



April 1, 2014

Mr. William Fulton, Director, Planning and Neighborhood Restoration Department
City of San Diego
1222 First Avenue, MS 501
San Diego, CA 92101-4154

Dear Mr. Fulton:

Subject: Oversight Board Action Determinations

The City of San Diego Successor Agency (Agency) notified the California Department of Finance (Finance) of its February 11, 2014 Oversight Board (OB) Resolutions on the dates noted below. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of your OB actions.

Based on our review and application of the law, the Agency's OB Resolutions are approved or denied, as noted below.

OB No.	Date Submitted	Action	Approved/ Denied
OB-2014-5	2/18/2014	Third Amendment to Agreement with Community Building Services	Denied
OB-2014-6	2/18/2014	Fourth Amendment to Agreement with Community Building Services	Denied
OB-2014-7	2/14/2014	Third Amendment to Agreement with Gonzales-White Consulting	Denied
OB-2014-8	2/14/2014	Fourth Amendment to Agreement with Gonzales-White Consulting	Denied
OB-2014-9	2/18/2014	First Amendment to Agreement with JMJ Incorporated	Denied
OB-2014-10	2/18/2014	Second Amendment to Agreement with JMJ Incorporated	Denied
OB-2014-11	2/18/2014	Agreement with Nasland Engineering	Approved
OB-2014-12	2/18/2014	Second Amendment to Agreement with NN Jaeschke, Inc.	Denied
OB-2014-13	2/13/2014	Agreement with Harris & Associates	Approved
OB-2014-15	2/14/2014	Agreement with Advantage Environmental Consultants	Approved
OB-2014-16	2/14/2014	First Amendment to Agreement with Advantage Environmental Consultants	Approved

OB No.	Date Submitted	Action	Approved/ Denied
OB-2014-17	2/14/2014	First Amendment to Agreement with Cassidy Turley	Denied
OB-2014-19	2/19/2014	Agreement with Jacobs Engineering Group	Approved
OB-2014-20	2/14/2014	Agreement with Simon Wong Engineering	Denied
OB-2014-21	2/18/2014	Agreement with Dokken Engineering	Approved
OB-2014-22	2/18/2014	Agreement with Epic Land Solutions	Approved
OB-2014-23	2/18/2014	Agreement with Overland Pacific & Cutler	Approved
OB-2014-24	2/18/2014	Second Amendment to Agreement with Right Way Landscaping	Denied
OB-2014-25	2/18/2014	Third Amendment to Agreement with Right Way Landscaping	Denied
OB-2014-26	2/13/2014	Agreement with Opper and Varco, LLP	Approved
OB-2014-27	2/18/2014	Second Amendment to Agreement with Urban Corps of San Diego	Denied
OB-2014-28	2/18/2014	Third Amendment to Agreement with Urban Corps of San Diego	Denied
OB-2014-29	2/18/2014	Agreement and Proposed Amendment with Railpros, Inc.	Approved
OB-2014-30	2/18/2014	Second Amendment to Agreement with Pacific Railway Enterprises	Approved
OB-2014-31	2/18/2014	Agreement with Project Professionals	Approved

For those resolutions Finance is approving in which the vendors are contracted to provide services for more than one project and/or location, be advised that expenditures are authorized only when rendered in connection with enforceable obligations. In addition, any services provided wherein the underlying obligation does not meet the definition of an enforceable obligation pursuant to Health and Safety Code section 34171 (d) (1) will not be authorized and will not be eligible for funding. The costs of services are subject to Finance's review and approval on a subsequent Recognized Obligation Payment Schedule before they can be considered enforceable.

For those resolutions that are not approved, HSC section 34171 (d) (1) (F) states that agreements necessary for the administration or operation of the Agency, such as the cost of maintaining assets prior to disposition, are enforceable obligations. However, HSC section 34181 (e) authorizes an OB to approve any amendments to or early termination of those agreements if it finds that amendments or early termination would be in the best interests of the taxing entities. These amendments, which increase the compensation and/or scope, do not include language substantiating the changes made. Thus, it is not clear whether the amendments are in the best interests of the taxing entities or that the increases in compensation and/or scope are necessary for the administration or operation of the Agency.

This is our determination with respect to the OB actions taken. As authorized by HSC section 34179 (h), Finance is returning these denied OB actions to the board for reconsideration.

Please direct inquiries to Wendy Griffe, Supervisor, or Jenny DeAngelis, Lead Analyst at (916) 445-1546.

Mr. William Fulton
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Sincerely,



JUSTYN HOWARD
Assistant Program Budget Manager

cc: Mr. Andrew Phillips, CFO, COO & Interim President of Civic San Diego
Mr. Jon Baker, Senior Auditor and Controller Manager, County of San Diego
California State Controller's Office