
Net Other Income	**$ -**	**$ -**	**$ -**	
Net Income	**$ (2,731.91)**	**$ (51,450.00)**	**$ 48,718.09**	**5.31%**

Monday, Jul 13, 2026 08:41:58 AM GMT-7 - Accrual Basis

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

	Total Grants			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support	124,195.93	124,564.37	(368.44)	99.70%
44400 Government Contracts	355,823.51	363,691.12	(7,867.61)	97.84%
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	
Total Income	**$ 480,019.44**	**$ 488,255.49**	**$ (8,236.05)**	**98.31%**
Gross Profit	**$ 480,019.44**	**$ 488,255.49**	**$ (8,236.05)**	**98.31%**
Expenses				
60300 Awards and Grants	0.00	0.00	0.00	
60900 Business Expenses	11,126.06	12,591.00	(1,464.94)	88.37%
62100 Contract Services	75,131.60	225,365.63	(150,234.03)	33.34%
62800 Facilities and Equipment	0.00	0.00	0.00	
65000 Operations	13,440.88	21,722.87	(8,281.99)	61.87%
65100 Other Types of Insurance	0.00	0.00	0.00	
66000 Payroll Expenses {71}	174,107.33	186,329.00	(12,221.67)	93.44%
66500 Benefits	46,535.87	43,969.26	2,566.61	105.84%
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	**$ 320,341.74**	**$ 489,977.76**	**$ (169,636.02)**	**65.38%**
Net Operating Income	**$ 159,677.70**	**$ (1,722.27)**	**$ 161,399.97**	**-9271.35%**
Other Expenses				
70100 Depreciation & Amortization	0.00	0.00	0.00	
Total Other Expenses	**$ -**	**$ -**	**$ -**	
Net Other Income	**$ -**	**$ -**	**$ -**	
Net Income	**$ 159,677.70**	**$ (1,722.27)**	**$ 161,399.97**	**-9271.35%**

Monday, Jul 13, 2026 08:41:58 AM GMT-7 - Accrual Basis

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

	TOTAL			
	Actual	Budget	over Budget	% of Budget
Income				
43400 Direct Public Support	146,995.93	142,564.37	4,431.56	103.11%
44400 Government Contracts	871,448.51	926,191.12	(54,742.61)	94.09%
44500 Government Grants	320,833.37	350,000.00	(29,166.63)	91.67%
45000 Investments	65,383.11	84,150.00	(18,766.89)	77.70%
46400 Other Types of Income	23,165.00	27,000.00	(3,835.00)	85.80%
47200 Program Income	122,553.28	194,000.00	(71,446.72)	63.17%
Total Income	**$ 1,550,379.20**	**$ 1,723,905.49**	**$ (173,526.29)**	**89.93%**
Gross Profit	**$ 1,550,379.20**	**$ 1,723,905.49**	**$ (173,526.29)**	**89.93%**
Expenses				
60300 Awards and Grants	5,000.00	7,500.00	(2,500.00)	66.67%
60900 Business Expenses	20,348.92	21,791.00	(1,442.08)	93.38%
62100 Contract Services	184,372.50	421,115.63	(236,743.13)	43.78%
62800 Facilities and Equipment	670.45	4,000.00	(3,329.55)	16.76%
65000 Operations	185,898.29	219,122.87	(33,224.58)	84.84%
65100 Other Types of Insurance	25,717.80	42,995.00	(17,277.20)	59.82%
66000 Payroll Expenses {71}	775,246.28	867,445.00	(92,198.72)	89.37%
66500 Benefits	205,528.27	201,702.63	3,825.64	101.90%
68300 Travel and Meetings	5,846.29	8,901.00	(3,054.71)	65.68%
69000 Operational Contingency	1,379.02	5,000.00	(3,620.98)	27.58%
69010 Bank Service Charges	706.44	0.00	706.44	
Total Expenses	**$ 1,410,714.26**	**$ 1,799,573.13**	**$ (388,858.87)**	**78.39%**
Net Operating Income	**$ 139,664.94**	**$ (75,667.64)**	**$ 215,332.58**	**-184.58%**
Other Expenses				
70100 Depreciation & Amortization	41,132.63	0.00	41,132.63	
Total Other Expenses	**$ 41,132.63**	**$ -**	**$ 41,132.63**	
Net Other Income	**$ (41,132.63)**	**$ -**	**$ (41,132.63)**	
Net Income	**$ 98,532.31**	**$ (75,667.64)**	**$ 174,199.95**	**-130.22%**

Monday, Jul 13, 2026 08:41:58 AM GMT-7 - Accrual Basis

SAN PABLO EDC BOARD REPORT

SAN PABLO EDC
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Back to Agenda

DATE: **July 15, 2026**

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 THE CITY OF SAN PABLO CONSULTING SERVICES AGREEMENT FOR FISCAL YEARS 2026-27 AND 2027-28 FOR OPERATIONS FUNDING IN THE AMOUNT OF $562,500 ANNUALLY OR $1,125,000 FOR THE CONTRACT TERM**

RECOMMENDED ACTION

The Executive Director recommends the Board of Directors:

1. Approve resolution

BACKGROUND

Conflict of Interest Notice*: While there is no determined conflict of interest, out of an abundance of caution, Director Cruz, as a city elected official, will recuse himself from this item. The item requires a majority vote of those present to pass.*

As the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board), the San Pablo EDC has a long-standing partnership with the City of San Pablo (City), performing vital services for residents related to workforce, housing and entrepreneurship and for local businesses. The EDC stretches beyond these areas to work on economic development collaborations, business attraction, community engagement and new markets tax credit (NMTC) projects, and takes an active role regionally and throughout the state to raise San Pablo's visibility. This partnership includes special career projects, such as San Pablo Scholarship with the Youth Schools and Community Partnerships department and Business Watch or Kindness Counts series with San Pablo Police Department (SPPD).

San Pablo City Council took formal action on the funding allocation for fiscal years 2026-27 and 2027-28 (FY26-27) on July 6, 2026 by way of Resolution 2026-112. This is essential operational funding earned through a consulting services agreement (Agreement), which lays out an extensive scope of work in Exhibit A. San Pablo EDC has had an Agreement with the City of San Pablo since 2017; at that time, San Pablo EDC was funded at $650,000 per year. Since that time, the Council has prioritized additional work, and the San Pablo EDC has diversified its funding sources, reducing its funding request while expanding its scope of work. *Note: Director Cruz recused himself from the vote at City Council on this item.*

The Board is asked to authorize execution of the City of San Pablo Consulting Services Agreement for fiscal years 2026-27 and 2027-28 for operations funding in the amount of $562,500 annually or $1,125,000 for the contract term.

FISCAL IMPACT

Fiscal impact in FY26-27 would be $562,500 to income budget account 44400 Government Agency Contracts Operations class.

Attachments

1. City of San Pablo Consulting Services Agreement for 2026-27 and 2027-28

RESOLUTION SPEDC2026-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING EXECUTION CITY OF SAN PABLO CONSULTING SERVICES AGREEMENT FOR FISCAL YEARS 2026-27 AND 2027-28 FOR OPERATIONS FUNDING IN THE AMOUNT OF $562,500 ANNUALLY OR $1,125,000 FOR THE CONTRACT TERM

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) knows the San Pablo EDC has a long-standing partnership with the City of San Pablo (City), performing vital services for residents related to workforce, housing and entrepreneurship and for local businesses under a professional services agreement (PSA); and

WHEREAS, San Pablo EDC stretches beyond these areas to work on economic development collaborations, business attraction, community engagement and new markets tax credit (NMTC) projects; and

WHEREAS, San Pablo City Council took formal action on the funding allocation for fiscal years 2026-27 and 2027-28 (FY26-27) on July 6, 2026 by way of Resolution 2026-112; and

WHEREAS, this is essential operational funding earned through an agreement, which lays out an extensive scope of work in Exhibit A of the agreement; and

WHEREAS, San Pablo EDC has had a PSA with the City of San Pablo since 2017; at that time, San Pablo EDC was funded at $650,000 per year; since that time, the Council has prioritized additional work, and the San Pablo EDC has diversified its funding sources, reducing its funding request while expanding its scope of work; and

WHEREAS, fiscal impact would be $562,500 to income budget account 44400 Government Agency Contracts Operations class.

