



Notice of Regular Meeting
Oceano Community Services District - Board of Directors Agenda
WEDNESDAY, November 13, 2019 – 6:00 P.M.
Oceano Community Services District Board Room
1655 Front Street, Oceano, CA

All items on the agenda including information items, may be deliberated. Any member of the public with an interest in one of these items should review the background material and request information on the possible action that could be taken.

All persons desiring to speak during any Public Comment period are asked to fill out a "Board Appearance Form" to submit to the General Manager prior to the start of the meeting. Each individual speaker is limited to a presentation time of THREE (3) minutes per item. Persons wishing to speak on more than one item shall limit his/her remarks to a total of SIX (6) minutes. This time may be allocated between items in one-minute increments up to three minutes. Time limits may not be yielded to or shared with other speakers.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. FLAG SALUTE**
- 4. AGENDA REVIEW**
- 5. CLOSED SESSION:**
- 6. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

This public comment period provides an opportunity for members of the public to address the Board on matters of interest within the jurisdiction of the District that are not listed on the agenda. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

7. SPECIAL PRESENTATIONS & REPORTS:

A. STAFF REPORTS:

- i. Operations – Utility System Manager Tony Marraccino
- ii. FCFA Operations - Chief Steve Lieberman
- iii. OCSD General Manager – Paavo Ogren
- iv. Sheriff's South Station - Commander Michael Manuele

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. Director Villa
- ii. Director Gibson
- iii. Vice President White
- iv. President Austin
- v. Director Replogle

C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

This public comment period provides an opportunity for members of the public to address the Board on matters discussed during Agenda Item #7 – Special Presentations and Reports. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

8. CONSENT AGENDA ITEMS:

Public comment Members of the public wishing to speak on consent agenda items may do so when recognized by the Presiding Officer. To facilitate public comment, we request persons wishing to speak to fill out a speak request form and give it to the General Manager. Public comment is limited to three (3) minutes.

- A. Review and Approval of Minutes for October 23, 2019
- B. Review and Approval of Cash Disbursements
- C. Approval of recommendations to Write-Off Uncollectible Utility Charges and Late Fees in the amount of \$5,919.55 and to Publish a Notice in the Tribune unclaimed Customer Credits over 3 years old
- D. Submittal of the District's Fiscal Year 2019-20 Quarter 1 Treasurer Report
- E. Approval of recommendation to adopt a resolution Designating the General Manager as the authorized representative to file an application and execute agreements for the 2019 Proposition 1 Integrated Regional Water Management Implementation Grant Program

9. BUSINESS ITEMS:

Public comment Members of the public wishing to speak on consent agenda items may do so when recognized by the Presiding Officer. To facilitate public comment, we request persons wishing to speak to fill out a speak request form and give it to the General Manager. Public comment is limited to three (3) minutes.

- A. Review of the District's Budget Status as of September 30, 2019
- B. Review of painting proposals for the Old Fire Station at 1687 Front Street and consider providing direction to the General Manager to approve the proposal deemed preferable by the Board
- C. Consideration of a recommendation to the State Water Subcontractors Advisory Committee supporting participation in preliminary efforts of the State Water Delta Conveyance Project

10. HEARING ITEMS:

11. RECEIVED WRITTEN COMMUNICATIONS:

12. LATE RECEIVED WRITTEN COMMUNICATIONS:

13. FUTURE AGENDA ITEMS: District Polices, Roles and Responsibilities with Related Agencies, Norswing/ Pershing Bid Award, Five Cities Fire Authority, District Rules and Regulations, Cienaga Seabreeze Park, Inc. Continued, Deferred Infrastructure Program, Lopez Water Contract Amendments, Central Coast Blue, Wastewater CIP, The Place, EIR State Parks PWP, LID Presentation, Old Firehouse Art, California Voting Rights Act

14. FUTURE HEARING ITEMS:

15. ADJOURNMENT:

This agenda was prepared and posted pursuant to Government Code Section 54954.2. Agenda is posted at the Oceano Community Services District, 1655 Front Street, Oceano, CA. Agenda and reports can be accessed and downloaded from the Oceano Community Services District website at www.oceanocsd.org

ASSISTANCE FOR THE DISABLED If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Clerk of the Board at (805) 481-6730 for assistance at least three (3) working days prior to the meeting so necessary arrangements can be made.



