

City of Piedmont  
COUNCIL AGENDA REPORT

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DATE: October 4, 2021  
TO: Mayor and Council  
FROM: Sara Lillevand, City Administrator  
SUBJECT: Consideration of the Formation of a Bond Oversight Committee

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RECOMMENDATION:

Approve the attached resolution forming a temporary Bond Oversight Committee.

BACKGROUND:

Ordinance 754 N.S. (Measure UU) and Ordinance 762 N.S., which was the formal authorization to issue bonds to fund the rebuilding of the Piedmont Community Pool, required the formation of a Bond Oversight Committee. As proposed, the committee will focus on reviewing and reporting on the expenditure of the proceeds of the bonds, specifically:

- a) Informing the public how the City is expending the bond proceeds
- b) Review expenditure reports produced by the City to verify that bond proceeds were expended only for the purposes set forth in Measure UU.
- c) Produce an annual report which includes the following information:
  - i. A statement indicating whether the bond proceeds used by the City have been expended only for the purposes set forth in Measure UU; and
  - ii. A summary of the Committee's proceedings and activities for the preceding year.

While the Bond Oversight Committee will serve in an advisory role and will not be responsible for managing or directing project activities, it will leverage the experience, expertise, and insight of its members to ensure the bond proceeds are spent in accordance with the provisions of Ordinances 754 N.S. (Measure UU) and Ordinance 762 N.S. Meetings of the Bond Oversight Committee will be open to the public and will serve to educate the community on how bond funds are being expended.

The Bond Oversight Committee is proposed to consist of five community members including one current or former member of the Budget Advisory and Financial Planning Committee. The Chair of the Bond Oversight Committee will be appointed by the Council. It is expected that the Bond Oversight Committee will meet two times per year throughout the project over a period of 24-36 months until the expenditure of the bond proceeds is complete. It is hoped that residents wishing to serve on this committee will have an understanding of the significance of the project to the community and to the primary user groups, as well as an understanding of financial principles.

Should the Council choose to establish the committee, the recruitment process will be similar to the one used for the City's standing commissions and committees. First, staff announces the recruitment period via the web site and social media channels as well as via press release. After receiving applications, the Council would then conduct interviews of the candidates, and after deliberations, appoint the Chair of the committee and its members. Also, consistent with other commissions and committees, Council would appoint a liaison and alternate to the Bond Oversight Committee. Recruitment for this committee would begin shortly after the Council creates the Bond Oversight Committee so that it will be in place prior to the sale of the bonds and receipt of the bond funding.

### **Community Pool Advisory Committee**

In March of this year, the City Council formed the Community Pool Advisory Committee, whose purpose is to offer advice throughout the design process and to serve as a conduit for the community's voice in the design refinement and construction of the Piedmont Community Pool. The Bond Oversight Committee is a separate body from the Pool Advisory Committee and each will undertake their tasks independently.

#### **ATTACHMENT**

- A) Resolution Establishing Bond Oversight Committee

## RESOLUTION \_\_\_\_\_

ESTABLISHING A COMMUNITY POOL BOND OVERSIGHT COMMITTEE  
FOR MEASURE UU

WHEREAS, in 2015, the City launched a study to analyze possibilities for a new pool facility that would meet community aquatic needs; and

WHEREAS, that work, involving robust community involvement, culminated with adoption of the Aquatics Master Plan Conceptual Design in November 2016; and

WHEREAS, with the passage of Measure UU, in November 2020, the City is moving forward with refinement of the conceptual design and construction of a complete replacement of the Piedmont Community Pool funded by the proceeds of General Obligation Bonds issued pursuant to the authority granted by the voters in Measure UU (the “Bonds”); and

WHEREAS, Section 14 of Ordinance 754 N.S. (Measure UU) and Section 7 of Ordinance 762 N.S. require that a Bond Oversight Committee be established for the purpose of reviewing and reporting on the expenditure of the proceeds of the Bonds;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Piedmont does hereby resolve, declare, determine, and order as follows:

**SECTION 1.** The Community Pool Bond Oversight Committee is hereby established as a temporary advisory committee of the City of Piedmont.

**SECTION 2.** The efforts of the Community Pool Bond Oversight Committee will be focused on reviewing and reporting on the expenditure of the proceeds of the Bonds, specifically:

- (a) Inform the Public. The Committee shall inform the public concerning the City’s expenditure of Bond proceeds. In fulfilling this duty, all official communications of the Committee to either the Council or the public shall come from the chair of the Committee (the “Chair”), acting on behalf of the Committee. The Chair shall only release information that reflects the consensus view of the Committee.
- (b) Review Expenditures. The Committee shall review expenditure reports produced by the City to verify that Bond proceeds were expended only for the purposes set forth in Measure UU.
- (c) Annual Report. At least one time annually, commencing with the end of the first fiscal year in which any Bond proceeds are expended, and continuing through the end of the fiscal year in which Bond proceeds have been spent in full, the Committee shall prepare an annual written report, following the public issuance of the City’s annual audit report which annual written report shall be published on the City web site and include the following:
  - (i) A statement indicating whether the Bond proceeds used by the City have been expended only for the purposes set forth in Measure UU; and

(ii) A summary of the Committee's proceedings and activities for the preceding year.

**SECTION 3.** The Community Pool Bond Oversight Committee shall have no jurisdiction over any matters not specified in Section 2, which are reserved to the City Council and/or City staff, as determined by the City Council, including, but not limited to:

- (a) Approval of project prioritization, project plans, design and schedules,
- (b) Approval of contracts and change orders for projects,
- (c) Expenditures of Bonds funds,
- (d) Handling of all legal matters,
- (e) Approval of all deferred maintenance plans,
- (f) Approval of the sale of Bonds and related matters, and
- (g) Appointment of qualified applicants to serve on the Committee.

**SECTION 4.** The Community Pool Bond Oversight Committee shall consist of five residents at large, including one current or former member of the Budget Advisory and Financial Planning Committee.

**SECTION 5.** The City Council shall appoint one member to serve as Committee Chair.

**SECTION 6.** The Community Pool Bond Oversight Committee shall meet at least two times per year or more frequently as the Committee deems it necessary to discharge its duty, but no more frequently than quarterly. At the end of each meeting, the Committee shall identify the next approximate meeting date.

**SECTION 7.** The term of the Community Pool Bond Oversight Committee shall extend from the date of establishment to the Committee's submission of the final Annual Report which reflects the final accounting of the expenditure of the Bond proceeds.

**SECTION 8.** The Community Pool Bond Oversight Committee shall comply with the Ralph M. Brown Act (Government Code §54950 et seq.) including, but not limited to notice, agenda posting, and public participation requirements.

**SECTION 9.** The Community Pool Bond Oversight Committee is an advisory body to the City Council and is not an independent decision-making body. All of its recommendations are subject to approval of the City Council.

[END OF RESOLUTION]