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

1) Authorize execution of the City of San Pablo Consulting Services Agreement for fiscal years 2026-27 and 2027-28 for operations funding in the amount of $562,500 annually or $1,125,000 for the contract term.

ADOPTED this 15th day of July, 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

____________________________ _________________________________

Saeid Babay Hosseini, Board Secretary — Genoveva Calloway Board Chair

CITY OF SAN PABLO
AGREEMENT FOR CONSULTING SERVICES
Fiscal Years 2026-27 and 2027-28

THIS AGREEMENT ("**Agreement**"), effective the 1st day of July, 2026 ("**Effective Date**"), is by and between the City of San Pablo, a municipal corporation organized and existing under the laws of the State of California, ("**City**"), and San Pablo Economic Development Corporation, a non-profit corporation, ("**Consultant**") (individually, a "**Party**," and collectively, the "**Parties**").

RECITALS

WHEREAS, the City desires to engage a consultant to provide economic development services to the City ("**Services**") as further set forth in this Agreement;

WHEREAS, the City desires to engage a consultant who will act at all times in the City's best interest and will respect the trust and confidence placed in that consultant by the City; and

WHEREAS, Consultant has represented to City that Consultant has the special training, skill, competence and expertise necessary to provide the Services needed by the City; desires to enter into this Agreement with the City as an independent contractor; and is willing to provide the Services on the following terms and conditions.

NOW, THEREFORE, Consultant and the City agree as follows:

TERMS AND CONDITIONS

(1) Scope of Services.

A. **Scope of Services.** Consultant agrees to provide the Services to the City as specified in, collectively, the scope of services attached as **Exhibit A** and incorporated herein. Any services not encompassed in this Section (1) are additional services ("**Additional Services**") subject to prior written authorization by the City, as further specified below in Section (3), "Additional Services."

B. **Quality of Performance.** Consultant will provide the Services and any authorized Additional Services in accordance with the standards of its profession; in accordance with the terms, conditions, and objectives of this Agreement; and in a manner satisfactory to the City Manager or his or her authorized delegee ("**City Manager**"). Consultant represents that it possesses the necessary skills, background, and licenses to perform the Services or Additional Services. Consultant is solely responsible for the quality and suitability of the Services it provides pursuant to this Agreement. If, during the course of this Agreement, the City Manager notifies Consultant that the Services are not satisfactory, in whole or in part, Consultant will promptly take the corrective action required by the City Manager, at no extra cost to the City. Failure to promptly take such corrective action constitutes a material breach of this Agreement and cause for termination in the City's discretion. This standard of care will not be construed to impose a mandatory duty on the City within the meaning of Government Code section 815.6. The City's acceptance of Services performed under this Agreement will not operate to waive or release Consultant's obligation under this paragraph.

C. **Time is of the Essence**. In the performance of this Agreement, time is of the essence. Consultant must be available to begin providing the Services upon the Effective Date of this Agreement, and must complete the Services within the time specified in Section (4), "Effective Date and Term."

D. **Primary Service Provider.** The City has approved of all employees of the San Pablo Economic Development Corporation as Consultant's primary provider of the Services under this Agreement, and no other persons will be accepted as the primary provider of the Services without the City's prior written consent.

E. **Labor Code Compliance.** If the Services are "public works" services as defined in Labor Code section 1720 et seq. and the Agreement is for an amount greater than $1,000, the Agreement is subject to all applicable requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code, beginning at section 1720, and the related regulations, including but not limited to requirements pertaining to wages, working hours and workers' compensation insurance. Consultant must also post all job site notices required by laws or regulations pursuant to Labor Code section 1771.4.

1. **Prevailing Wages:** Each worker performing Services under this Agreement that is covered under Labor Code section 1720 or 1720.9, must be paid at a rate not less than the prevailing wage as defined in sections 1771 and 1774 of the Labor Code. The prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Pursuant to Labor Code section 1775, Consultant and any subconsultant will forfeit to City as a penalty up to $200 for each calendar day, or portion of a day, for each worker paid less than the applicable prevailing wage rate, in addition to paying each worker the difference between the applicable wage rate and the amount actually paid.

2. **Working Day:** Pursuant to Labor Code section 1810, eight hours of labor consists of a legal day's work. Pursuant to Labor Code section 1813, Consultant will forfeit to City as a penalty the sum of $25 for each day during which a worker employed by Consultant or any subconsultant is required or permitted to work more than eight hours during any one calendar day, or more than 40 hours per calendar week, unless such workers are paid overtime wages under Labor Code section 1815. All Services must be carried out during regular City working days and hours unless otherwise specified in the scope of services or authorized in writing by City.

3. **Payroll Records:** Consultant and its subconsultants must maintain certified payroll records in compliance with Labor Code sections 1776 and 1812, and all implementing regulations promulgated by the Department of Industrial Relations ("**DIR**"). For each payroll record, Consultant and its subconsultants must certify under penalty of perjury that the information in the record is true and correct, and that it has complied with the requirements of Labor Code sections 1771, 1811, and 1815. Unless the Agreement is for an amount under $25,000, Consultant must electronically submit certified payroll records to the Labor Commissioner as required under California law and regulations.

4. **Apprentices:** If the amount of the Agreement is $30,000 or more, Consultant must comply with the apprenticeship requirements in Labor Code section 1777.5.

5. **DIR Monitoring, Enforcement, and Registration:** The Services are subject to compliance monitoring and enforcement by the DIR pursuant to Labor Code section 1725.5, and, subject to the exception set forth below, Consultant and any

subconsultants must be registered with the DIR to perform public works projects. The registration requirements of Labor Code section 1725.5 do not apply if the Agreement is for an amount under $25,000.

(2) **Compensation**. As full compensation for the satisfactory and timely performance of the Services as specified in Section (1), "Scope of Services," and the attached exhibits, City hereby agrees to pay Consultant a sum not to exceed **One Million One Hundred Twenty-Five Thousand Dollars ($1,125,000)** as follows:

Not to exceed **Five Hundred Sixty-Two Thousand Five Hundred Dollars ($562,500)** per year for two (2) years (Fiscal Years 2026-27 and 2027-28), from July 1, 2026 through June 30, 2028.

Consultant will be paid all undisputed amounts within thirty (30) days of City's receipt of detailed invoices for Services provided to the City Manager's satisfaction during the preceding calendar month. Invoices must include all of the information contained in Section (7), "Billings," below. Each invoice must be signed by an authorized representative of Consultant, verifying that the invoiced Services have been performed. Consultant will not be entitled to compensation for Additional Services, as defined below in Section (3), unless authorized by City in writing in advance, and memorialized in an amendment to this Agreement executed by the authorized representatives of each Party. This Section (2) supersedes any conflicting or inconsistent provisions in the Proposal.

(3) **Additional Services**. In addition to the Services included in Section (1), "Scope of Services," the Parties may from time to time agree that Consultant will provide Additional Services for additional compensation, as authorized by the City Manager. The nature and scope of the Additional Services, including the time for performance and terms for mutually agreeable additional compensation must be memorialized in a writing, executed by both Parties, as further specified in Section (22), "Amendments," before Consultant may begin providing the Additional Services. Consultant will not be entitled to compensation for any Additional Services performed without a written amendment to include the Additional Services in this Agreement. If Consultant believes that services that it is directed to perform by City are not included in Section (1), "Scope of Services," Consultant will promptly notify the City in writing of the basis for this belief. If the City agrees that the subject services are not included in Section (1), "Scope of Services," the Parties will promptly execute a writing to authorize the services as Additional Services for mutually agreed-upon additional compensation. Except as otherwise specified in the written authorization, all Additional Services are subject to the same terms and conditions as all Services under this Agreement, including, billing, record-keeping, reporting, insurance, indemnity, and compliance with all applicable laws and standards.

