



April 6, 2017

To: Honorable LOCSO Board of Directors

From: Renee Osborne, General Manager

Agenda Item #4D General Manager Activity for March 2017

President

Jon-Erik G. Storm

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:

P.O. Box 6064
Los Osos, CA 93412

Offices:

2122 9th Street, Suite 102
Los Osos, CA 93402

Phone: 805/528-9370

FAX: 805/528-9377

www.losososcscsd.org

STAFF

- Staff has been working with the Bookkeeper on the transition. We have hired Dale Flynn to help us with training and auditing the accounting program for errors, checking the budget, and other updates as needed. As Dale is a Cal PERs employee, it is better to have her on as temporary Staff. We will process her through our payroll system. Our Bookkeeper Robert Stilts, Ms. Flynn and myself will prepare a report of the issues and/or what needs to get done in order to put the accounting system back in order. We were able to address a few issues, and have included in this Board Packet a Mid-year/Updated Budget. Attached to the General Manager's report is Ms. Flynn's letter of requested services and a not to exceed \$5,000 budget.

WATER/DRAINAGE

- We have had some issues as mentioned in other GM reports regarding the 8th Street drainage. The back-up diesel pump needs to be replaced or refurbished. At this time staff is trying to find the components so we can refurbish the pump. This will make a difference between \$10,000 or \$56,000 for a new pump. We will also need to replace the control panel on 8th Street. One of the issues during the last storm event was failure of the panel. Staff was able to manually fix the problem temporarily, but this panel is old and rusted and needs to be replaced. These items for 8th street have been submitted to Rob Miller to be added to the Capital Improvements list.
- The Palisades Well suffered major damage to the electrical components that rendered it non-operational a few weeks ago. All three fuses at the meter panel failed and the VFD (well control) has failed. FRM has been asked to take a look at the panel. Staff requested an Emergency Purchase order request to fix this panel immediately. The President was located and approved the request in the amount of \$9,500. The proposal is attached to the General Manager's Report.
- All Staff has been working on the budget for the 2017-2018 fiscal year.

FIRE

- John Madonna Construction (JMC) has finished construction on the sewer lateral. They did not exceed their budgeted costs. The notice of completion is under Item 6G.
- The wire transfer was made to Firematic for \$100,000 for the first installment of the Fire Medic Truck.

PARKS & REC

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

GENERAL

- I have been in contact with Standard and Poors'. After 2 changes in personnel handling our case, we were able to get some answers. After requesting additional information from NBS, they have completed their analysis on the Los Osos CSD bond rating. Attached to the General Manager's report is the updated Standard and Poors' Report.
- The Intertie project has been completed. The notice of completion is under Item 6F.



March 13, 2017

President

Jon-Erik G. Storm

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

Dale G. Flynn
411 Olympic Court
Wasco, CA 93280

Dear Ms. Flynn:

This letter serves to confirm your temporary employment with the Los Osos Community Services District (District). You will work as a District Accountant for a limited time. Your pay rate will be \$37.50 per hour. Your tasks will be to help the District bring its books up to date and to train the current District Accountant to make effective use of the MIP agency accounting software.

You will work a maximum of 134 hours at which time your employment will be terminated. You will be paid according to regular district policy for a part time employee. You will not be required to perform your work at the District office, but you may do so.

Sincerely,


Renee Osborne

I Dale Flynn, accept these terms:

Mailing Address:

P.O. Box 6064
Los Osos, CA 93412

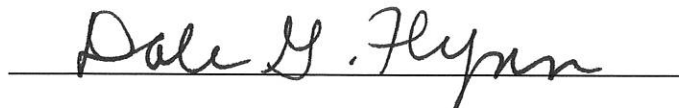
Offices:

2122 9th Street, Suite 102
Los Osos, CA 93402

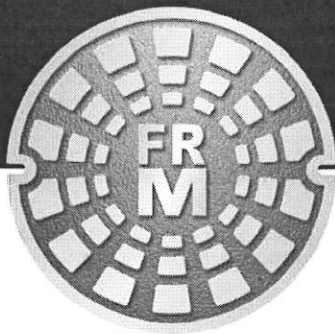
Phone: 805/528-9370

FAX: 805/528-9377

www.losososcscsd.org



Date: 3-13-17



PROPOSAL and CONTRACT

DATE Mar 15, 2017

PROPOSAL SUBMITTED TO
Los Osos CSD C/O Frank Asuncion

STREET
2122 9th Street

CITY, STATE, AND ZIP CODE
Los Osos, CA, 93402

ENGINEER
N/A

DATE OF PLANS
N/A

QB 17 - 55

PHONE
(805) 458-8123

JOB NAME
Well 3 VFD Replacement

JOB LOCATION
Well 3 Los Osos

JOB PHONE
N/A

Dear Mr. Asuncion,

FRM proposes to furnish all labor, materials and equipment to complete the following scope of work;

SCOPE OF WORK:

Supply and install one new Altivar 61 VFD identical to the existing installed. Remove and dispose of the existing. Install the new unit, provide wiring connections, provide programming of the new VFD and perform startup to verify automated and manual operation.

Project assumptions- Prevailing wage rates will apply, Los Osos CSD will provide DIR reporting numbers for the project, shipping and taxes included.

All of the above work to be completed in a substantial and workmanlike manner according to standard practices for the sum of

Nine Thousand Seven Hundred Twenty Eight Dollars and Fifty Seven Cents

(\$9,728.57)

Payments are due Net 30 days from the date of invoice unless stated otherwise in this contract.

Any alteration or deviation from the above specifications involving extra cost of materials or labor will only be executed upon written orders for same, and will become an extra charge over the sum mentioned in this contract. All agreements must be made in writing. This proposal is valid for 30 days.

NOTICE

Contractors are required by law to be licensed and regulated by the Contractors State License Board. Any questions concerning a contractor may be referred to the registrar of the board whose address is

**CONTRACTORS STATE LICENSE BOARD
1020 N Street, Sacramento, California 95814**

Respectfully Submitted,

FLUID RESOURCE MANAGEMENT

BY Michael Ellison

License No. 937346

Digitally signed by Michael Ellison
DN: cn=Michael Ellison, ou=Fluid Resource Management, ou=am@fluidrm.com, c=US
Date: 2017.03.15.15:20:48 -0700

ACCEPTANCE

You are hereby authorized to furnish all materials and labor required to complete the work mentioned in the above proposal, for which Los Osos CSD

agrees to pay the amount mentioned in said proposal, and according to the terms and conditions thereof (See conditions on next page).

DATE: _____

ACCEPTED BY: _____

NOTICE UNDER THE MECHANIC'S LIEN LAW (CALIFORNIA CODE OF CIVIL PROCEDURE, SECTION 1181 ET SEQ.), ANY CONTRACTOR, SUBCONTRACTOR, LABORER, SUPPLIER OR OTHER PERSON WHO HELPS TO IMPROVE YOUR PROPERTY BUT IS NOT PAID FOR HIS WORK OR SUPPLIES, HAS A RIGHT TO ENFORCE A CLAIM AGAINST YOUR PROPERTY. THIS MEANS THAT, AFTER A COURT HEARING, YOUR PROPERTY COULD BE SOLD BY A COURT OFFICER AND THE PROCEEDS OF THE SALE USED TO SATISFY THE INDEBTNESS. THIS CAN HAPPEN EVEN IF YOU HAVE PAID YOUR OWN CONTRACTOR IN FULL, IF THE SUBCONTRACTOR, LABORER, OR SUPPLIER REMAINS UNPAID.

March 24, 2017

Los Osos Community Services District
2122 9th Street, Suite 102
Los Osos, CA 93402
Attention: Ms. Renee Osborne, General Manager

REVISED

Re: *Los Osos Community Services District Wastewater Assessment District No. 1, California, Limited Obligation Improvement Bonds*

Dear Ms. Osborne:

S&P Global Ratings has reviewed the rating on the above-listed obligations. Based on our review, we have raised the underlying rating (SPUR) from "NR" to "BBB-" and changed the outlook to stable from nr. A copy of the rationale supporting the rating and outlook is enclosed.