Oceano Community Services District
 Summary Minutes
 Regular Meeting Wednesday, October 23, 2019 – 6:00 P.M.
 Oceano Community Services District Board Room
 1655 Front Street, Oceano, CA

1. **CALL TO ORDER:** at 6:00 p.m. by President Austin
2. **FLAG SALUTE:** led by President Austin
3. **ROLL CALL:** Board members present: President Austin, Vice President White, Director Gibson, Director Villa, and Director Replogle. Also present, General Manager Paavo Ogren, Legal Counsel Jeff Minnery, Business and Accounting Manager Carey Casciola and Board Secretary Celia Ruiz.
4. **AGENDA REVIEW:** Agenda approved as presented.
5. **CLOSED SESSION:** None
6. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA (NOT BEGINNING BEFORE 6:00 PM):**
No public comment.
7. **SPECIAL PRESENTATIONS & REPORTS:**
 - A. Recognition of Jim Rodlin in Appreciation for 22 Years of Service to Oceano and the Five Cities Fire Authority – Presentation was given by Chief Lieberman
 - B. **STAFF REPORTS:**
 - i. Operations - Field Supervisor Tony Marraccino – None
 - ii. FCFA - Chief Steve Lieberman – reported on red flag warning of the power shut off and fire danger
 - iii. OCSD General Manager – Paavo Ogren – reported on meeting with LAFCO Executive Director David Church, State Water Subcontractors Committee, CDBG grant application, IRWM grant application, fire tax meeting with Cienaga Seabreeze.
 - iv. Sheriff's South Station - Commander Michael Manuele – None
 - C. **BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:**
 - i. Director Villa – reported on Fire AD Hoc Committee
 - ii. Director Gibson – None
 - iii. Vice President White – None
 - iv. President Austin – reported on fire tax meeting with Cienaga Seabreeze, attended Board of Supervisors Meeting
 - v. Director Replogle – reported on OAC
 - c. **PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:**
No public comment.

8 CONSENT AGENDA:	ACTION:
<ol style="list-style-type: none"> a. Review and Approval of Minutes for October 09, 2019 b. Review and Approval of Cash Disbursements 	After an opportunity for public comment and Board discussion, staff recommendations were approved with a motion from Vice President White, and a second from Director Gibson and a 5-0 roll call vote No public comment.

9A HEARING ITEM:	ACTION:
Public Hearing to consider adoption of a resolution for placing a measure on the ballot for the March 3, 2020 consolidated election for voters within District boundaries to decide whether to approve an ordinance establishing a special tax for emergency medical and fire protection services.	After an opportunity for public comment and Board discussion, a motion was made to adopt a resolution placing a measure on the ballot for the March 3, 2020 consolidated election for voters within District boundaries to decide whether to approve an ordinance establishing a special tax for emergency medical and fire protection services using a flat tax approach as amended based on the language discussed for the citizens oversight committee from Vice President White, and a second from Director Gibson and a 4-1 roll call vote, Director Replogle dissented. Public comment was received by Brenda Lowe and Mary Lucey.

10A BUSINESS ITEM:	ACTION:
Review and Approval of Minutes for Discussion of submitting an application to the San Luis Obispo County Local Agency Formation Commission to divest Emergency Medical and Fire Protection Services and provide direction to staff as deemed appropriate	After an opportunity for public comment and Board discussion, staff recommendations were approved with a motion from Vice President White, and a second from Director Gibson and a 4-1 roll call vote, Director Replogle dissented. No public comment

10B BUSINESS ITEM:	ACTION:
Consideration of a recommendation to terminate the emergency actions approved on July 10, 2019 authorizing the General Manager to procure the necessary equipment, services and supplies needed to resume groundwater pumping; to approve a purchase order with All American Drilling, Inc to install a new pump and related equipment for Well #4; and to approve a budget adjustment in the Water Fund for \$35,000 from reserves designated for infrastructure	After an opportunity for public comment and Board discussion, a motion was made to approve staff recommendations provided that after the video inspection the well is still useable in its current configuration from Director Gibson, and a second from Vice President White and a 5-0 roll call vote No public comment

10C BUSINESS ITEM:	ACTION:
Consideration of a recommendation to approve change orders on the Oceano Generator Project in an amount not to exceed \$2,622.36 with a corresponding budget adjustment of \$1,143.51 from Facilities Fund contingencies and \$1,478.85 from public facilities reserves	After an opportunity for public comment and Board discussion, staff recommendations were approved with a motion from Director Villa, and a second from Director Gibson and a 5-0 roll call vote No public comment