(4) **Effective Date and Term**. The term of this Agreement ("**Term**") begins on the Effective Date set forth above, and expires on **June 30, 2028**. If the Term expires later than the end of the City's fiscal year, the continuation of the Term into the next fiscal year will be contingent upon the City's lawful encumbrance or appropriation of new funds for the Agreement.

(5) **Assignment and Subcontracting**. A substantial inducement to City for entering into this Agreement was, and is, the reputation and competence of Consultant. The assignment or subcontracting of this Agreement by Consultant, or any interest therein, is prohibited without the prior written approval of the City Manager. The City has authorized Consultant to use the following Subconsultants/Subcontractors as specified:

Subconsultant/Subcontractor Name	Subconsultant/Subcontractor Services
None	None

(6) **Independent Contractor Status**. It is expressly understood and agreed by the Parties that Consultant, while providing Services pursuant to this Agreement, is an independent contractor and not an employee of the City. Consultant is solely responsible for the means and methods by which it provides the Services. Consultant is solely responsible for all matters relating to the payment of its employees, including compliance with social security, withholding tax and all other laws and regulations governing such matters. Consultant is solely responsible for its own acts and those of its agents and employees during the Term of this Agreement. Consultant will not represent, at any time or in any manner, that Consultant is an employee of the City. Consultant will exercise its judgment in recommending to City the methods by which to accomplish City's objectives and needs. Consultant acknowledges that the City will provide no training. Consultant will provide whatever tools and materials that are necessary to complete a client engagement. Consultant is free to accept, and has accepted in the past, other client engagements. Consultant is responsible for purchasing, bringing, providing, and controlling any and all equipment, tools, instruments, etc. needed for completion of the Services set forth herein, as well as for maintenance and use of such equipment. It is understood that Consultant is hired on a temporary basis only, and that if the City and/or Consultant desires to continue Consultant's services after expiration of the Term or termination of this Agreement, Consultant must enter into a new agreement.

(7) **Billings**. Consultant's invoices must include the following information: (a) a brief description of Services performed, including any Additional Services; (b) the date the Services were performed; (c) the number of hours spent and by whom; (d) the current Agreement not-to-exceed amount; (e) the amount previously billed; (f) the total paid to date; (g) the outstanding balance due, if any; (h) the current invoice amount; (i) total amount billed against the Agreement to date; (j) the remaining balance of the not-to-exceed amount; and (k) the Consultant's signature. Except as specifically authorized by City, Consultant will not bill City for duplicate Services performed by more than one person. Consultant may not submit any billing for an amount in excess of the maximum amount of compensation authorized in Sections (2) and (3), above. Consultant is solely responsible for its office and overhead costs, including furniture and equipment rental, supplies, salaries of employees, telephone calls, postage, advertising, and all other expenses incurred by Consultant in the performance of this Agreement.

(8) **Advice and Status Reporting**. Consultant will provide the City with timely reports, orally or in writing, of all significant developments arising during performance of its Services, and provide the City with information as is necessary to enable City to monitor the performance of this Agreement, including statements and data demonstrating the effectiveness of the Services provided in achieving the City's express goals and objectives. The City may withhold payments otherwise due to Consultant pending timely delivery of all such reports and information. Consultant will promptly notify the City Manager of any matters that could adversely affect Consultant's ability or eligibility to continue to provide Services under this Agreement.

(9) **Retention of Records**. Consultant's complete files, including all records, employee time sheets, and correspondence pertaining to the Services will be available for review by the City upon request, and copies of pertinent reports and correspondence will be furnished for the City's files upon request by the City. Consultant will maintain adequate documentation to substantiate all charges for hours and materials charged to City under this Agreement. Consultant will maintain the records and any other records related to the Services or this Agreement and will allow City access to such records for a period of four years after the expiration of the Term or termination of the Agreement. At City's request, or upon expiration or termination of this Agreement, Consultant will return to City all plans, maps, cost estimates, project financial records, reports, and related documents. All research information, plans, diagrams, financial records, reports, cost estimates or other documents prepared or obtained under the terms of this Agreement will be delivered to and become the property of the City and all data prepared or obtained under this Agreement will be made available, upon request, to the City without restrictions or limitations on their use. This Section (9) will survive expiration of the Term or termination of the Agreement.

(10) **Written Reports and Documents**. In accordance with Government Code section 7550, if the total compensation paid to Consultant under this Agreement exceeds $5,000, any document or written report prepared by Consultant for or under the direction of City will contain the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of such document or written report. The contract and subcontract numbers and dollar amounts shall be contained in a separate section of such document or written report. When multiple documents or reports are the subject or product of this Agreement, the disclosure section may also contain a statement indicating that the total contract amount represents compensation for multiple documents or reports.

(11) **Record and Fiscal Control System**. Consultant will maintain its financial records and fiscal control systems in a commercially reasonable manner. Consultant will maintain personnel and payroll records to adequately identify the source and application of all received funds; withhold income taxes; pay employment taxes (including Social Security), unemployment compensation, worker's compensation and other taxes as may be due. Consultant will maintain an effective system of internal control to assure that funds provided through the City are used solely for authorized purposes.

(12) **Access to Records; Audits.** The City will have access at any time during normal business hours and as often as necessary to any bank account and books, records, documents, accounts, files, reports, and other property and papers of Consultant relating to the Services to be provided under this Agreement for the purpose of making an audit, review, survey, examination, excerpt or transcript.

(13) **Consultant's Testimony**. Unless the Services include serving as an expert witness, Consultant agrees to consult with City and testify at City's request at no additional cost other than normal witness fees if litigation is brought against City in connection with Consultant's Services. This Section (13) will survive expiration of the Term or termination of the Agreement.

(14) **Assignment of Personnel**. Consultant will only assign competent and qualified personnel to perform the Services. If City asks Consultant to remove a person assigned to the Services, Consultant agrees to do so immediately regardless of the reason, or the lack of a reason, for City's request.

(15) **Insurance.** Before it may begin performing Services under this Agreement, Consultant must procure and provide proof of the insurance coverage and endorsements required by this Section in the form of certificates and endorsements acceptable to City. The required insurance must cover the activities of Consultant and its subconsultants or subcontractors relating to or arising from the performance of the Services, and must remain in full force and effect at all times during the Term of the Agreement. All required insurance must be issued by a company licensed to do business in the State of California, and each such insurer must have an A.M. Best's financial strength rating of "A" or better and a financial size rating of "VII" or better. If Consultant fails to provide any of the required coverage in full compliance with the requirements of this Agreement, City may, at its sole discretion and in addition to any other remedies, purchase such coverage at Consultant's expense and deduct the cost from payments due to Consultant, suspend performance of the Services under the Agreement, or terminate Consultant for default. The procurement of the required insurance will not be construed to limit Consultant's liability under this Agreement or to fulfill Consultant's indemnification obligations under this Agreement. If coverage limits carried by Consultant exceed the minimum limits specified below, the higher limits will be deemed to be required by this Agreement.

A. **Policies and Limits*.*** Consultant must procure and maintain the following insurance policies and limits at all times during the Term of this Agreement:

1. **Commercial General Liability Insurance ("CGL"):** The CGL policy must be issued on an occurrence basis, written on a comprehensive general liability form (CG 00 01), and must include coverage for liability arising from the operations of Consultant or its subconsultants or subcontractors in the performance of the Services, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits of at least $2,000,000.00 per occurrence. General aggregate limit shall be twice the required occurrence limit. The CGL coverage may be arranged under a single policy for the full limits required or by a combination of underlying policies with the balance provided by excess or umbrella policies, provided each such policy complies with the requirements set forth herein.

2. **Automobile Liability:** The automobile liability policy must provide coverage of at least $1,000,000.00 combined single-limit per accident for bodily injury, death or property damage.