This letter constitutes S&P Global Ratings' permission for you to disseminate the above rating to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements) will become effective only after we have released the rating on standardandpoors.com. Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable.

To maintain the rating, S&P Global Ratings must receive all relevant financial and other information, including notice of material changes to financial and other information provided to us and in relevant documents, as soon as such information is available. Relevant financial and other information includes, but is not limited to, information about direct bank loans and debt and debt-like instruments issued to, or entered into with, financial institutions, insurance companies and/or other entities, whether or not disclosure of such information would be required under S.E.C. Rule 15c2-12. You understand that S&P Global Ratings relies on you and your agents and advisors for the accuracy, timeliness and completeness of the information submitted in connection with the rating and the continued flow of material information as part of the surveillance process. Please send all information via electronic delivery to pubfin_statelocalgovt@spglobal.com. If SEC rule 17g-5 is applicable, you may post such information on the appropriate website. For any information not available in electronic format or posted on the applicable website,

Please send hard copies to:

S&P Global Ratings
Public Finance Department

55 Water Street
New York, NY 10041-0003

The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

S&P Global Ratings is pleased to have the opportunity to provide its rating opinion. For more information please visit our website at www.standardandpoors.com. If you have any questions, please contact us. Thank you for choosing S&P Global Ratings.

Sincerely yours,

S&P Global Ratings
a division of Standard & Poor's Financial Services LLC

jd

enclosure

cc: Mr. Mike Doyel, District Accountant
Los Osos Community Services District

S&P Global Ratings

S&P Global Ratings Terms and Conditions Applicable To Public Finance Credit Ratings

General. The credit ratings and other views of S&P Global Ratings are statements of opinion and not statements of fact. Credit ratings and other views of S&P Global Ratings are not recommendations to purchase, hold, or sell any securities and do not comment on market price, marketability, investor preference or suitability of any security. While S&P Global Ratings bases its credit ratings and other views on information provided by issuers and their agents and advisors, and other information from sources it believes to be reliable, S&P Global Ratings does not perform an audit, and undertakes no duty of due diligence or independent verification, of any information it receives. Such information and S&P Global Ratings' opinions should not be relied upon in making any investment decision. S&P Global Ratings does not act as a "fiduciary" or an investment advisor. S&P Global Ratings neither recommends nor will recommend how an issuer can or should achieve a particular credit rating outcome nor provides or will provide consulting, advisory, financial or structuring advice. Unless otherwise indicated, the term "issuer" means both the issuer and the obligor if the obligor is not the issuer.

All Credit Rating Actions in S&P Global Ratings' Sole Discretion. S&P Global Ratings may assign, raise, lower, suspend, place on CreditWatch, or withdraw a credit rating, and assign or revise an Outlook, at any time, in S&P Global Ratings' sole discretion. S&P Global Ratings may take any of the foregoing actions notwithstanding any request for a confidential or private credit rating or a withdrawal of a credit rating, or termination of a credit rating engagement. S&P Global Ratings will not convert a public credit rating to a confidential or private credit rating, or a private credit rating to a confidential credit rating.

Publication. S&P Global Ratings reserves the right to use, publish, disseminate, or license others to use, publish or disseminate a credit rating and any related analytical reports, including the rationale for the credit rating, unless the issuer specifically requests in connection with the initial credit rating that the credit rating be assigned and maintained on a confidential or private basis. If, however, a confidential or private credit rating or the existence of a confidential or private credit rating subsequently becomes public through disclosure other than by an act of S&P Global Ratings or its affiliates, S&P Global Ratings reserves the right to treat the credit rating as a public credit rating, including, without limitation, publishing the credit rating and any related analytical reports. Any analytical reports published by S&P Global Ratings are not issued by or on behalf of the issuer or at the issuer's request. S&P Global Ratings reserves the right to use, publish, disseminate or license others to use, publish or disseminate analytical reports with respect to public credit ratings that have been withdrawn, regardless of the reason for such withdrawal. S&P Global Ratings may publish explanations of S&P Global Ratings' credit ratings criteria from time to time and S&P Global Ratings may modify or refine its credit ratings criteria at any time as S&P Global Ratings deems appropriate.

