

**MINUTES OF FEBRUARY 24, 2021
REGULAR MEETING OF GOVERNING BOARD OF
SAN MATEO COUNTY JOINT POWERS FINANCING AUTHORITY**

*****BY VIDEOCONFERENCE ONLY*****

The meeting began at 11:09 AM

1. Roll Call: Thomas Casey; John Gemello, President Scannell
Members Present: 3 - John Gemello, and Paul Scannell, Thomas F. Casey III
(*Thomas F. Casey III was not present for initial roll call but joined the meeting at 11:11 AM and was present until adjournment*)

Members Absent: 0 -
Vacant Seat: 2

Staff Present: Roberto Manchia, County Chief Financial Officer;
Rebecca Archer, Chief Deputy County Counsel
Daniel McCloskey, Deputy County Counsel;
Kim-Anh Le, Deputy Controller; and
Sherry Golestan, Deputy Clerk of the Board.

2. Public Comment – There were no public comments.
3. Approval of the Minutes of September 23, 2020

Item No. 3 was heard after Item No. 4 for quorum purposes, after the arrival of Thomas F. Casey III during Item No. 4 discussion.

Motion: Gemello

Second: Casey

Ayes: 3 - Gemello, Casey, Scannell

Noes: 0

Members Absent: 0

Vacant Seat: 2

4. Update: Cordilleras Mental Health Facility, and County Office Building 3 (COB3)

Scott Gurley, Sr. Project Manager for the Product Development Unit, provided an overview of the status, schedule and current spend on construction of the Cordilleras Mental Health Facility. Cordilleras has been fully permitted by environmental agencies and is now in Construction Phase II, which began on November 18, 2020, and which has included clearing and tree removal activities and taking down some of the existing facility. The current Board of Supervisors approved Bond budget is \$155 million, \$13.2 million of which has been spent. The final completion date is November 16, 2023.

Roberto Manchia reminded the group that the bond will cover most of the cost, at about one-third of the debt service on the building.

5. Update: Cordilleras Bond

Roberto Manchia provided an update regarding the response to the Request for Proposals for underwriter/banker services for the Lease Revenue Bonds to finance the Cordilleras project and the anticipated schedule for the issuance of the bonds. We have received six responses to the RFP and will meet with Paul Scannell and Mark Epstein to decide on next steps to interview and select the underwriters. There was discussion of potential uses of \$45M that will be available as part of the financing, including that the funds may be applied toward other debt service and to borrow the total amount to align debt service across the board. The current plan is to have a bond in place by June, prior to the next fiscal year's budget. We may have a meeting in March 2021 to discuss banker selection for the bond itself and an alignment discussion, work in April to get the documents finalized by May to go out for bond by June.

Mark Epstein discussed a refunding of 93s and 94s in combination with the current bond issuance to smooth out decline in debt by 2024-28 during the peak debt service.

Steven Gald discussed that we have collected information on the structure to meet the June timeline and bring back in March more information on final selection of banking team.

Roberto Manchia reported goal of having all legal and financial services contracts in place, and that County Counsel is working with providers to determine costs ahead of June.

John Palmer reminded the group that three meetings will be needed for approval: JPFA, Board of Supervisors, and again to JPFA for final approval.

Robert Manchia suggested using March 24 for a JPFA informational and review meeting, the April 28 meeting for JPFA bond approval, then to the Board of Supervisors for authorization, and May 26 to come back to JPFA for final approval.

There was a discussion of timing for closing the financing and potential impact of state and local budgeting on the required disclosures.

6. Other Business (*Discussion only*) – Scheduling of Next JPFA Meeting: March 24, April 28, and May 26, 2021.

San Mateo Medical Center:

The group discussed that the San Mateo Medical Center project is moving forward and construction and occupancy of the building is on schedule. The hospital is running during the current pandemic, though the pandemic added some delay. Per Robert Manchia, will go to the Board of Supervisors for approval of further funding.

Parking Structure:

This project is moving quickly and will be on time if or ready ahead of schedule.

County Office Building 3 (COB3):

Adam Ely provided an update that their team is working on a new plan for COB3 (original architect's plans were significantly above value) and are moving toward a building plan that is better suited for the County at a better price. The new plan would give lower cost per square foot due to design and net zero energy usage.

COB3 was not included in the bond so there is no occupancy date required as part of the lease agreement. The building is 207k square feet and plan is tracking slightly over \$1000/sq. ft. Robert added that we will need to cover between the \$152-\$215 million margin.

Vacant JPFA seats:

Roberto Manchia and Deputy County Counsel Dan McCloskey shared the intent to recommend Jim Saco and Donna Vaillancourt to be appointed to the JPFA at the March 9, 2021 Board of Supervisors meeting.

7. Adjournment: **The meeting adjourned at 11:48 a.m.**