3. **Workers' Compensation Insurance and Employer's Liability:** If the Consultant has employees, the policy must comply with the requirements of the California Workers' Compensation Insurance and Safety Act, providing coverage of at least $1,000,000.00, or as otherwise required by law.

4. **Professional Liability:** The professional liability insurance policy must insure against the Consultant's errors and omissions in the provision of Services under this Agreement, in an amount not less than $1,000,000.00 combined single limit. Any deductible or self-insured retention may not exceed $50,000. The professional liability policy must include prior acts coverage sufficient to cover all Services provided by the Consultant for this Agreement, and the coverage must continue in effect for five years following final payment to Consultant. The following provisions apply if the professional liability policy is written on a claims-made form:

a. The retroactive date of the policy must be shown and must be on or before the Effective Date of the Agreement.

b. The insurance must be maintained and evidence of insurance must be provided for a continuous period of at least five years following expiration of the Term or termination of the Agreement, whichever occurs first.

c. If the coverage is canceled or not renewed and is not replaced with another claims-made policy form with a retroactive date that is on or before the Effective Date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five years following expiration of the Term or termination of the Agreement, whichever occurs first. The City has the right to procure, at Consultant's cost, any extended reporting provisions of the policy if the Consultant cancels or fails to renew the coverage.

d. A copy of the claim reporting requirements must be submitted to the City before Consultant may begin performing Services under this Agreement.

B. **<u>Required Endorsements</u>.** The insurance provided by Consultant must include the following endorsements as specified below. The endorsements must be executed by a person authorized to bind the issuing insurer. The endorsements are to be provided on forms provided, specified, or approved by the City. As an alternative to the City's forms, the Consultant's insurer(s) may provide complete copies of all required insurance policies, including endorsements.

1. Additional Insured Endorsements: The General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

a. The City, its officers, officials, employees, and volunteers ("**Additional Insureds**") will be covered as additional insureds with respect to all covered liability. This must be provided in the form of an additional insured endorsement to the Consultant's insurance policy, using form CG 20 10 11 85, forms CG 20 10 10 01 <u>and</u> GC 20 37 10 01, or equivalent approved by the City. For design professionals form CG 20 07 may be used. Alternatively, the additional insured endorsement may be provided as a separate owner's policy that complies with all of the requirements set forth in this Section 15.

b. The inclusion of more than one insured will not operate to impair the rights of one insured against another, and the policies will apply as though separate policies have been issued to each of the Additional Insureds.

c. The insurance provided by the Consultant is primary and no insurance or self-insurance held or owned by any of the Additional Insureds may be called upon to contribute to a loss or defense.

d. Any failure by Consultant to comply with the reporting requirements for a policy will not affect nor abridge the coverage provided for any Additional Insureds.

e. The coverage or endorsement will not contain any limitations on the scope of protection available to the Additional Insureds.

2. Notice: Each insurance policy required by this clause must provide or be endorsed to state that coverage will not be reduced, canceled, or allowed to expire without at least thirty (30) days advance written notice to the City, unless due to non-payment of premiums, in which case ten (10) days advance written notice is required.

3. Waiver of Subrogation: Each required policy must include an endorsement providing that the insurer will waive any right of subrogation it may have against the City. Consultant hereby agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss.

C. **<u>Deductibles and Self-Insured Retentions</u>.** Any deductibles or self-insured retentions for the required insurance policies are subject to prior approval by the City Manager. Before beginning performance of the Services, Consultant must disclose the amounts of the deductibles and self-insured retentions that apply to the required policies. If the City Manager determines that the deductible or self-insured retention for any required policy is unacceptably high, at the option of City, (1) the insurer must reduce or eliminate the deductible or self-insured retention with respect to the Additional Insureds, or (2) the Consultant must provide a bond or financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. During the Term of this Agreement, Consultant may not increase any deductibles or self-insured retentions with respect to the Additional Insureds, without the prior written consent of the City Manager. The City Manager may condition such consent upon the Consultant procuring a bond or financial guarantee that is satisfactory in form to the City, guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

D. **<u>Subconsultants or Subcontractors</u>.** Consultant must ensure that each subconsultant or subcontractor is required to maintain the same insurance coverage required for Consultant under this Section (15), with respect to its performance of Services, including the required endorsements. Consultant must confirm that each subconsultant or subcontractor has complied with these insurance requirements before the subconsultant or subcontractor is permitted to begin Services under this Agreement. Upon request by the City, Consultant must provide certificates and endorsements submitted by each subconsultant or subcontractor to prove compliance with this requirement. The insurance requirements for subconsultants or subcontractors do not replace or limit the Consultant insurance obligations.

(16) <u>Indemnification</u>. The terms and conditions set forth in subsection 16(A), below, are applicable to this Agreement if the Services to be provided by Consultant are <u>not</u> “design professional” services as used and defined in Civil Code section 2782.8 (architect, landscape architect, engineering, or land surveyor services). The terms and conditions set forth in subsection 16(B), below, are applicable to this Agreement if the Services to be provided by Consultant <u>are</u> “design professional” services as used and defined in Civil Code section 2782.8 (architect, landscape architect, engineering, or land surveyor services).

A. **<u>Indemnification by Non-Design Professionals</u>.** Consultant shall, to the fullest extent permitted by law, indemnify, defend (with counsel acceptable to the City) and hold harmless City, and its employees, officials, volunteers and agents ("**Indemnified Parties**") from and against any and all losses, claims, damages, costs and liability of every nature arising out of or resulting from the performance of this Agreement by Consultant, its officers, employees, agents, volunteers, subcontractors or sub-consultants, excepting only liability arising from the sole negligence, active negligence or willful misconduct of City. Liabilities subject to the duties to defend and indemnify include, without limitation, 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.

1. The duty to defend is a separate and distinct obligation from the Consultant’s duty to indemnify. The Consultant shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the City, the City and its directors, officers, and employees, immediately upon tender to the Consultant of the claim in any form or at any stage of

an action or proceeding, whether or not liability is established. An allegation or determination of comparative active negligence or willful misconduct by an Indemnified Party does not relieve the Consultant from its separate and distinct obligation to defend City. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes an obligation to provide independent defense counsel if the Consultant asserts that liability is caused in whole or in part by the negligence or willful misconduct of an Indemnified Party. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of an Indemnified Party, Consultant may submit a claim to the City for reimbursement of reasonable attorneys' fees and defense costs.

2. In the event that Consultant or any employee, agent, subconsultant or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System ("**PERS**") to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, subconsultants or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

3. The review, acceptance or approval of the Consultant's Services or work product by any Indemnified Party shall not affect, relieve or reduce the Consultant's indemnification or defense obligations. The provisions of this Section are not limited by and do not affect the provisions of this Agreement relating to insurance.

4. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply.

5. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration, and that these provisions survive the termination of this Agreement.

B. **Indemnification by Design Professionals.** Consistent with California Civil Code section 2782.8 ("**section 2782.8**"), when the Services to be provided under this Agreement are to be performed by a "design professional," as that term is defined under section 2782.8, Consultant shall, to the fullest extent permitted by law, indemnify, defend and hold harmless City, and its employees, officials, volunteers and agents ("**Indemnified Parties**") from and against any and all losses, claims, damages, costs and liability of every nature, including reasonable attorneys' fees and costs, to the extent caused in whole or in part by any negligence, recklessness, or willful misconduct of Consultant, its officers, employees, agents, subconsultants or subcontractors in performance of the Services under this Agreement, but excluding the sole or active negligence or willful misconduct of one or more of the Indemnified Parties. Defense costs shall not exceed Consultant's proportionate percentage of fault, except as set forth in section 2782.8.

1. In the event that Consultant or any employee, agent, subconsultant or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System ("**PERS**") to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits

on behalf of Consultant or its employees, agents, subconsultants or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

2. The review, acceptance or approval of the Consultant's Services or work product by any Indemnified Party shall not affect, relieve or reduce the Consultant's indemnification or defense obligations. The provisions of this Section are not limited by and do not affect the provisions of this Agreement relating to insurance.

3. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply.

4. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration, and that these provisions survive the termination of this Agreement.

(17) Licenses. If a license of any kind, which term is intended to include evidence of registration, is required of Consultant, its employees, agents, or subcontractors by federal or state law, Consultant warrants that such license has been obtained, is valid and in good standing, and Consultant shall keep it in effect at all times during the Term of this Agreement, and that any applicable bond has been posted in accordance with all applicable laws and regulations. Consultant, its subconsultants, and subcontractors, will obtain and maintain a City of San Pablo Business License at all times during the Term of this Agreement.

(18) Employment Practices.

A. **Employment of Local Residents.** Pursuant to the San Pablo Economic Opportunity Policy, the Consultant and any subcontractors shall contact the San Pablo Economic Development Corporation ("**EDC**") at info@sanpabloedc.org or 510-215-3200, at least ten business days prior to hiring or staffing for fulfillment of the Agreement, describing number, duties and qualifications needed for available positions, and shall fairly consider for employment any workers referred by the EDC within three business days. "**Local Resident**" means an individual having an adjusted household income of less than the Area Median Income for Contra Costa County, and domiciled in the City of San Pablo as of the relevant hiring date, with "domiciled" as defined by Section 349(b) of the California Election Code. Discrimination against Local Residents on the basis of their local status is prohibited.

B. **Compliance With Law**. Consultant represents that it is an Equal Opportunity Employer and shall comply with applicable regulations governing equal opportunity employment. Consultant shall not discriminate in the employment of any person because of race, color, national origin, ancestry, physical or mental disability, medical condition, marital status, sex, age, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment and Housing Act. Consultant shall comply with all applicable provisions of the Americans with Disabilities Act of 1990 ("**ADA**") in performing its obligations under this Agreement. Failure to comply with the provisions of the ADA shall be a material breach of, and grounds for the immediate termination of, this Agreement. In performing Services and providing services under this Agreement, Consultant shall, at its sole cost and expense, comply with all applicable laws of the United States and the State of California; the Ordinances of the City of San Pablo; and the rules, regulations, orders, and directions of their respective administrative agencies and the officers thereof.

(19) Local Subcontracting – Outreach. Consultant shall contact the EDC at info@sanpabloedc.org or 510-215-3200) at least two weeks prior to any subcontract award, providing notice and details regarding subcontracting opportunity. The EDC shall notify qualified local businesses of subcontracting opportunities, and provide technical assistance to qualified local businesses during the subcontracting bidding process.

(20) Termination.

A. Termination for Convenience. City may terminate this Agreement at its sole discretion at any time prior to expiration of the Term or completion by the Consultant of the Services required hereunder. Notice of termination of this Agreement shall be given in writing to the Consultant, and shall be sufficient and complete when same is deposited in the United States Mail, postage prepaid and certified, address as set forth below in Section (37), "Notices." The Agreement shall be terminated upon the date set forth in the City's Notice of Termination. If the City terminates this Agreement, the Consultant shall be compensated for all Services satisfactorily performed prior to the time of receipt of cancellation notice, and shall be compensated for materials ordered by the Consultant or its employees, or services of others ordered by the Consultant or its employees, prior to receipt of notice of cancellation whether or not such materials or final instruments of service of others have actually been delivered, provided that the Consultant or its employees are not able to cancel such orders for materials or services of others. Compensation for the Consultant in the event of cancellation shall be determined by City in accordance with the percentage of Services completed and agreed to by the Consultant. In the event of cancellation, all notes, sketches, computations, drawings, and specifications or other data, whether complete or not, remain the property of the City. The City may make copies or extract information from any such notes, sketches, computations, drawings, and specifications, or other data whether complete or not.

B. Termination for Cause. City may terminate this Agreement for cause by providing Consultant with one day's written notice of such termination if Consultant violates any of the terms and conditions of this Agreement. In City's discretion and at City's option, such termination for cause may alternatively be accomplished, where Consultant fails to perform any of the obligations required of Consultant within the time and in the manner provided for under the terms of this Agreement, within seven days after receipt of the notice of such default. Upon City's termination of this Agreement for cause, City reserves the right to complete the Services by whatever means City deems expedient and the expense of completing such Services, as well as any and all damages to the extent caused by the negligent acts, intentional acts or errors or omissions of the Consultant, shall be charged to the Consultant.

C. Immediate Termination. City may terminate this Agreement immediately in any case where the Consultant engages in fraudulent or criminal activities while performing the Services, or is otherwise determined to lack the necessary skills to accomplish the desired objectives.

(21) Ownership of Materials. Any and all documents, including draft documents where completed documents are unavailable, or materials prepared or caused to be prepared by Consultant pursuant to this Agreement shall be the property of the City at the moment of their completed preparation. All materials and records of a preliminary nature such as survey notes, sketches, preliminary plans, computations and other data, prepared or obtained in the performance of this Agreement, shall be made available, upon request, to City at no additional charge and without restriction or limitation on their use consistent with the intent of the original design.

(22) **Amendments**. This Agreement may be modified or amended only by a written document executed by both Consultant and City's City Manager and approved as to form by the City Attorney. Such document shall expressly state that it is intended by the Parties to amend the terms and conditions of this Agreement.

(23) **Abandonment by Consultant**. In the event the Consultant ceases performing Services under this Agreement or otherwise abandons the Agreement prior to completing all of the Services, Consultant shall, without delay, deliver to City all materials and records prepared or obtained in the performance of this Agreement, and shall be paid for the reasonable value of the Services performed up to the time of cessation or abandonment, less a deduction for any damages or additional expenses which City incurs as a result of such cessation or abandonment. Consultant agrees to be financially responsible and to compensate City for any costs incurred by City in retaining the services of another to replace Consultant, but only to the extent that the costs of retaining the replacement exceed what remaining amounts would have been paid to Consultant under the Agreement had Consultant completed the Services.

(24) **Waiver**. The waiver by either Party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement.

(25) **No Third-Party Rights**. The Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, covenant, obligation, or undertaking established herein.

(26) **Severability**. Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either Party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the Parties.

(27) **Compliance with Laws**. In the performance of this Agreement, Consultant shall abide by and conform to any and all applicable laws of the United States, the State of California, and City ordinances. Consultant warrants that all Services done under this Agreement will be in compliance with all applicable safety rules, laws, statutes and practices, including but not limited to Cal/OSHA regulations.

(28) **Controlling Law and Venue**. This Agreement and all matters relating to it shall be governed by the laws of the State of California, and venue for any legal action arising from or relating to this Agreement will be in the Superior Court of Contra Costa County, and no other place. Consultant hereby waives the removal provisions of Code of Civil Procedure section 394.

(29) **Breach**. In the event that Consultant fails to perform any of the Services described in this Agreement or otherwise breaches the Agreement, City shall have the right to pursue all remedies provided by law and equity. Neither payment by the City nor performance by Consultant shall be construed as a waiver of either Party's rights or remedies against the other. Failure to require full and timely performance of any provision, at any time, shall not waive or reduce the right to insist upon complete and timely performance of such provision thereafter. In the event of any suit, action or proceeding brought by either Party for breach of any term hereof or to enforce any provision hereof, the prevailing party shall be entitled to recover its reasonable attorney's fees.

(30) **Inspection by Other Agencies**. Authorized representatives of the Federal Government, the California Department of Transportation, or other government agencies which provide grant funding (if any) for this Agreement and the City have the right to inspect Consultant's performance of the Services, files, and work product.

(31) **Conflict of Interest**. Consultant warrants and covenants that Consultant presently has no interest in, nor shall any interest be acquired in, any matter which will render the services required under the provisions of this Agreement a violation of any applicable state, local, or federal law. In the event that any conflict of interest should nevertheless arise, Consultant shall promptly notify City of the existence of such conflict of interest so that the City may determine whether to terminate this Agreement. Consultant further warrants its compliance with the Political Reform Act (Gov. Code section 81000 et seq.) respecting this Agreement. Where City Manager determines, based on facts provided by City staff, that Consultant meets the criteria of section 18701 of the FPPC regulations, the individual providing services under this Agreement shall be considered a "designated employee" under the City's conflict of interest code, and shall be required to complete FPPC Form 700 regarding his or her economic interests in a timely manner.