11. RECEIVED WRITTEN COMMUNICATIONS: None

12. LATE RECEIVED WRITTEN COMMUNICATIONS: None

13. FUTURE AGENDA ITEMS: District Polices, Roles and Responsibilities with Related Agencies, Norswing/Pershing Bid Award, Five Cities Fire Authority, District Rules and Regulations, Cienaga Seabreeze Park, Inc. Continued, Deferred Infrastructure Program, Lopez Water Contract Amendments, Central Coast Blue, Wastewater

CIP, The Place, EIR State Parks PWP, LID Presentation, Old Firehouse Art, First Quarter Budget, AR write offs, Treasure's Report.,

Director Repogle requested Garbage Franchise Fees and Bi-District Elections.

14. FUTURE HEARING ITEMS: None

15. ADJOURNMENT: at approximately 7:55 pm



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

PHONE (805) 481-6730 FAX (805) 481-6836

Date: November 13, 2019

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8B: Recommendation to Approve Cash Disbursements**

Recommendation

It is recommended that your board approve the attached cash disbursements:

Discussion

The following is a summary of the attached cash disbursements:

Description	Check Sequence	Amounts
	58056 - 58096	
Disbursements Requiring Board Approval prior to Payment:		
Regular Payable Register - paid 11/13/2019	58062 - 58094	\$ 332,472.07
U/B Account Refund (Salsbury)	58095	\$ 2,917.00
U/B Hydrant Meter Deposit Refund (Viola Construction)	58096	\$ 500.00
Subtotal:		\$ 335,889.07
Reoccurring Payments for Board Review (authorized by Resolution 2018-11):		
Payroll Disbursements - PPE 10/26/2019	N/A	\$ 31,767.19
Reoccurring Utility Disbursements - paid 10/23/2019	58056 - 58059	\$ 1,501.70
Reoccurring Health Disbursements - paid 10/23/2019	58060 - 58061	\$ 8,353.48
Subtotal:		\$ 41,622.37
Grand Total:		\$ 377,511.44

Other Agency Involvement

N/A

Other Financial Considerations

Amounts are within the authorized Fund level budgets.

Results

The Board's review of cash disbursements is an integral component of the District's system of internal controls and promotes a well governed community.

COMPANY: 99 - POOLED CASH FUND
ACCOUNT: 1-1001-000 POOLED CASH OPERATING
TYPE: All
STATUS: All
FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
CLEAR DATE: 0/00/0000 THRU 99/99/9999
STATEMENT: 0/00/0000 THRU 99/99/9999
VOIDED DATE: 0/00/0000 THRU 99/99/9999
AMOUNT: 0.00 THRU 999,999,999.99
CHECK NUMBER: 058062 THRU 058094

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE
CHECK:	-----							
1-1001-000	11/07/2019	CHECK	058062	PETTY CASH	7.32CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058063	STEWART, CASEY	100.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058064	WHITE, KAREN M.	250.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058065	MARK SCHWIND ELECTRIC INC.	770.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058066	ARROYO GRANDE CHEVROLET	108.40CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058067	ADAMSKI MOROSKI MADDEN CUMBERL	10,664.50CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058068	BURDINE PRINTING & GRAPHICS	1,509.62CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058069	ICONIX WATERWORKS (US) INC.	3,803.31CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058070	U.S. POSTAL SERVICE	234.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058071	JUSTIFACTS CREDENTIAL VERIFICA	64.75CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058072	ARAMARK	283.44CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058073	GMC ELECTRICAL, INC.	500.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058074	SWRCB/ DRINKING WATER OP CERT	70.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058075	SWRCB/ DRINKING WATER OP CERT	90.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058076	MR. BACKFLOW	230.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058077	R & T EMBROIDERY, INC.	180.27CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058078	ZENITH INSURANCE COMPANY	1,617.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058079	REPLOGLE, CYNTHIA	300.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058080	FAMCON PIPE & SUPPLY, INC.	9.30CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058081	BRENT SARKISON DBA CALTECH COM	30.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058082	AMERICAN FLAG & GIFT	62.36CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058083	CLINICAL LAB OF SAN BERNARDINO	390.00CR	OUTSTND	A	0/00/0000

