



October 4, 2018

Oyster Point Marina

Agreement with City of
South San Francisco



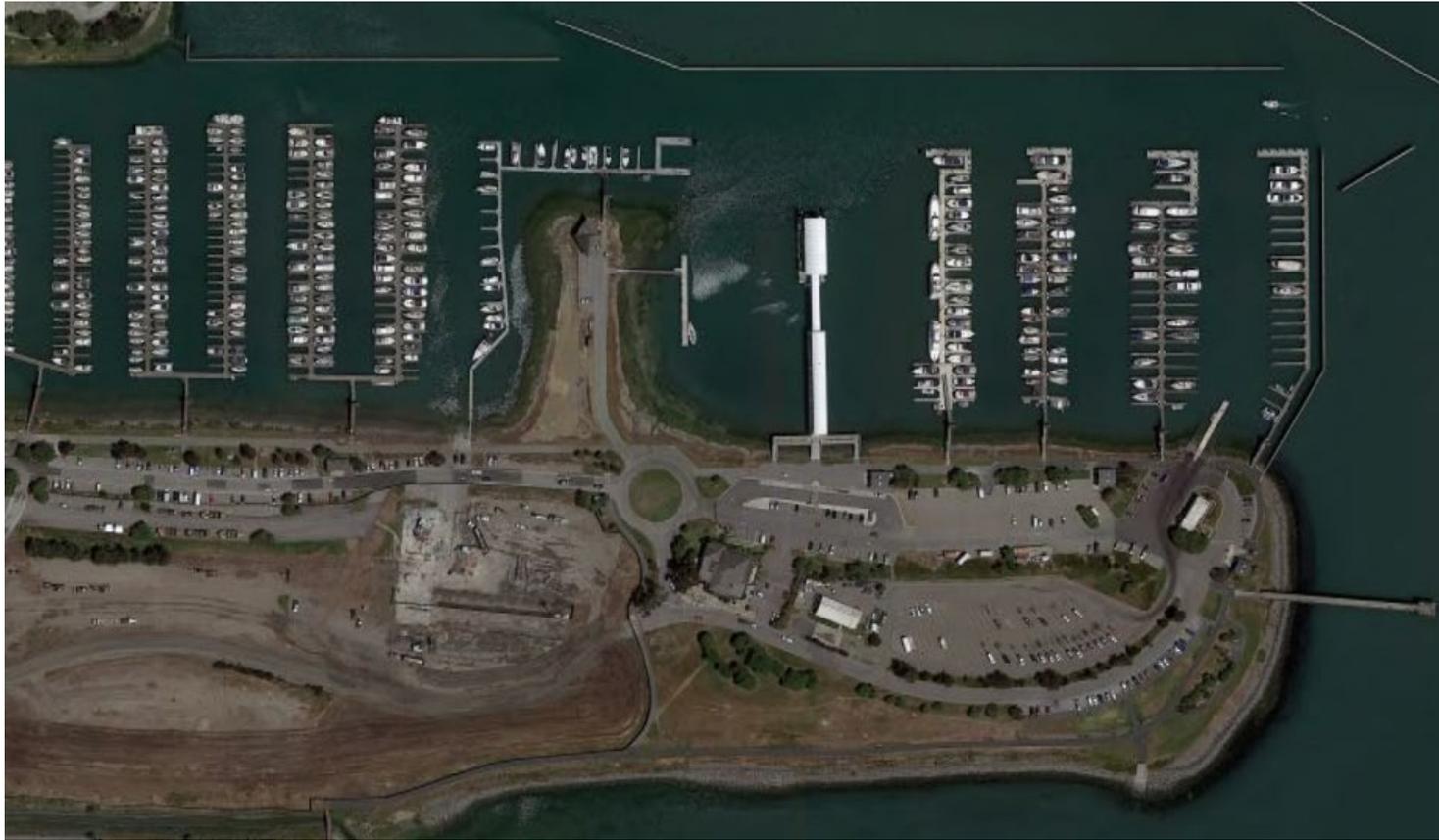
Discussions

- Ongoing since last Committee meeting 4/17/18
- Update to this Commission 7/18/18
- Focus on protection for District and City
- Need flexibility to address changing conditions
- All subject to Commission/Council approval



