



April 26, 2017

TO: Honorable LOCSD Board of Directors
FROM: Renee Osborne, General Manager
SUBJECT: **Agenda Item 9D – 5/4/2017 Board Meeting**
General Manager Activity for April 2017

President

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Vice President

Vicki L. Milledge

Directors

Charles L. Cesena
Marshall E. Ochylski
Louis G. Tornatzky

General Manager

Renee Osborne

District Accountant

Robert Stilts, CPA

Unit Chief

Scott M. Jalbert

Battalion Chief

Josh Taylor

Mailing Address:

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STAFF

- Staff has been working with all Departments on the Mid-Year adjustments and the 2017-2018 Budgets.
- Staff is working with the Auditors to complete an "Interim Fieldwork Assessment" for 2016-2017 in order to prepare/schedule the 2016-2017 Audit in August.
- With the absence of the Utilities Supervisor, all Staff has been assisting to make sure nothing is being missed.

WATER/DRAINAGE

- Staff has been getting quotes to replace the District generator that has gone beyond Air Quality Control Standards and has become a safety hazard. Instead of purchasing a new generator (\$46K-\$59k), the Water Crew has found a used generator for \$18,768 and can purchase a 1 year warranty for \$2,890. Staff is requesting approval for this item under Agenda Item 11E.
- Staff has been working on updating quotes for the Capital Improvement Projects.
- Water and Fire Staff have met regarding weed abatement and fire hydrants throughout the District.
- Staff has been working on updating safety in the District Office and well as the water yard, well houses, and trucks in order to stay compliant with OSHA regulations.

FIRE

- Staff has been working with Fire on the mid-year adjustments and 2017-2018 budget.

PARKS & REC

- Staff is continually working with the County to move the Dog Park project forward.

GENERAL

- I spoke with Lonnie Lepore from Wallace Group regarding the Special District Tax Roll. Contract is for \$3,500 and attached to the GM report. The Special District Tax Roll portion is not covered by the NBS contract.
- I have been working with Counsel on the Prop 218 notice. The notice was completed and was in the mail to all water billing customers on April 28, 2017.
- I have been attending the Integrated Regional Water Management (IRWM) meetings and sub-committee meetings. Currently the County is working on Prop 1 Grant Funding. I am currently preparing the abstracts the District's Capital Improvement projects for Prop 1 consideration. The Prop 1 funds are a matching grant. If the District was to receive a grant, it would only be for a portion of the total project. There are other grant funding available and Staff is looking at all funding.

April 17, 2017

Ms. Renee Osborne
Los Osos Community Services District
PO Box 6064
Los Osos, California 93412

Subject: Fiscal Year (FY) 2017-18 Special Districts Tax Roll

Dear Ms. Osborne:

Wallace Group appreciates the opportunity to provide you with our proposal for professional services for the above referenced project. The following Scope of Services has been prepared for your consideration:

PROJECT UNDERSTANDING

Wallace Group has been providing professional services to special districts and communities such as yours for over 30 years. We understand the important relationship between an agency, its constituents and its management team.

SCOPE OF SERVICES

Special Districts FY 2017-18 Tax Roll Preparation

The County of San Luis Obispo is responsible for the recording, collection, and distribution process with respect to special tax charges. The Los Osos Community Services District (LOCSD) contains five (5) Special Districts within their boundaries, and of these five, four (4) currently collect annual fees. Wallace Group will assist LOCSD in meeting the requirements set by the County for collection of these special assessments. Details of these steps are outlined below.

Task 1: Data Acquisition

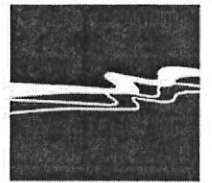
Wallace Group will acquire updated information from the San Luis Obispo County Assessor's Office for parcels within the LOCSD boundaries.

Task 2: Database Update

Wallace Group will update the LOCSD database to reflect information provided by the San Luis Obispo County Assessor's Office, as well as information provided by the LOCSD staff. This will include necessary research for lot splits, mergers, change in property owners, etc.