Reliance on Information. S&P Global Ratings relies on issuers and their agents and advisors for the accuracy and completeness of the information submitted in connection with credit ratings and the surveillance of credit ratings including, without limitation, information on material changes to information previously provided by issuers, their agents or advisors. Credit ratings, and the maintenance of credit ratings, may be affected by S&P Global Ratings' opinion of the information received from issuers, their agents or advisors.

Confidential Information. S&P Global Ratings has established policies and procedures to maintain the confidentiality of certain non-public information received from issuers, their agents or advisors. For these purposes, "Confidential Information" shall mean verbal or written information that the issuer or its agents or advisors have provided to S&P Global Ratings and, in a specific and particularized manner, have marked or otherwise indicated in writing (either prior to or promptly following such disclosure) that such information is "Confidential."

S&P Global Ratings Not an Expert, Underwriter or Seller under Securities Laws. S&P Global Ratings has not consented to and will not consent to being named an “expert” or any similar designation under any applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation, Section 7 of the U.S. Securities Act of 1933. S&P Global Ratings has not performed and will not perform the role or tasks associated with an "underwriter" or "seller" under the United States federal securities laws or other regulatory guidance, rules or recommendations in connection with a credit rating engagement.

Disclaimer of Liability. S&P Global Ratings does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a credit rating or the results obtained from the use of such information. S&P GLOBAL RATINGS GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. S&P Global Ratings, its affiliates or third party providers, or any of their officers, directors, shareholders, employees or agents shall not be liable to any person for any inaccuracies, errors, or omissions, in each case regardless of cause, actions, damages (consequential, special, indirect, incidental, punitive, compensatory, exemplary or otherwise), claims, liabilities, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in any way arising out of or relating to a credit rating or the related analytic services even if advised of the possibility of such damages or other amounts.

No Third Party Beneficiaries. Nothing in any credit rating engagement, or a credit rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of a credit rating. No person is intended as a third party beneficiary of any credit rating engagement or of a credit rating when issued.

RatingsDirect®

Summary:

Los Osos Community Services District Wastewater Assessment District No. 1, California; Special Assessments

Primary Credit Analyst:

Jean C Lee, San Francisco +1 415.371.5057; jean.lee@spglobal.com

Secondary Contact:

Michael Parker, Centennial 303-721-4701; michael.parker@spglobal.com

Table Of Contents

Rationale

Outlook

Summary:

Los Osos Community Services District Wastewater Assessment District No. 1, California; Special Assessments

Credit Profile

Los Osos Comnty Svcs Dist Wastewtr Assess Dist No. 1 SPCLASMT (MBIA) (MBIA of Illinois)

Unenhanced Rating

BBB-(SPUR)/Stable

Reinstated

Many issues are enhanced by bond insurance.

Rationale

S&P Global Ratings reinstated its 'BBB-' underlying rating (SPUR) on Los Osos Community Services District Wastewater Assessment District No. 1, Calif.'s limited-obligation improvement bonds outstanding. The outlook is stable.

The rating had been placed on CreditWatch with negative implications on June 6, 2016, due to the lack of timely information and the rating was withdrawn on June 21, 2016. We have since been provided with sufficient information to reinstate the rating.

The rating reflects our view of the following credit weaknesses:

- Just 1.00x coverage of annual debt service by scheduled special assessments (as is typical for special assessment bonds);
- The debt service reserve, which would support only the estimated permanent loss of 4.6% of annual assessments for the life of the bonds, which would be unable to fully cover the permanent loss of assessments from properties with a value to lien (VTL) of less than 5 to 1; and
- The overall VTL (including overlapping debt) of 14.4 to 1.

In our opinion, partly offsetting the above credit weaknesses include's:

- The district's participation in the county Teeter Plan, which funds the full amount of annual assessments regardless of delinquencies, and
- The primarily residential and mostly built-out district, which has access to the broader San Luis Obispo metropolitan statistical area (MSA).

The authority bonds are limited obligations of the authority payable from assessments levied against the property in the Los Osos Community Services District Wastewater Assessment District No. 1 collected for the repayment of the assessment district's outstanding improvement bonds. Proceeds from the bonds were used to construct a wastewater collection, treatment, and disposal system.