(32) **Copyright**. Upon City's request, Consultant shall execute appropriate documents to assign to the City the copyright to work created pursuant to this Agreement. The issuance of a patent or copyright to Consultant or any other person shall not affect City's rights to the materials and records prepared or obtained in the performance of this Agreement. City reserves a license to use such materials and records without restriction or limitation consistent with the intent of the original design, and City shall not be required to pay any additional fee or royalty for such materials or records. The license reserved by City shall continue for a period of fifty years from the Effective Date unless extended by operation of law or otherwise.

(33) **Whole Agreement**. This Agreement constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof.

(34) **Authority of Parties**. Each of the signatories to this Agreement warrants that he or she has the authority to enter into and execute this Agreement and to bind the entity or entities on whose behalf they sign.

(35) **Counterparts**. This Agreement may be executed in duplicate counterparts.

(36) **Multiple Copies of Agreement**. Multiple copies of this Agreement may be executed but the parties agree that the Agreement on file in the office of the City Clerk is the version of the Agreement that shall take precedence should any differences exist among counterparts of the document.

(37) **Notices**. Notices required by this Agreement shall be personally delivered or mailed, postage prepaid, as follows:

To Consultant: Executive Director, San Pablo EDC
1000 Gateway Avenue, 1st Floor
San Pablo, CA 94806

To the City: City Manager, City of San Pablo
San Pablo City Hall
1000 Gateway Avenue
San Pablo, CA 94806

Each Party shall provide the other Party with telephone and written notice of any change in address as soon as practicable. Notices given by personal delivery shall be effective immediately. Notices given by mail shall be deemed to have been delivered forty-eight hours after having been deposited in the United States mail.

(38) **Federal Funding Requirements (if applicable)**. If this Agreement is subject to federal funding, in whole or in part, it must comply with the uniform federal award procurement requirements set forth in 2 CFR §§ 200.318 – 200.327, as may be amended from time to time, and contain the applicable provisions described in Appendix II to Part 200 – *Contract Provisions for non-Federal Entity Contracts Under Federal Awards*, which are attached to this Agreement as Exhibit C. In the event of a conflict or inconsistency between Exhibit C, Exhibit D, if applicable, and this Agreement, Exhibit C will control.

___ This Agreement is subject to federal funding. See Exhibit C.
_X_ This Agreement is not subject to federal funding.

(39) **Caltrans Funding Requirements (if applicable)**. If this Agreement is for architectural and/or engineering services subject to reimbursement or funding, in whole or in part, by Caltrans and administered under the Local Assistance Procedures Manual ("LAPM"), it must include the provisions set forth in Exhibit D, *Mandatory Fiscal and Federal Provisions for Architectural and Engineering Consultant Contracts Subject to Caltrans Funding*. In the event of any conflict or inconsistency between Exhibit D and this Agreement, Exhibit D will control.

__ This Agreement is subject to funding by Caltrans. See Exhibit D.
X_ This Agreement is not subject to funding by Caltrans.

[Signatures on following page.]

IN WITNESS WHEREOF, Consultant has executed this Agreement, and the City, by its City Manager, who is authorized to do so, has executed this Agreement.

APPROVED AS TO FORM:

By ________________________________
Brian P. Hickey, City Attorney

Date signed: ________________________

CITY OF SAN PABLO
A Municipal Corporation

By ____________________________________
Matt Rodriguez, City Manager

Date signed:____________________________

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION

By ____________________________________
Leslay Choy, Executive Director

Date signed:____________________________

ATTEST:

By ________________________________
Dorothy Gantt, City Clerk

Date signed:____________________________

Attachments:
Exhibit A: San Pablo EDC Scope of Work for Fiscal Years 2026-27 & 2027-28

Exhibit A

San Pablo EDC Scope of Work Fiscal Years 2026-27 & 2027-28

Exhibit A: Scope of Work

Overview

San Pablo Economic Development Corporation's (San Pablo EDC) mission is to act as the catalyst for equitable economic opportunity. The education and training of workforce, businesses and aspiring homeowners is central to the delivery of its mission. San Pablo EDC focuses on creating economic opportunity in the City of San Pablo (City) and ensures alignment of its economic development strategy with the City as it works to fulfill the Council's Priority Work Plan.

San Pablo EDC also partners with the City to perform various roles when projects require a nonprofit partner (e.g., New Markets Tax Credits (NMTC)), other multi-entity projects, such as regional workforce initiatives are examples, etc.).

San Pablo EDC is an efficient, effective organization at building engagement with workforce, businesses and homeowners for the betterment of the City and its residents. Through this professional service agreement (PSA) with the City for the fiscal years covered (FY26-27 and 27-28), the San Pablo EDC commits to the scope of work as detailed below in exchange for annual operational funding in an amount not to exceed $562,500.

Economic Development & Business Attraction

- Work in partnership with the Economic Development & Housing Division (EDH Division) and other city departments, as needed, on any information, perspective or strategy requested, e.g., general plan amendments, special plan overlays, economic development policy and projects that provide economic benefit to San Pablo.
- Coordinate with the EDH Division to support implementation of the San Pablo Economic Development Strategy and integrate opportunity for businesses to engage in those efforts through forums or existing programming.
- Consult with the City on its housing element, providing data, perspective on challenges and opportunities.
- Provide pathway to homeownership, financial coaching and first-time homebuyer education, that aid the City's first-time homebuyers in structuring a path to homeownership.
- Administer SPLASH and Refresh programs, including annual compliance statements, and work with EDH Division to resolve non-compliance issues
- Partner with the City to implement marketing and branding initiatives to amplify San Pablo as a place to invest and safe place to do business with a capable, job-ready workforce and business-friendly city staff.
- Partner with the City to pursue grants, recognition, and other initiatives that expand economic opportunity.
- Work in partnership with EDH Division and Community Development Department to attract new businesses to San Pablo, including reviewing Requests for Information (RFIs) issued by the Governor's Office of Business and Economic Development (Go-Biz) and preparing responses and collaterals to relevant RFIs.
- Coordinate with regional entities to support recruitment of quality employers and advance the development of economically-defined sub-regions.
- Serve as a liaison to businesses exploring the City as a future location, highlighting workforce

services and marketing opportunities.

- Maintain memberships with regional economic development organizations and participate actively.
- Support the City's strategic priorities for San Pablo, which include efforts to achieve and maintain Pro-Housing Designation by coordinating closely with the EDH Division on programs and policies that accelerate housing production, and which may include helping the City meet its RHNA allocation by engaging property owners, developers, and stakeholders, and by providing data, outreach, and technical assistance to promote housing opportunities.
- Assist the City in identifying and advancing the highest and best use of underutilized and opportunity parcels, including those identified in the Housing Element and corridor plans.