Task 3: Tax Assignment

Using the updated LOCSD master database, we will assign the amount due for each parcel contained in each of the four (4) Special District boundaries. It is assumed the cost per benefit unit for each Special District will remain the same as FY 2016-17, with the exception of the CPI increase for the Fire Special Tax. Wallace group will calculate and prepare changes to the fire tax in accordance with LOCSD direction.



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Task 4: Tax Roll Preparation and Submittal

Wallace Group will prepare and forward the Special Assessment Listing to the San Luis Obispo County Auditor-Controller's Office with account codes in the required format for each of the four (4) Special Districts.

Task 5: Point of Contact

Wallace Group will respond to questions or requests for information from the San Luis Obispo County Auditor-Controller's Office.

Deliverables:

- Memorandum to LOCSD that lists the changes between the FY 2016-17 and FY 2017-18 tax rolls and summarizes the total amount of assessment due (hard copy and PDF)
- FY 2017-18 Assessment Roll (PDF)
- FY 2017-18 Assessment Diagram (PDF)

SCHEDULE

Wallace Group will work with LOCSD to develop a schedule mutually agreeable to both parties. We will inform the District of deadlines set by the County Auditor-Controller's office for the Fiscal Year 2017-18 tax roll, and help assist the District in meeting these deadlines.

TO BE PROVIDED BY THE CLIENT

- Updated County Assessor's Database - Wallace Group will request the data from the County Assessor's Office (Task 1) with the invoice being paid directly by LOCSD
- Resolutions approving and adopting amounts to be collected (one original of each resolution will be needed for final tax roll submittal to the County).

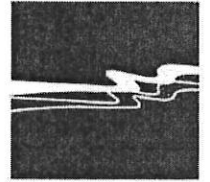
PROJECT FEES

Wallace Group will perform the services denoted in the proposed Scope of Services for a fixed fee of \$3,500. In accordance with the attached Schedule of Fees (Exhibit A), 50% of this amount will be invoiced upon receipt of the County Database in May 2017 (Task 1) and the balance will be invoiced upon the final tax roll submittal in July 2017 (Task 4). Reimbursables are included in the fixed fee amount stated above.

At your request, additional services to the Scope of Services will be performed by Wallace Group following the signature of our Contract Amendment or the initiation of a new contract.

TERMS AND CONDITIONS

In order to convey a clear understanding of the matters related to our mutual responsibilities regarding this proposal, we will perform the work in accordance with our Standard Terms and Conditions (modified) pursuant to our existing District Engineering contract with the District and which are considered as part of our proposal agreement. If this proposal meets with your approval, please sign where indicated and return one original to our office, which will serve as our notice-to-proceed.



WALLACE GROUP®

We want to thank you for this opportunity to present our proposal for professional services. If you would like to discuss this proposal in greater detail, please feel free to contact me or Lonnie Lepore, Project Manager.

Sincerely,

WALLACE GROUP, a California Corporation TERMS AND CONDITIONS ACCEPTED:

A handwritten signature in black ink, appearing to read 'R. Miller'.

Robert S. Miller, PE 57474
Principal Engineer
612 Clarion Court
San Luis Obispo
California 93401
T 805 544-4011
F 805 544-4294
www.wallacegroup.us

Signature

Printed Name

Title

Date

Attachments
sr: PP17-6066, 2017
Exhibit A

THIS PROPOSAL IS VALID FOR 60 DAYS FROM THE DATE OF THIS DOCUMENT.

Exhibit A
Standard Billing Rates



Public Works Administration Services:

Project Analyst I - IV.....	\$ 95 - \$140
Senior Project Analyst I - III	\$145 - \$155
Senior Environmental Compliance Specialist I - III	\$158 - \$166
Director	\$170

Support Services:

Office Assistant	\$ 60
Project Assistant I - III	\$ 75 - \$ 85

Additional Professional Services:

Fees for expert witness preparation, testimony, court appearances, or depositions will be billed at the rate of \$300 an hour. As authorized in advance by the Client, overtime on a project will be billed at 1.5 times the employee's typical hourly rate.