As is typical for special assessment bonds, assessments provide just 1.00x coverage of annual debt service on the

improvement bonds. For fiscal 2017, 4,192 parcels were subject to the assessment levy, for a total of \$1.19 million of annual assessment revenue. The assessment district is primarily residential, with a small portion of commercial properties. The assessment district's overall assessed value (AV) to lien is adequate at 14.4, and 9.1% of assessments generated from parcels with a VTL of less than 5 to 1. Overall VTL assessments of less than 5 to 1 were much higher at 25.3%. The assessment base is diverse, in our view, with the 10 largest property owners' assessments representing only 11.2% of total annual assessments in fiscal 2017. The leading taxpayer, Morro Shores Co., accounts for 2.8% of total assessments.

The bonds' debt service reserve is currently funded at \$861,169, and would support only the permanent loss of 4.6% of annual assessments for the life of the bonds, compared to 11.2% and 9.1% of assessments payable from the top 10 assessment payers and parcels with AV-to-lien ratios of less than 5 to 1, respectively. However, we believe the proportion of parcels with a VTL of less than 5 to 1 may be overstated due to Proposition 13, which results in AV that is lower than current market value in communities such as Los Osos that have a preponderance of retirement communities that experience low turnover in property.

We understand that the assessment district's improvement bonds were issued to construct a wastewater collection, treatment, and disposal system, a project that was significantly delayed, then halted in 2005. Assessments that property owners pay are in proportion to the perceived benefit from the improvements funded by the improvement bonds and are included on taxpayers' property tax bills. San Luis Obispo County's Teeter Plan remits the full amount of the assessment levy regardless of delinquencies. In addition, the assessment district's 2006 supplemental bond resolution requires all assessments to be transferred from the county to the trustee for deposit in the bond redemption fund, and the district shall have no rights to funds held in the redemption fund until the improvement bonds have been paid in full, according to the resolution. This flow of funds, which remits the pledged revenue directly from the county to the bond trustee, provides a degree of certainty with regard to debt service payments and provides insulation for bondholders from the possible misappropriation of funds and from other potential district operational and financial challenges.

We understand that the bankruptcy court entered an order confirming the assessment district's plan of adjustment on Oct. 15, 2013, in which the improvement bonds were listed as an unimpaired secured claim. In addition, subsequent to the assessment district's Chapter 9 bankruptcy filing on Aug. 25, 2006, the U.S. bankruptcy court judge approved an agreement between the district and the county, whereby all improvement bond assessments levied on and collected from property owners in the assessment district will be collected by San Luis Obispo County and directly remitted to the bond redemption fund held by the bond trustee during the pendency of the bankruptcy. The plan of adjustment stipulates that this procedure remain in place until the bonds are paid in full.

The community services district comprises about 5.38 square miles within the community of Los Osos. Los Osos, often referred to as Los Osos-Baywood Park, is nestled along the southern tidal estuary of Morro Bay on the coast of Central California. The assessment district is located in the unincorporated western portion of San Luis Obispo County, approximately 12 miles from the city of San Luis Obispo. The assessment district was organized in 1988 pursuant to the Community Services District Act to supply water, sewer, and fire protection services to approximately 14,130 residents within its jurisdiction. Household median effective buying income was 110%, which we consider

strong.

Outlook

The stable outlook reflects our anticipation that the assessment district will continue to participate in the Teeter Plan and collect sufficient annual assessments to pay debt service. In addition, the outlook reflects our expectation that the county, on behalf of the assessment district, will continue to collect and remit the required assessments directly to the improvement bond trustee to cover debt service. We do not anticipate changing the rating during our two-year outlook horizon.

Upward scenario

We do not expect to raise the rating, given the inability by the assessment district's debt service reserve to fully cover the permanent loss of assessments from properties with a VTL of less than 5 to 1 or the loss of the top five taxpayers.

Downward scenario

We could lower the rating if overall VTL ratios or debt service reserve levels decline to a level more commensurate with its lower-rated peers.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

Copyright © 2017 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw, or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription) and www.spcapitaliq.com (subscription) and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.