



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 16-374

Board Meeting Date: 7/11/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: John L. Maltbie, County Manager

Subject: Second Amendment to the Permit Agreement with the Peninsula Clean Energy Authority to allow for their continued occupancy of a portion of the County-owned building located at 555 Marshall Street in Redwood City (Permit No. 5393)

RECOMMENDATION:

Adopt a resolution authorizing:

- A) The President of the Board of Supervisors to execute an amendment to the Permit Agreement with the Peninsula Clean Energy Authority to allow for their continued occupancy of a portion of the County-owned building located at 555 Marshall Street in Redwood City; and
- B) The County Manger, or his designee, to accept or execute on behalf of the County any and all notices, options, consents, approvals, terminations, and documents in connection with the agreement.

BACKGROUND:

The Peninsula Clean Energy Authority ("PCE") provides PG&E electric customers in San Mateo County the choice of having 50 percent or 100 percent of their electricity supplied from clean, renewable sources at competitive rates. PCE was created in February 2016 when all 20 cities in San Mateo County and the County voted unanimously to form a Joint Powers Authority to administer the program. Originally, PCE operated out of the County's Office of Sustainability at 455 County Center. As their operations grew, the County's Real Property Services was engaged to find PCE a new location.

In January 2017, PCE entered into a lease agreement with a private party landlord for office space at 2075 Woodside Road in Redwood City. The space is currently scheduled to be ready for occupancy on July 23, 2017. Also in January 2017, pursuant to Resolution Number 65416, the County entered into a Permit Agreement with PCE to provide temporary office space on the second floor of the County-owned building located at 555 Marshall Street in Redwood City. On February 9, 2017, the permit was amended to extend the term, adopt rules for occupancy, and grant the County authority to collect any lost revenue for operating expenses when the permit expires. The Permit as Amended

expired on June 30, 2017 and PCE requires an extension through the month of July until their new office space is built out. Resolution Number 65416 authorizes the County Manager, or his designee, to execute on behalf of the County permits that generate income for the County of not more than \$50,000 per agreement per year. As that limit has been exceeded, an extension of the permit requires board approval.

DISCUSSION:

Real Property Services has prepared a Second Amendment to the Permit Agreement that would retroactively extend the termination date to July 31, 2017. The permit fee will remain at \$11,148 per month. All other terms will remain the same.

County Counsel has reviewed and approved the amendment as to form. The Director of Public Works concurs in this recommendation.

Approval of this Second Amendment to the Permit Agreement contributes to the Shared Vision 2025 outcome of a Collaborative Community by continually providing a temporary location for PCE while generating revenue for the Department of Public Works.

FISCAL IMPACT:

The \$11,148 permit fee for the remaining term of the agreement will be deposited into the Facilities Maintenance and Operations Budget.