

PINOLE OVERSIGHT BOARD MINUTES
(OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE PINOLE
REDEVELOPMENT AGENCY)
APRIL 3, 2013

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE

Chair Long called the meeting of the Oversight Board for the Successor Agency of the Pinole ("Oversight Board") to order at 4:03 p.m. in the Pinole City Council Chambers, 2131 Pear Street, Pinole CA and led the Pledge of Allegiance.

2. ROLL CALL, CLERK'S REPORT & STATEMENT OF CONFLICT

Members Present:

Norma Martinez Rubin
Mary Drazba
Peter Murray
Whitney Dotson
Maureen Toms, Vice-Chair
Debbie Long, Chair

Members Excused:

John Marquez Absent/Excused

The voting record reflects his absence.

Staff Present:

City Manager Belinda Espinosa
Assistant City Attorney Stephanie Downs
Assistant City Manager Hector De La Rosa,
Finance Director Richard Loomis
City Clerk Patricia Athenour

City Clerk Athenour asked if there were any conflicts on the Agenda and none were reported. The agenda for this meeting was posted on March 28, 2013.

3. PUBLIC COMMENT

No speakers addressed the Oversight Board.

4. CONSENT CALENDAR MATTERS

There were no matters on the Consent Calendar.

5. MATTERS FOR CONSIDERATION

- A. Review and Receive Public Common on the Due Diligence Review of Housing Funds and Other Funds As Required By AB 1484 [**OS Board Report 2013-02; Action: Review DDRs, Take Public Comment and Agendize for Action at Regular Meeting on May 1, 2013 (Loomis/Downs)**]
- a. Resolution Approving Due Diligence Review of Housing Funds
 - b. Resolution Approving Due Diligence Review of Other Funds

Richard Loomis, Finance Director entered Report 2013-02 into the record. Review the close out reviews of the Due Diligence Reviews. He introduced Denny Chew, Project Auditor with Mann Urruita, & Nelson. The first and second audits were approved by the State Controller and their report was included and subsequent that Markham and Associates occurred and were the foundation that our auditors used to complete the Due Diligence review required under AB 1484 to identify any residual liquid assets. Some agencies have residual funds. Pinole does not due to a true up payment of \$1,047,000, made on July 12, 2012, as ordered by the DOF. The monies were turned over and redistributed to all affected taxing entities. The City received its share of \$196,000 which was the first RTS funds. Since then Pinole received a distribution in January 2013 and the next would be in July 2013; however Loomis said it does not appear there will be any additional funds to distribute. The next most likely would be in January 2014. In closing, Loomis explained the two step process with regard to the approval of the Due Diligence Review, which required waiting a minimum of five days before adoption by the Board. Loomis recommended adoption at the Regular meeting on May 1, 2013. Reports have been sent to the State Controller and the CC Auditor / Controller and no comments were received from either office.

Denny Chew, Mann Urruita, & Nelson, walked the Board through the required procedures and the steps taken in the Due Diligence Review. He explained it was not an audit; the purpose was to perform the four procedures agreed upon and to report the results. He reviewed Attachment F exhibit with the Board and stated the goal was to insure that no assets are transferred anywhere but to the Successor Agency. The last page of the Exhibit Attachment F was to identify the total assets held by the successor agency. Mr. Chew confirmed that the procedures were performed accurately and noted and no deficiencies were noted. He was available for questions.

Vice Chair Toms asked staff if the documents would be submitted after adoption at the May meeting and staff responded affirmatively. She also asked whether there were any other actions this Board needed to take. Loomis said there were no other actions required. He also said that Pinole will be one of the first agencies to have completed the process.

Vice Chair Toms raised questions about the audit that is referenced in Attachment D, regarding the City infrastructure assets (streets and roads, storm drains and bridges). Mr. Loomis explained that as part of our Implementation Plan, the infrastructure was funded substantially by and assigned to the Agency.

Toms also asked whether there was any outcome from the State Controller's Office regarding the letter sent by the City Manager. Mr. Loomis said they have not received any response. In Discussions with the City Attorney, the assumption was that the State was waiting for the Due Diligence review, and he believes when they see Pinole's reports they will order the transfer back to the Successor Agency. The situation is similar to several other jurisdictions and those other cases ahead of us are also still not resolved.

City Attorney Downs stated that the public properties did not get transferred and will all be transferred eventually.

ACTION: No action taken; adoption to be scheduled on May 1, 2013.

Staff said by May 1, 2013, the League lawsuit would likely be filed, and more information should follow regarding whether the sanctions can be enforced.

6. ADJOURNMENT to the Regular Meeting of May 1, 2013 at 4:50 PM

Submitted by:

Patricia Athenour, MMC
Pinole City Clerk / Clerk to the Board

APPROVED BY OVERSIGHT BOARD: