



Joint Exercise of Powers Agency

City of Antioch City of Brentwood County of Contra Costa City of Oakley

AGENDA Board of Directors

**Thursday, April 11, 2024
6:30 p.m.**

Tri-Delta Transit Meeting Room
801 Wilbur Avenue
Antioch, California

This is an in-person meeting of the Board of Directors with the option for members of the public to appear in person or to participate via Zoom teleconference. Persons who wish to address the Board during public comment or with respect to an item on the agenda may comment in person or may call in or log in to the meeting via Zoom.

To participate by phone, dial +1 669 444 9171 US.

The meeting ID is 975 3039 0002 Passcode: 834346

To participate online using Zoom, hold down CTRL + click the following:

[Join Zoom Meeting Here](#)

Meeting ID: 975 3039 0002 Passcode: 834346

In lieu of making public comments at the meeting, members of the public also may submit public comments before or during the meeting by emailing comments to Program Manager Dale Dennis at Dale.Dennis@pw.cccounty.us. If you have difficulty emailing a public comment, please contact Dale Dennis at (925) 595-4587.

All comments submitted by email to the above email address before the conclusion of the meeting will be included in the record of the meeting. When feasible, the Board Chair, or designated staff, also will read the comments into the record at the meeting, subject to a two-minute time limit per comment.

The Board Chair may reduce the amount of time allotted to read or make comments at the beginning of each item or public comment period depending on the number of comments and the business of the day. Your patience is appreciated.

A break may be called at the discretion of the Board Chair.

To obtain a copy of a staff report or other written materials related to an open session item on the agenda, please contact Dale Dennis by email to Dale.Dennis@pw.cccounty.us, or by phone at (925) 595-4587.

Board of Directors:

Diane Burgis, Contra Costa County – Chair
Lamar Thorpe, City of Antioch – Vice Chair
Joel Bryant, City of Brentwood
Aaron Meadows City of Oakley

Authority Staff Office:

Contra Costa County
255 Glacier Drive
Martinez, CA 94553
(925) 313-2000

AGENDA
April 11, 2024

1. Call to Order
2. Election of Officers
3. Public Comment
4. Consent
 - A. **APPROVE** minutes of the October 12, 2023, meeting (November, December, January, February, and March meetings cancelled).
 - B. **ACCEPT** Audit Report prepared by Cropper Rowe, LLP, Certified Public Accountants, for the Fiscal Year ending 2023. *(Copies sent to Board Members under separate cover. Copies available to public upon request.)*
 - C. **Sale of Excess Property – Sand Creek Parcel: RATIFY** the Program Manager’s extension of the Due Diligence Period, from March 21, 2024, to April 20, 2024, and provide for one additional 30-day extension, each in exchange for a \$7,500 deposit under the terms purchase and sale agreement between the Authority and LRG Investors, LLC, as previously amended, for the sale of the Authority’s Sand Creek Road property; and **AUTHORIZE** the Program Manager to execute one or more additional amendments to authorize up to five additional 30-day extensions of the Due Diligence Period in exchange for a \$7,500 deposit for each extension, subject to approval as to form by the County Counsel, or designee.
5. Determination
6. Boardmember Comments
7. Adjournment

The Authority will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact Staff at least 24 hours before the meeting, at (925) 595-4587. Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the State Route 4 Bypass Authority to a majority of members of the Board of Directors less than 72 hours prior to that meeting are available for public inspection at 255 Glacier Drive, Martinez, CA during normal business hours.

Board of Directors:

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Lamar Thorpe, City of Antioch – Vice Chair
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STATE ROUTE 4 BYPASS AUTHORITY
Antioch - Brentwood - Oakley and Contra Costa County

JOINT EXERCISE OF POWERS AGENCY

October 12, 2023

The regular meeting of the STATE ROUTE 4 BYPASS AUTHORITY was convened as an in-person meeting with the option for members of the public to appear in person or to participate via Zoom teleconference. Members of the public were permitted to participate in the meeting online, or by telephone, and in lieu of making public comments at the meeting, members of the public could submit public comments before or during the meeting through dodennis@thecyberjungle.com.

Chair Diane Burgis called the meeting to order at 6:30 P.M.

ROLL CALL

PRESENT: Joel Bryant (Brentwood), Vice Chair Lamar Thorpe (Antioch) and Chair Diane Burgis (Contra Costa County)

ABSENT: Aaron Meadows (Oakley)

STAFF: Dale Dennis, Program Manager

PLEDGE OF ALLEGIANCE

Chair Burgis led the Pledge of Allegiance.

PUBLIC COMMENT

No written comments were submitted, or oral comments made, by any member of the public.