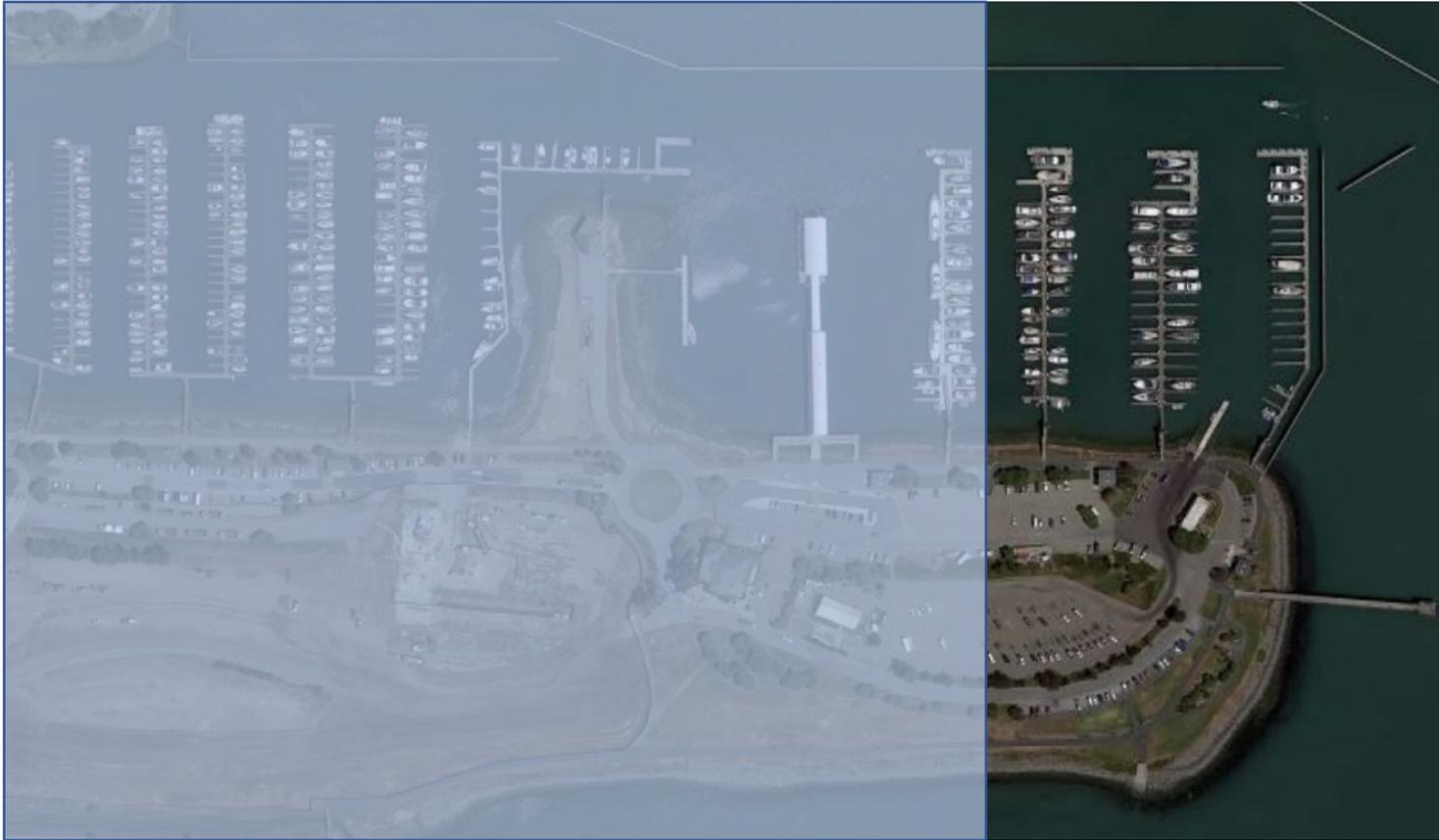
Term

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



Other Agreements

- 1977 JPA goes away
- 2011 MOU/Agreement stays
- 2017 Implementation Agreement stays



Obligations of District

- Replace Docks 12, 13, 14
 - Reasonable effort to do so by 12/31/24
 - Estimated costs of \$5 million



- Replace Docks 1 – 6
 - Commission a study by 12/31/23
 - Prepare a report for Commission
 - If not replaced, commission a new study prior to each new term of agreement

Obligations of District



Obligations of District

- Operate and Maintain Marina Area and East Landside
 - Includes relevant parts of West Landside (restrooms)
 - District General Manager (DGM) and City Manager (CM) cooperate on efficient O&M
 - Maintain HM office and access
 - Meet Operational Performance Indicators (OPIs)
 - Dredging
 - Consult with City on leases; City approval required if > 10 years



Obligations of City

- Provide sewer, police, fire
- Operate and Maintain West Landside
- If District required to vacate HM office, City provides alternate, suitable space
- Solely responsible for protecting against SLR
- Solely responsible for protecting against inundation caused by landfill subsidence
- Solely responsible for corrective actions necessitated by subsidence, unless caused by District
- Details to be resolved



Obligations of Both Parties

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



Obligations of Both Parties

- Governance:
 - City and District each establish standing committees
 - Committees meet jointly annually to, at minimum, receive Annual Report
- Indemnification:
 - Mutual
 - City also indemnifies District for SLR, subsidence
- Survey:
 - Perform detailed survey to establish bounds of responsibility
 - As area is developed, bounds may change; CM and DGM authorized to approve



Obligations of Both Parties

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



Termination

- By either party deciding not to renew
- By District:
 - City's breach of agreement
 - City's failure to substantially meet OPIs
 - City not in default if matters outside of its control
 - One year notice, less if mutually agreeable



Termination

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



Termination

- On termination, depending on circumstances:
 - City keeps everything, pays District depreciated value of assets
 - Payment schedule no less than depreciation
 - District keeps/removes docks
- In either instance, District keeps personal property (vehicles, vessels, equipment etc)
- Complex; details to be resolved



- Resolve details related to:
 - Water quality
 - Landfill subsidence
 - Termination and disposition of assets

Next steps



- Incorporate Board input to draft agreement
- Agreement to this Board for discussion / possible action
- Agreement to City Council for discussion / possible action

Next steps