Business Assistance

- Partner with city departments to improve the business environment through initiatives to educate, promote and support existing businesses. Co-design responsive programs, welcome new businesses, bring outside resources to businesses, and coordinate Americans with Disabilities Act (ADA) and certified access specialist (CASp) programs and services, funding permitting.
- Collaborate on business retention through resilience-building efforts, including training of business, their employees, and support access to business capital.
- Create training and education programs for businesses and their employees, as well as bring in additional resources to train, retrain and offer on-the-job training.
- Strive to leverage in-person outreach opportunities to build engagement while strengthening the trust between the business community and the City.
- Collaborate with the EDH Division and the Community Development Department to (1) create and maintain quick-start resource guides for businesses looking to locate in San Pablo; (2) support the business license program; (3) act as a liaison connecting businesses; and (4) provide grand opening/ribbon cutting events.
- Create, implement and manage or collaborate on consumer engagement/business promotion programs (e.g., Kindness Counts, Where's Pablo?, Restaurant Week, Small Business of the Year, Ad Share, special events, etc.), which bring disposable income to the City and keep dollars local, generating a stronger tax base while supporting jobs.
- Coordinate events that promote economic partnership throughout the county and East Bay Region. This includes functioning as a professional, member-based organization providing unique and valuable benefits to the City's businesses, as well as businesses and agencies in the surrounding county.
- Collaborate with the City on the production of El Portal newsletter, press coverage or social media that promote programs, businesses and success stories.
- Provide access to nano and micro capital through management of EDC Nano RLF and capital partners to support unique capital needs of locally owned businesses. Where needed, increase capital-readiness through free services, such as financial empowerment coaching, DreamBuilder, iBank's small business loan matching platform and Cal OSBA's new SCALE program.
- To the extent possible, provide HR Concierge Services and Marketing Services to local businesses. Maintain a free web-based job board on which local quality job opportunities are shared.
- Research best practice and create city-requested programs based on business community needs that align with the EDC's mission, e.g., Back-to-Business (B2B), Mini-Business Improvement Grants (Mini-BIGs) and Build Back Stronger (BBS).
- Provide outreach and education to local business owners on the advantages of employee-owned

business models and cooperative structures as succession-planning strategies, supporting the SPEDC's goal of fostering long-term economic stability, retention, and community-rooted ownership.

- Support expanding San Pablo employers willing to upskill existing employees and/or adding quality jobs with cohort training to lower barriers to adding quality jobs.
- Partner with San Pablo Police Department to engage businesses and create programs that boost consumer attraction while giving businesses opportunity to connect with community.

Building Intergenerational Wealth

- Provide first-time home buyer education with partner support and maintain lists of real estate professionals and lenders who accept SPLASH, WISH and other downpayment assistance programs.
- Continue acting as the community partner for the WISH program to further compliment and benefit working families transitioning to homeownership in San Pablo.
- Offer financial empowerment coaching to aspiring and current homeowners, and whenever possible, provide opportunity for matched savings programs and free accounts.

Workforce Development

- Fulfill a key role within the Contra Costa Workforce Collaborative (CCWC), regional workforce initiatives and the Workforce Development Board of Contra Costa County (WDBCCC) to ensure San Pablo continues to receive East Bay Works services with Workforce Innovation and Opportunity Act (WIOA) and other grant funding.
- Ensure a "whole person" approach that addresses the reduction of barriers for those seeking to return to work or expand their employment opportunities, including subsidized childcare, food security, financial education, and career readiness.
- Partner with other entities to bring job training opportunities to San Pablo's workforce that prepare them for progressive-wage careers in areas of the economy that are stable or growing.
- Develop and deliver job training and readiness programs, which provide much-needed services while building San Pablo's reputation.
- To the extent possible, integrate equity into all considerations of access to opportunity, notably, strive to make all training and education programs accessible to the disenfranchised.
- Forge relationships with corporate sponsors, as well as county, regional and state agencies to provide additional support, resources, programs and career access to the City's residents.
- Develop a strong partnership with the local community college and its college district to expand program offerings, career training opportunities, and grant funding available to City residents.
- Pursue grant funding opportunities to expand workforce training and leverage Measure S funding, multiplying its benefit.
- Accept board, board committee and advisory roles that increase economic opportunity for the City and positively expand its reputation.
- Pursue regional collaborations that support the employment of more San Pablo residents, as well as work-based learning, such as Earn & Learn, for paid internships and on-the-job training (OJT).
- Work with the City to advance Local Contracting and Local Hire efforts.
- Lead discussions with the building trades to create stronger paths to apprenticeship, better prepared residents, and improved partnerships to support the pathway.

SAN PABLO EDC BOARD REPORT

SAN PABLO EDC
putting people to work

Back to Agenda

DATE: July 15, 2026

TO: San Pablo EDC Board

FROM: Leslay Choy, Executive Director

SUBJECT: RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING MAZE & ASSOCIATES LETTER OF ENGAGEMENT FOR FISCAL YEAR 2025-26 AUDIT AND TAX PREPARATION SERVICES AND RATIFYING FISCAL YEAR 2026-27 BUDGET EXPENSE NOT TO EXCEED $13,930

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) annually considers the letter of engagement from the auditor for audit and tax preparation services, which was received June 29, 2026.

San Pablo EDC has a positive and productive relationship with Maze & Associates, a firm that has consistently produced sound audits and tax filings on behalf of the organization. Following the best practice advice from the Finance Committee to change the lead auditor every few years, for fiscal year 2025-26 (FY25-26 or Tax Year 2025) services, Vikki Rodriguez, CPA, Shareholder and Audit Partner, will serve as the lead; this will be her third year. Ms. Rodriguez has served as the EDC's lead partner before and is intimately familiar with the organization and its operations.

Maze and Associates prepares audited financial statements and tax returns for over thirty (30) non-profit organizations in the Bay Area. Their professional staff attend the Not-for-Profit Annual Conference to stay in tune with issues nonprofits face.

The financial statements Maze and Associates prepare not only comply with Generally Accepted Accounting Principles (GAAP) and pronouncements issued by the Financial Accounting Standards Board (FASB), but are also easy to read and informative.

ANALYSIS

Maze and Associates' business is to provide audit and tax preparation services that help their clients succeed. They are available when staff have accounting questions or system problems. Unique among CPA firms is that their fee includes calls for professional tax, accounting and compliance advice throughout the year. The proposed scope of work and outlined fees follow.

1. Audit of Financial Statements and Issuance of Memorandum on Internal Controls: $10,920
2. Preparation of Federal IRS Form 990 & California Forms 199 and RRF-1 for San Pablo EDC: $3,010

This represents a three percent (3%) year-over-year increase. Should the Board approve execution of this letter of engagement, the reports would be issued no later than October 31, 2026, with tax filings before the November 15th deadline. The report will be conducted virtually with a secure exchange of files, unless in-person meetings and document review are required. The audit and tax return will be brought before the Board for discussion ahead of filing.

The Board is asked to authorize execution of the Maze & Associates letter of engagement for fiscal year 2025-26 Audit and Tax Preparation Services and ratify fiscal year 2026-27 budget expense not to exceed $13,930.

FISCAL IMPACT

Fiscal impact would not exceed $13, 930 and would be allocated to expense account 62110 Accounting & Audit allocated as $4,500 Operations, $6,500 Measure S and up to $2,930 remainder to 60950 Indirect Costs grants class.

Attachments

1. Letter of Engagement from Maze & Associates dated June 29, 2026

RESOLUTION SPEDC2026-0

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING MAZE & ASSOCIATES LETTER OF ENGAGEMENT FOR FISCAL YEAR 2025-26 AUDIT AND TAX PREPARATION SERVICES AND RATIFYING FISCAL YEAR 2026-27 BUDGET EXPENSE NOT TO EXCEED $13,930

WHEREAS, the San Pablo Economic Development Corporation (San Pablo EDC) Board of Directors (Board) annually considers the letter of engagement from the auditor for audit and tax preparation services, which was received June 29, 2026; and

WHEREAS, San Pablo EDC has a positive and productive relationship with Maze & Associates, a firm that has consistently produced sound audits and tax filings on behalf of the organization; and

WHEREAS, the financial statements Maze and Associates prepare not only comply with Generally Accepted Accounting Principles (GAAP) and pronouncements issued by the Financial Accounting Standards Board (FASB), but are also easy to read and informative; and

WHEREAS, the proposed scope of work and outlined fees is (1) Audit of Financial Statements and Issuance of Memorandum on Internal Controls: $10,920; and (2) Preparation of Federal IRS Form 990 & California Forms 199 and RRF-1 for San Pablo EDC: $3,010, representing a three percent increase year-over-year; and

WHEREAS, the report will be conducted virtually with a secure exchange of files, unless in-person meetings and document review are required, and the audit and tax return will be brought before the Board for discussion ahead of filing; and

WHEREAS, should the Board approve execution of this letter of engagement, the reports would be issued no later than October 31, 2025, with tax filings before the November 15th deadline; and

WHEREAS, fiscal impact would not exceed $13, 930 and would be allocated to expense account 62110 Accounting & Audit allocated as $4,500 Operations, $6,500 Measure S and up to $2,930 remainder to 60950 Indirect Costs grants class.