CONSENT ITEMS

On motion by Director Bryant, seconded by Director Thorpe, the Authority APPROVED the Consent Items, which carried by the following Roll Call vote:

- A. APPROVED minutes of the June 8, 2023 meeting (July, August and September meetings cancelled).
- B. APPROVED and AUTHORIZED the Program Manager to execute, on behalf of the Authority, a Sixth Amendment to Purchase and Sale Agreement with LRG Investors, LLC, effective October 12, 2023, to allow LRG to extend its due diligence period by up to five additional months, in connection with the sale of Authority-owned property identified as APN 019-110-074 adjacent to State Route 4 and Sand Creek Road, Brentwood.

The motion carried by the following Roll Call vote:

AYES: Bryant, Thorpe, Burgis
NOES: None
ABSTAIN: None
ABSENT: Meadows

DETERMINATION

There were no Determination Items.

BOARDMEMBER COMMENTS

Director Bryant expressed his appreciation to the Board for its approval of the Sixth Amendment to Purchase and Sale Agreement with LRG Investors, LLC given some unanticipated potential delays that were not necessarily uncommon in that type of project in that the extension would help remediate some concerns and get the job done without further delay.

ADJOURNMENT

Chair Burgis adjourned the meeting of the State Route 4 Bypass Authority at 6:35 P.M. to Thursday, November 9, 2023 at 6:30 P.M. or other day/time deemed appropriate.

Respectfully submitted,

Anita L. Tucci-Smith
Minutes Clerk

**STATE ROUTE 4
BYPASS AUTHORITY**

DATE: April 11, 2024

TO: Board of Directors

FROM: Dale Dennis, Program Manager 

SUBJECT: Accept Audit Report for Fiscal Year 2022/23

Recommendation: **ACCEPT** Audit Report prepared by Cropper Rowe, LLP, Certified Public Accountants, for the Fiscal Year ending June 30, 2023. *(Copies sent to Board Members under separate cover. Copies available to public upon request.)*

Discussion:

An audit for the 2022/23 Fiscal Year has been performed on the finances of the Authority as required by the Joint Exercise of Powers Agreement. The report of the independent auditor, Cropper Rowe, LLP, Certified Public Accountants, has no recommendations for changes or improvements.

DD:nw:

C:\Users\Dale_User\Desktop\Dale - Working Folder\Documents and Settings\SR4 Bypass II - 1\Staff Reports\April 2024\Staff Report Accept audit report.doc

ACTION OF BOARD ON _____

APPROVED AS RECOMMENDED ___ **OTHER**___

VOTE OF DIRECTORS

_____ **UNANIMOUS (ABSENT** _____)

AYES: _____ **NOES:** _____

ABSENT: _____ **ABSTAIN:** _____

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Directors on the date shown.

ATTESTED _____

Secretary to the Authority

**STATE ROUTE 4
BYPASS AUTHORITY**

DATE: April 11, 2024

TO: Board of Directors

FROM: Dale Dennis, Program Manager



SUBJECT: State Route 4 Bypass Authority – State Route 4 Project (Formally State Route 4 Bypass). Brentwood Area. [SCH# 89032824, SCH# 1989032824] Project Number: 4660-6X4444

Recommendation: Staff recommends the Board:

1. **RATIFY** the Program Manager’s extension of the Due Diligence Period from March 21, 2024 to April 20, 2024 to allow the Board to consider the Seventh Amendment to the Purchase and Sale Agreement (PSA) between the Authority and LRG for the sale of Authority-owned property at Sand Creek Road and State Route 4 (Property).
2. **APPROVE** and **AUTHORIZE** the Program Manager, or designee, to execute a Seventh Amendment to the PSA to extend the Due Diligence Period through April 20, 2024, in exchange for a non-refundable deposit of \$7,500, and to allow LRG to further extend the Due Diligence Period by up to one additional 30-day period, in exchange for a non-refundable deposit of \$7,500 for that extension.
3. **AUTHORIZE** the Program Manager to execute, on behalf of the Authority, additional amendments to the purchase and sale agreement to provide up to five additional 30-day extensions of the Due Diligence Period, provided that LRG makes a \$7,500 deposit into escrow for each 30-day extension, no other changes are made to the agreement, and the County Counsel, or designee, approves each amendment as to form.

Discussion:

On June 11, 2020, the Authority and LRG Investors, LLC, entered into a purchase and sale agreement (“Agreement”) to sell, for \$3,596,779, an approximately 5.29-acre parcel of Authority-owned property, identified as APN 019-110-074, adjacent to State Route 4 Sand

ACTION OF BOARD ON _____

APPROVED AS RECOMMENDED ___ OTHER ___

VOTE OF DIRECTORS

_____ UNANIMOUS (ABSENT _____)

AYES: _____ NOES: _____

ABSENT: _____ ABSTAIN: _____

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Directors on the date shown.

ATTESTED _____

Secretary to the Authority

Creek Road, in Brentwood. The Agreement, as amended, provided LRG a due diligence period during which it may conduct inspections of the property and seek land use entitlements and other approvals from the City of Brentwood before LRG closes escrow on the purchase of the property.

LRG's land use entitlement applications are currently being processed by Brentwood's planning department. It is not yet known when the City's planning commission will consider approving those entitlements, but LRG anticipates entitlements could be obtained within 60 days.

Under this seventh amendment to the purchase and sale agreement:

- Without the Program Manager's extension, the term of the Due Diligence Period would have expired on March 21, 2024. This ratification will formally extend the due diligence period through April 20, 2024, and LRG shall make a \$7,500 deposit into Escrow for that extension.
- LRG may extend the due diligence period by up to one additional 30-day period beyond April 20, 2024.
- Within five (5) business days of exercising the extension, LRG must make a \$7,500 deposit into escrow.

Staff recommends that the Board approve the seventh amendment to the Agreement for the above Property, substantially in the form attached. The Program Manager would be authorized to make non-substantive changes. Should any substantial changes be required to the seventh amendment to the Agreement, it will be brought back to the Board for approval.

**SEVENTH AMENDMENT TO THE
PURCHASE AND SALE AGREEMENT BETWEEN
THE STATE ROUTE 4 BYPASS AUTHORITY
AND
LRG INVESTORS, LLC**

Effective March 20, 2024, this Seventh Amendment (“Amendment”) to the Purchase and Sale Agreement between the State Route 4 Bypass Authority and LRG Investors, LLC, (“Agreement”) is entered into by and between the State Route 4 Bypass Authority, a joint exercise of powers agency (hereinafter “Authority”), and LRG Investors, LLC, a California limited liability company (hereinafter “LRG”). The Authority and LRG are sometimes referred to herein as the “Parties,” and each as a “Party.” Capitalized terms used but not defined in this Amendment are defined in the Agreement.

Recitals

- A. The Authority and LRG entered into the Agreement to set forth the terms on which the Authority would sell and LRG would purchase the Property, if LRG elected to purchase the Property following the Due Diligence Period. The Agreement has been amended on five prior occasions to allow LRG to extend the Due Diligence Period. (A sixth amendment addressed environmental conditions and site work.) LRG exercised all extensions authorized under the prior amendments and extended the Due Diligence Period through March 21, 2024.

- B. LRG is proceeding diligently with its plans for the Property and continues to seek land use Entitlements from the City. The City is processing those applications. While it is not yet known when the last of the land use Entitlements will be approved. After the land use Entitlements are approved, LRG will need to obtain building Entitlements from the City that authorize the construction of the proposed site improvements on the Property. Although a precise date is not yet known, LRG anticipates it will obtain the last of its Entitlements within the next 60 days.

- C. To continue to provide the City time to issue the land use and building Entitlements while also allowing LRG to proceed to Closing expeditiously upon the issuance of the last of those Entitlements, LRG desires to further amend the Agreement to extend the Due Diligence Period through April 20, 2024, and to have the option to further extend the Due Diligence Period by one additional 30-day period in exchange for making a non-refundable Extension Deposit in the amount of \$7,500 into Escrow for each extension. The Authority is willing to agree to such an amendment, provided that all deposits made into Escrow become nonrefundable, excepting only for an Authority default, and further provide that LRG be obligated to proceed to Closing following the issuance of the last of the Entitlements as more particularly described herein. The Authority’s conditions are acceptable to LRG.

Amendment

NOW THEREFORE, in consideration of the agreements herein contained and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree to amend the Agreement, as previously amended, as follows:

- “E. Due Diligence Period; Extensions. Unless extended by LRG as permitted under this Section 5.E., the term of the Due Diligence Period will expire on April 20, 2024. In consideration for the extension of the Due Diligence Period through April 20, 2024, LRG shall make a \$7,500 deposit into Escrow by March 30, 2024. LRG, at its discretion, may elect to extend the term of the Due Diligence Period by up to one additional 30-day period beyond April 20, 2024, by providing written notice to the Program Manager at least five (5) days before the term of the Due Diligence Period would otherwise expire. A notice given under this Section 5.E. may be given by e-mail to the Program Manager’s e-mail address listed in Section 10, with copy to Stephen.Siptroth@cc.cccounty.us and owens.lucy@gmail.com. Within five (5) business days after providing any notice extending the Due Diligence Period under this Section 5.E., LRG shall make a \$7,500 Extension Deposit into Escrow.

Except as expressly modified by this Amendment, the Agreement, as previously amended, remains unchanged and in full force and effect. The Parties have executed this Amendment as of the date first written above. This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original with all counterparts constituting but one and the same instrument.

[Remainder of page intentionally left blank. Signatures on next page(s).]

STATE ROUTE 4 BYPASS AUTHORITY LRG INVESTORS, LLC

By: _____
Program Manager

By: _____
Its: _____

By: _____
Its: _____

KCK
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