Direct Expenses:

Direct expenses will be invoiced to the client and a handling charge of 15% may be added. Sample direct expenses include, but are not limited to the following:

- travel expenses
- sub-consultant services
- agency fees
- delivery/copy services
- mileage (per IRS rates)
- other direct expenses

Invoicing and Interest Charges:

Invoices are submitted monthly on an accrued cost basis in accordance with this Fee Schedule. A finance charge of 1.5% per month may be assessed on all balances that are thirty days past due.

Right to Revisions:

Wallace Group reserves the right to revise this Schedule of Fees on an annual basis, personnel classifications may be added as necessary.

Exhibit B
Terms and Conditions

Client and Consultant agree that the following provisions shall be part of their agreement:

Billings/Payments: Accrued fees and direct charges will be billed monthly by the Consultant and shall be due at the time of billing unless otherwise specified in this agreement. Failure of Client to make full payment within 30 days of the date of invoice, the Consultant may, without waiving any claim or right against the Client, and without liability whatsoever to the Client, terminate the performance of the service. Retainers shall be credited on the final invoice.

Ownership of Documents: All documents produced by the Consultant under this agreement shall remain the property of the Consultant and may not be used by the Client for any other endeavor without the written consent of the Consultant.

Electronic Media: Because CADD information stored in electronic form can be modified by other parties, intentionally or otherwise, Client agrees to indemnify and hold harmless and indemnify Consultant from all claims and expenses arising out of the modification or use of these materials.

Document Reuse: Client agrees not to reuse Consultant's drawings, specifications, or other related documents without Consultant's written consent. In the event that changes are made to the plans and specifications by the Client, his agents, or employees, the Client agrees to hold harmless and indemnify Consultant for any and all liability arising out of or resulting from such changes.

Indemnification: The Consultant shall indemnify and save harmless Client, including their officers, employees, affiliates, parent and subsidiaries, from and against any and all liability, claims, suits, losses, damages, costs, expenses, reasonable attorney's fees, or liability to the extent arising out of or resulting from any negligent acts, errors or omissions of Consultant, and its officers, employees, agents or sub consultants arising out of or in connection with Consultant services to be performed under this agreement.

The Client shall indemnify and save harmless Consultant, including their officers, employees, affiliates, parent and subsidiaries, from and against any and all liability, claims, suits, losses, damages, costs, expenses, reasonable attorney's fees, or liability to the extent arising out of or resulting from any negligent acts, errors or omissions of Client, and its officers, employees, agents or sub consultants arising out of or in connection with services to be performed under this agreement.

Certifications: Consultant shall not be required to execute any document that would result in its certifying, guaranteeing or warranting the existence of conditions whose existence the Consultant cannot ascertain.

Dispute Resolution: Any claims or disputes made during design, construction or post-construction between the Client and Consultant shall be submitted to non-binding mediation. Client and Consultant agree to include a similar mediation agreement with all contractors, subcontractors, subconsultants, suppliers and fabricators, thereby providing for mediation as the primary method for dispute resolution between all parties.

Retention: If any portion of CONSULTANT'S fee is held in retention, such amount shall be released within thirty days after invoicing for completion of corresponding services. Interest shall be paid at the rate of 1.5% per month on any retention amounts not paid within this thirty-day period.

Attorneys' Fees: In the event any litigation arising from or related to this Agreement or the services provided under this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable costs incurred including staff time, court costs, attorneys' fees and all other related expenses in such litigation.

Limitation of Liability: In recognition of the relative risks, rewards and benefits of the project to both the Client and Consultant, the risks have been allocated such that the Client agrees that, to the fullest extent permitted by law, the Consultant's total liability to the Client for any and all injuries, claims, losses, expenses, damages or claim expenses arising out of this agreement from any cause or causes, shall not exceed the sum of the Consultant's fees or \$50,000, whichever is greater. Such causes include, but are not limited to, the Consultant's negligence, errors, omissions, strict liability, or breach of contract.

Termination of Services: The agreement may be terminated by the Client or the Consultant should the other fail to perform its obligations hereunder. In the event of termination, the Client shall pay the Consultant for all services rendered to the date of termination, all reimbursable expenses, and reimbursable termination expenses.

This agreement shall be governed by and construed in accordance with the laws of the State of California.