



May 24, 2017

Santa Clara County Civil Grand Jury
Superior Court
Attn: Tamara Davis, Deputy Manager of Jury Services
191 N. First Street
San Jose, CA 95113

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CIVIL GRAND JURY

Re: Response to Grand Jury Letter dated April 12, 2017

Dear Ms. Davis:

The Santa Clara City Council has asked me to respond to your letter of April 12, 2017, requesting a status of the findings and recommendations of last year's Grand Jury regarding "Levi's Stadium and Measure J."

In the City's August 24, 2016, letter, which you attached to your letter, we indicated that the City had accepted all findings and recommendations of the previous Grand Jury. Following is the implementation status of each finding:

- Recommendation 1: The Stadium Authority retained Harvey M. Rose Associates, LLC (Harvey M. Rose) in 2016 to audit the operation of Levi's Stadium from April 2014 to March 2016. Harvey M. Rose is expected to submit a partial report shortly covering their review of the City's procedures and processes. The auditor has been unable to complete the remainder of the audit because the Forty Niners Stadium Management Co. (ManCo) has refused to allow the auditor access to the Stadium Authority's records in a manner that would allow the auditor to complete the audit consistent with Generally Accepted Accounting Principles. The efforts to complete the audit have been the subject of the Stadium Audit Committee's work plan and their minutes are available at <http://santaclaraca.gov/government/committees/city-committees/ad-hoc-stadium-audit-committee>.

The City Attorney's Office is further making efforts for access to the records in the course of a declaratory relief action that ManCo filed in Santa Clara Superior Court. We have not yet been able to obtain access to the records via these efforts.

Following completion of their initial audit, the City will conduct an additional audit covering the construction phase in the timeframe between the approval of Measure J and April 30, 2014.

- Recommendation 2: The agreements with the team allow commencement of negotiations on public safety costs after the third season. A letter from the Stadium Authority was sent to the San Francisco 49ers on March 10, 2017. Discussions on this subject with the team have begun and a follow up meeting on this item is being scheduled.

- Recommendation 3: As stated in my previous response, the JPA creating the Auditor position needs to be amended. In the meantime, the Acting Finance Director has not and will not conduct any audits of her own work. A recommendation on such action will be presented to the Stadium Authority Board by the end of June.

Please feel free to contact me if you have any questions or need additional information.

Very truly yours,



BRIAN DOYLE
Interim City Attorney

BD:cee

cc: Mayor and Council / Stadium Authority Board
Executive Director

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