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

1) Authorize execution of the Maze & Associates letter of engagement for fiscal year 2025-26 Audit and Tax Preparation Services and ratify fiscal year 2026-27 budget expense not to exceed $13,930.

ADOPTED this 15th day of July, 2026, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:	APPROVED:
Saeid Babay Hosseini, Board Secretary	Genoveva Calloway, Board Chair

June 29, 2026

Leslay Choy, Executive Director
San Pablo Economic Development Corporation
1000 Gateway Avenue, First Floor
San Pablo, CA 94806

Dear Leslay:

We are pleased to confirm our understanding of the services we are to provide for the San Pablo Economic Development Corporation as of and for the year ended June 30, 2026.

Audit Scope and Objectives

The services we have been engaged to provide are outlined below, but we are also available to provide additional services at your request:

1) Audit of Financial Statements and Issuance of Memorandum on Internal Controls

2) Preparation of Federal IRS Form 990 and California Forms 199 and RRF-1

We will audit the financial statements of San Pablo Economic Development Corporation, which comprise the statement of financial position as of June 30, 2026, the related statements of activities, functional expenses and cash flows for the year then ended, and the disclosures (collectively, the "financial statements").

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Organization and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories if applicable, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors and financial institutions. We may request written representations from your attorneys as part of the engagement, and they may bill the Organization for responding to this inquiry.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand that management is responsible for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. Management is also responsible for making drafts of financial statements, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Management is also responsible for providing us with (1) access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence. At the conclusion of the audit, we will require certain written representations from you about the financial statements and related matters.

Management's responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Management is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, management is responsible for identifying and ensuring that the Organization complies with applicable laws and regulations. Management is responsible for the preparation of the supplementary information (if any) in conformity with accounting principles generally accepted in the United States of America. Management agrees to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. Management also agrees to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

If management intends to reproduce and publish the financial statements and our report thereon, they must be reproduced in their entirety. Inclusion of the audited financial statements in any document should be done only with our prior approval of the document. Management is responsible for providing us the opportunity to review such document before issuance.

Management is required to disclose in the financial statements the date through which subsequent events have been evaluated and whether that date is the date the financial statements were issued or were available to be issued. Management agrees not to date the subsequent event note earlier than the date of the management representation letter.

Other Services

We will prepare the Organization's federal and state informational tax returns (Forms 990, 199 and RRF-1) for the year ended June 30, 2026 for the Internal Revenue Service, Franchise Tax Board, and California State Attorney General, based on information provided by you. We will also assist in preparing the financial statements of the Organization in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statement and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the information return, but management must make all decisions with regard to those matters.

Management agrees to assume all management responsibilities for the tax services, financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other Considerations

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

Vikki Rodriguez-Valerga is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit in August 2025.

Our fees for these services are billed based on our contract/engagement letter with the Organization. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if the Organization's account becomes thirty days or more overdue and may not be resumed until the Organization's account is paid in full.

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. If significant additional time is necessary, we will discuss it with management and arrive at a new fee before we incur any additional costs.

Management may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you concerning the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Certain communications involving tax advice are privileged and not subject to disclosure to the IRS. By disclosing the contents of those communications to anyone, or by turning over information about those communications to the government, you, your employees, or agents may be waiving this privilege. To protect this right to privileged communication, please consult with us or your attorney prior to disclosing any information about our tax advice. Should you decide that it is appropriate for us to disclose any potentially privileged communication, you agree to provide us with written, advance authority to make that disclosure.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the website with the original document.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Use of Portals for Transmitting Data – OneDrive/Sharepoint is used solely to transmit data and is not intended to store San Pablo Economic Development Corporation's information. San Pablo Economic Development Corporation is responsible for downloading any records from the OneDrive/Sharepoint folder that it wishes to retain for its own records at the completion of the engagement. For multi-year engagements, such downloading should occur annually.

Upon completion of the engagement, data and other content will either be removed from the OneDrive/Sharepoint or become unavailable to San Pablo Economic Development Corporation within a reasonable time frame (30 days after issuance).

Our most recent peer review report accompanies this letter.

Reporting

We will issue a written report upon completion of our audit of San Pablo Economic Development Corporation's financial statements. Our report will be addressed to the Board of Directors of San Pablo Economic Development Corporation. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance.

If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by an error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgement prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

****

We appreciate the opportunity to be of service to the Organization and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return the entire copy to us.

Maze & Associates

Maze & Associates

RESPONSE:
This letter correctly sets forth the understanding of San Pablo Economic Development Corporation.

By: ____

Title: ____

Date: ____

San Pablo Economic Development Corporation
Engagement Letter
Fees Attachment

Our fees for the work as described in the attached engagement letter will be as follows:

Item	Fee
Audit of Financial Statements	$10,920
Preparation of Tax Forms	3,010
Total	$13,930

2026 Fees – Our recurring fees have been adjusted only for the change in the services component of the Bay Area Cost of Living Index for the San Francisco Bay Area of 3.1%.

PDF Copies of Reports – scanned copies of the above reports are available upon request at no charge. These scanned copies (300 dpi) are not high quality and the file sizes may be large, depending on the length of the report. If you would like a higher quality PDF file, please contact us for more information on the specifics and pricing of these options.

Additional Services - The above fees are for audit and assurance services described in the accompanying engagement letter. They do not include fees for assisting with closing the books nor providing other accounting services. Should the Organization require assistance beyond audit services we will provide a cost estimate before proceeding.

Report Finalization - Our fee is based on our understanding that all information and materials necessary to finalize all our reports will be provided to us during our scheduled fieldwork. In the case of financial statements, this includes all the materials and information required to complete the financial statements. Once reports have been issued and printed, any report changes you make and changes required because information was not received timely will be billed at our normal hourly rates.

Post-Closing Client Adjusting Entries - The first step in our year-end audit is the preparation of financial statement drafts from your final closing trial balance. That means any entries you make after handing us your closing trial balance must be handled as audit adjustments, or in extreme cases, by re-inputting the entire trial balance, even if the amounts are immaterial. If you make such entries and the amounts are in fact immaterial, we will bill you for the costs of the adjustments or re-input at our normal hourly rates.

Grant Programs Requiring Separate Audit - Grant programs requiring separate audits represent a significant increase in work scope, and fees for these audits vary based on the grant requirements. If you wish us to determine and identify which programs are subject to audit, we will bill you for that time at our normal hourly rates.

Changes in Organization Personnel - Our experience is that changes and /or reductions in Finance Department staff can have a pronounced impact on costs of performing the audit. If such changes occur, we will meet with you to assess their impact and arrive at a new fee before we begin the next phase of our work. However, we reserve the right to revisit this subject at the conclusion of the audit, based on your actual performance and our actual costs.

Meetings – Our fee includes engagement partner attendance for two meetings: (1) planning meeting with Audit Committee or equivalent, if requested, and (2) presentation of audit results to the Audit Committee or equivalent, or full Board. Any additional meetings will incur additional fees at the Partner's hourly rate of $325/hour.

Report on the Firm's System of Quality Control

MAZE & ASSOCIATES ACCOUNTANCY CORPORATION
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Maze & Associates Accountancy Corporation (the firm) in effect for the year ended May 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards,* including compliance audits under the Single Audit Act.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

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CPAmerica
Member Crowe Global

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Maze & Associates Accountancy Corporation in effect for the year ended May 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies)* or *fail*. Maze & Associates Accountancy Corporation has received a peer review rating of *pass*.

GYL LLP

Ontario, California
February 6, 2024