11/07/2019 4:47 PM
 COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK RECONCILIATION REGISTER

PAGE: 2
 CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 058062 THRU 058094

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	11/07/2019	CHECK	058084	J.B. DEWAR, INC.	393.86CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058085	FIVE CITIES FIRE AUTHORITY	303,478.25CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058086	KNECHT'S PLUMBING & HEATING, I	381.05CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058087	MINER'S ACE HARDWARE, INC.	128.57CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058088	QUILL CORPORATION	20.67CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058089	PRO-TECH LANDSCAPE MANAGEMENT,	410.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058090	CARQUEST AUTO PARTS	30.13CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058091	USA NORTH 811	661.37CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058092	MOSS, LEVY & HARTZHEIM	1,000.00CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058093	AQUA-METRIC	2,518.90CR	OUTSTND	A	0/00/0000
1-1001-000	11/07/2019	CHECK	058094	WILSON ENGINEERING	2,175.00CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	332,472.07CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	332,472.07CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 058095 THRU 058095

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	11/07/2019	CHECK	058095	SALSBURY, MARIAN & G	2,917.00CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	2,917.00CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	2,917.00CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

COMPANY: 99 - POOLED CASH FUND
ACCOUNT: 1-1001-000 POOLED CASH OPERATING
TYPE: All
STATUS: All
FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
CLEAR DATE: 0/00/0000 THRU 99/99/9999
STATEMENT: 0/00/0000 THRU 99/99/9999
VOIDED DATE: 0/00/0000 THRU 99/99/9999
AMOUNT: 0.00 THRU 999,999,999.99
CHECK NUMBER: 058096 THRU 058096

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	11/07/2019	CHECK	058096	VIOLA CONSTRUCTION	500.00CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	500.00CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	500.00CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

Payroll Summary Report
Board of Directors - Agenda Date November 13, 2019

	(*)	
<u>Gross Wages</u>	10/12/2019	10/26/2019
Regular	\$26,866.77	\$26,413.14
Overtime Wages	\$596.91	\$967.85
Stand By	\$450.00	\$600.00
	\$27,913.68	\$27,980.99
Cell Phone Allowance	\$0.00	\$0.00
Total Wages	\$27,913.68	\$27,980.99

<u>Disbursements</u>		
Net Wages	\$20,399.74	\$20,624.96
State and Federal Agencies	\$5,895.07	\$5,969.28
CalPERS - Normal	\$5,087.25	\$5,025.36
SEIU - Union Fees	\$147.59	\$147.59
Total Disbursements processed with Payroll	\$31,529.65	\$31,767.19
Health (Disbursed with reoccurring bills)	\$4,964.24	\$0.00
Total District Payroll Related Costs	\$36,493.89	\$31,767.19

(*) Previously reported in prior Board Meeting packet - provided for comparison.

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 058056 THRU 058059

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	10/23/2019	CHECK	058056	RABOBANK EQUIPMENT LEASE	755.60CR	OUTSTND	A	0/00/0000
1-1001-000	10/23/2019	CHECK	058057	DE LAGE LANDEN FINANCIAL SERVI	150.15CR	OUTSTND	A	0/00/0000
1-1001-000	10/23/2019	CHECK	058058	ADVANTAGE ANSWERING PLUS, INC	266.32CR	OUTSTND	A	0/00/0000
1-1001-000	10/23/2019	CHECK	058059	COASTAL COPY, INC.	329.63CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	1,501.70CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	1,501.70CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

COMPANY: 99 - POOLED CASH FUND
ACCOUNT: 1-1001-000 POOLED CASH OPERATING
TYPE: All
STATUS: All
FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
CLEAR DATE: 0/00/0000 THRU 99/99/9999
STATEMENT: 0/00/0000 THRU 99/99/9999
VOIDED DATE: 0/00/0000 THRU 99/99/9999
AMOUNT: 0.00 THRU 999,999,999.99
CHECK NUMBER: 058060 THRU 058061

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	10/23/2019	CHECK	058060	BLUE SHIELD OF CALIFORNIA	7,096.24CR	OUTSTND	A	0/00/0000
1-1001-000	10/23/2019	CHECK	058061	PRINCIPAL LIFE INSURANCE COMPA	1,257.24CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	8,353.48CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	8,353.48CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: November 13, 2019

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(C): Approval of recommendations to Write-Off Uncollectible Utility Charges and Late Fees in the amount of \$5,919.55 and to Publish a Notice in the Tribune unclaimed Customer Credits over 3 years old**

Recommendation

It is recommended that your Board:

1. Review and approve the writing-off the unpaid service charges and late fees specified in Attachment "A."
2. Direct staff to publish a notice as required by Government Code Section 50050 and establish January 10, 2020 as the final date for an individual to claim money relating to customer credits, specified in Attachment "A," that are over 3 years old.

Discussion

Annually, your Board approves collection of delinquent utility bills on property tax bills in accordance with Government Code Section 61115(b). Some accounts that are delinquent could not be placed on property tax bills because the property was sold, and the new owners are not responsible for the prior owners' delinquent accounts. Formal approval by your Board is needed to write-off the uncollectible accounts.

The accounts listed in Attachment "A" represent those delinquent accounts which total \$5,919.55. Two accounts exceed a thousand dollars each. These properties were shut off but continued to be charged the base rate each cycle, and late fees, since no request to discontinue service was provided by the property owner. As a result, the majority of the outstanding balances were generated after service was discontinued and are related to late fees. After adjusting for late fees, the uncollectible amount of service charges total \$3,631.57, or 0.1 % of total annual service charge revenues. Historically, the District has not pursued collection of these delinquent accounts through a collection agency or other means since the annual amounts are relatively insignificant in comparison to annual revenues.



Oceano Community Services District

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Lastly, Attachment "A" identifies "customer credits," which represent customers who have overpaid their utility bill and have then moved from the property. The District does not have the forwarding address for these customers and their credits remain with the District. Government Code Section 50050 – 50053 establishes requirements for unclaimed money held by a local agency. It states that the money is not the property of the local agency until it has been over 3 years and the local agency has posted a notice in the newspaper of general circulation once a week for two successive weeks. If the money is not claimed after being noticed, the money becomes property of the District and is moved into revenues. Attachment "A" identifies the closed accounts with customer credits that are past 3 years old for a total of \$383.28, and which need to be claimed by January 10th. The district, upon board approval, is to notice in the Tribune for two consecutive weeks for accounts that are over 3 years old before claiming these credits as revenue.

Other Agency Involvement

n/a

Other Financial Considerations

n/a

Results

Writing off uncollectible customer accounts promotes transparency and helps to ensure that accounting adjustments, for audit purposes, coincides with Board consideration of delinquent accounts.

- Attachment "A" – List of Unpaid Customer Accounts
- Attachment "B" – Account Balance Report

Oceano Community Services Distirct
 Account Balance Report - AR Write Off/ Customer Credits

<u>Account</u>	<u>Address</u>	<u>Owner</u>	<u>Year</u>	<u>Amount</u>
01-00206-05	761 Paul Pl	Howell, Charles A.	2018/19	\$ 171.59
01-00640-08	1340 24th St	Heinze, Matthew	2018/19	\$ 131.78
01-00779-05	1491 24th St	Keene, Daniel	2018/19	\$ 149.07
01-00880-00	2430 A-B Wilmar	Camara, Manuel R.	2018/19	\$ 1,883.08
01-01978-01	1304 20th St	Mason, James	2018/19	\$ 71.40
02-03440-00	2460 Paso Robles	Lopez, Joseph	2018/19	\$ 121.32
02-03527-00	2716 Grell Lane	Dacey, Michael	2018/19	\$ 175.44
02-03891-03	1962 S Elm	Canales, Christina	2018/19	\$ 20.00
02-03974-02	2270 Paso Robles	Breckenridge Prop Fund	2018/19	\$ 172.53
03-04466-05	2251 Cienaga	Martins, Marcelo	2018/19	\$ 53.97
03-04470-02	2230 Beach	Rios, Dennis & Yvette	2018/19	\$ 73.08
03-04491-07	2177 Cienaga	Evans, Danielle	2018/19	\$ 396.30
03-04898-02	1511 15th St	Casey, Barbara	2018/19	\$ 1,379.14
03-04898-03	1511 15th St	Casey, Madeline	2018/19	\$ 93.83
03-05173-00	1654 Wilmar	Shepard, Walt	2018/19	\$ 58.11
03-50597-00	1485 16 St	Oceano Homes HOA	2018/19	\$ 5.00
04-05732-04	1371 A-C S 4th St	Steve Lounsbury	2018/19	\$ 657.21
04-06288-10	325 Pier	Art Cel Inc	2018/19	\$ 155.58
04-06745-05	374 Pier	Vardapetian, Arthur	2018/19	\$ 151.12

FYE 2018/19 Total - Unpaid Service Charges **\$ 5,919.55**

0100382-06	650 La Vista	Sisemore, Stephanie B	2019/20	\$ 22.12
01-0763-02	1380 24th St	Owen, Jeffrey	2019/20	\$ 148.05
01-01347-07	1362 Lazy Lane	Michelle King	2019/20	\$ 17.92
01-02832-02	1620 22n St	Castaneda, Carlos	2019/20	\$ 486.68
02-03132-00	2011 Vista	Chaves, Galdino	2019/20	\$ 17.92
02-03140-05	1423 20th	O'Connor Trust	2019/20	\$ 22.02
02-03440-00	2460 Paso Robles	Lopez, Joseph	2019/20	\$ 43.52
02-03641-00	2361 Cienaga	George, Audrey Estate	2019/20	\$ 413.48
02-03901-02	1850 25th	Norling, Brandon	2019/20	\$ 38.42
03-04614-04	1960 Cienaga	Pimental, Max	2019/20	\$ 128.34
03-05251-01	1340 17th St	Peters, Floyd	2019/20	\$ 318.17
03-48984-03	1505 15th St	Fatourchi, Mike	2019/20	\$ 21.42
04-05836-04	1371 A-C 4th S	Phillips, Amy	2019/20	\$ 20.27
04-05980-03	1539 Fountain	Art Cel Inc	2019/20	\$ 35.84
04-55135-01	Hart, Gary & Lehman	1274 Belridge	2019/20	\$ 25.00

FYE 2019/20 Total - "In Collections" **\$ 1,759.17**

01-00464-05	671 Lancaster	Tabata, John	2015/16	\$ (0.49)
04-55090-00	360 Pier	Ross Michael	2015/16	\$ (382.79)

Cutomer Credits - Closed Accounts > 3 Years **\$ (383.28)**

02-03489-00	2570 Basin	Hetrick, Beatrice	2019/20	\$ (148.05)
04-07094-03	1670 Laguna	Mahoney, Mary Joe	2019/20	\$ (21.42)
01-00444-06	2545 Lancaster	Gerrity, Sean	2018/19	\$ (16.83)
01-20550-02	1915 Wilmar	Budar, Lawrence	2017/18	\$ (10.21)
02-03256-00	2180 Vista	Mclennan, Bruce	2017/18	\$ (147.16)
02-04134-02	1611 Ocean	Saulsbury, Helen	2017/18	\$ (56.10)
03-04673-00	22nd Pismo Coast Hydrant	Pismo Coast Village	2017/18	\$ (30.00)
01-09043-01	1460 25th St	Womack, Dixon	2016/17	\$ (5.05)
03-04469-02	2240 Beach	Outland, James	2016/17	\$ (0.01)
04-55060-01	1102 Pike Lane	Sojourn Ventures	2016/17	\$ (124.72)
01-55390-02	1085 Alice Ln	Sturevant, Robert	2016/17	\$ (59.44)

Cutomer Credits - Closed Accounts < 3 Years **\$ (618.99)**

Total - Tyler Account Balance Report **\$ 6,676.45**

ACCOUNT	NAME / SERVICE ADDRESS	STATUS	BALANCE	REVENUE DISTRIBUTION					
01-00206-05	HOWELL, CHARLES A. 761 PAUL PL	FINAL	171.59	100-WATE 700-PENA	99.94 5.00	150-LOPE 701-DHFE	8.18 25.00	200-SEWE	33.47
01-00382-08	SISEMORE, STEPHANIE B 650 LA VISTA	FINAL	22.12	100-WATE	15.12	150-LOPE	7.00		
01-00444-06	GERRITY, SEAN 2545 LANCASTER	FINAL	16.83-	996-UAC	16.83-				
01-00464-05	TABATA, JOHN 671 LANCASTER	FINAL	0.49-	999-REF	0.49-				
01-00640-08	HEINZE, MATTHEW 1340 24TH ST	FINAL	131.78	100-WATE	85.28	150-LOPE	26.04	200-SEWE	20.46
01-00763-02	OWEN, JEFFREY 1380 24TH ST	FINAL	148.05	100-WATE	97.06	150-LOPE	31.50	200-SEWE	19.49
01-00779-05	KEENE, DANIEL 1491 24TH ST	FINAL	149.07	100-WATE	97.66	150-LOPE	31.92	200-SEWE	19.49
01-00880-00	CAMARA, MANUEL R. 2430 A-B WILMAR	FINAL	1,883.08	100-WATE 700-PENA	1,188.51 31.47	150-LOPE 701-DHFE	110.24 40.30	200-SEWE 705-RECF	480.33 32.23
01-01347-07	MICHELLE KING 1362 LAZY LANE	FINAL	17.92	100-WATE	13.05	200-SEWE	4.87		
01-01978-01	MASON, JAMES 1304 20TH ST	FINAL	71.40	100-WATE	50.23	150-LOPE	1.68	200-SEWE	19.49

