



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** COUNTY EXECUTIVE

**File #:** 23-231

Board Meeting Date: 4/11/2023

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Michael P. Callagy, County Executive

**Subject:** Amendment No. 1 to the Agreement between the County of San Mateo and the City of San Mateo for the Acquisition and Conveyance of Property Rights in Support of City of San Mateo's Underground Flow Equalization System Project

**RECOMMENDATION:**

Adopt a resolution authorizing:

- A) The President of the Board of Supervisors to execute Amendment No. 1 to the Agreement between the County of San Mateo and the City of San Mateo for the Acquisition and Conveyance of Property Rights in support of the City of San Mateo's Underground Flow Equalization System Project; and
- B) The County Executive, or designee(s), to execute notices, documents, and instructions associated with Amendment No.1.

**BACKGROUND:**

A 2009 Cease and Desist Order issued by the San Francisco Bay Regional Water Quality Control Board requires the City of San Mateo ("City") to eliminate its sanitary sewer overflows. In order to comply with the Cease and Desist Order, the City is constructing the Underground Flow Equalization System ("UFES") Project which consists of an underground 5.3-million-gallon wastewater holding structure that will increase the capacity of the City's wastewater system.

The County owns the real property located at 2495 South Delaware Street in the City of San Mateo ("Property"), the site of the San Mateo County Event Center, which is managed by the San Mateo County Exposition and Fair Association ("Association").

On December 20, 2019, the County and City entered into an agreement for the acquisition and conveyance of certain easement rights impacting the Property in support of the City's UFES Project:

an easement for the construction, operation, and maintenance of the below-ground wastewater holding structure and related surface and sub-surface appurtenances; and a temporary construction easement ("Temporary Easement").

The Temporary Easement currently allows the City to use certain portions of the Property from April 13, 2020 through April 13, 2023, with an option to extend the use for up to an additional six (6) months (i.e., through October 13, 2023). The City paid the County \$2,308,000 for the Temporary Easement.

**DISCUSSION:**

In order to complete construction of the UFES Project, the City desires to extend the Temporary Easement through as late as December 31, 2023, which exceeds the current six-month extension period. Amendment No. 1 provides an extension through November 30, 2023 in exchange for the City's payment of an additional \$328,760. Because, however, the Temporary Easement affects the Association's management of the San Mateo County Event Center at the Property, the payment will be made to the Association. In addition, the proposed Resolution delegates authority to the County Executive to extend the Temporary Easement through the requested December 31, 2023 date as necessary.

The County Attorney has reviewed and approved Amendment No. 1 and Resolution as to form.

**FISCAL IMPACT:**

Revenue from the extension of the Temporary Easement will be paid to the Association.