ACCOUNT	NAME / SERVICE ADDRESS	STATUS	BALANCE			REVENUE DISTRIBUTION				
01-02832-02	CASTANEDA, CARLOS A JR 1620 22ND ST	FINAL	486.68	100-WATE 400-CN	340.54 2.40	150-LOPE	124.25	200-SEWE	19.49	
01-09043-01	WOMACK, DIXON & DENISE 1460 25TH ST	FINAL	5.05	996-UAC	5.05					
01-20550-02	BUDAR, LAWRENCE 1915 WILMAR	FINAL	10.21	100-WATE 996-UAC	48.58 88.00	150-LOPE	9.72	200-SEWE	19.49	
=====										
****	BOOK # :0001	TOTAL ACCOUNT	13	3,049.11	100-WATER 400-CN 705-RECFEE	2,035.97 2.40 32.23	150-LOPEZ 700-PENALT 996-UAC	350.53 36.47 109.88	200-SEWER 701-DHFEE 999-REF	636.58 65.30 0.49
=====										
02-03132-00	CHAVEZ, GALDINO & IRENE 2011 VISTA	FINAL	17.92	100-WATE	13.05	200-SEWE	4.87			
02-03140-05	O'CONNOR, TRUST 1423 20TH ST	FINAL	22.02	100-WATE 400-CN	13.05 0.60	150-LOPE	3.50	200-SEWE	4.87	
02-03256-00	MCLENNAN, BRUCE 2180 VISTA	FINAL	147.16	996-UAC	147.16					
02-03436-02	CARR, CONNIE & JERRY 2428 PASO ROBLES	FINAL	43.52	100-WATE 400-CN	26.91 0.90	150-LOPE 700-PENA	4.62 0.63	200-SEWE 701-DHFE	7.32 3.14	
02-03440-00	LOPEZ, JOSEPH 2460 PASO ROBLES	FINAL	121.32	100-WATE	78.31	150-LOPE	23.52	200-SEWE	19.49	
02-03489-00	HETRICK, BEATRICE	FINAL	148.05	996-UAC	148.05					

ACCOUNT	NAME / SERVICE ADDRESS	STATUS	BALANCE			REVENUE DISTRIBUTION				
02-03527-00	DACEY, MICHAEL 2716 GRELL LANE	FINAL	175.44	100-WATE 700-PENA	103.78 10.00	150-LOPE	22.68	200-SEWE	38.98	
02-03641-00	GEORGE, AUDREY ESTATE 2361 CIENAGA	FINAL	413.48	100-WATE	265.52	150-LOPE	70.00	200-SEWE	77.96	
02-03891-03	CANALES, CHRISTINA 1962 S ELM	FINAL	20.00	100-WATE 410-NEWA	9.44 5.64	150-LOPE	1.26	200-SEWE	3.66	
02-03901-02	NORLING, BRANDON 1850 25TH ST	FINAL	38.42	100-WATE 700-PENA	18.16 1.74	150-LOPE 701-DHFE	3.04 8.70	200-SEWE	6.78	
02-03974-02	BRECKENRIDGE PROP FUND 2016 2270 PASO ROBLES	FINAL	172.53	100-WATE 410-NEWA	73.05 30.00	150-LOPE 700-PENA	15.12 5.00	200-SEWE 701-DHFE	24.36 25.00	
02-04134-02	SAULSBURY, HELEN 1611 OCEAN	FINAL	56.10	100-WATE 400-CN	112.30 2.77	150-LOPE 700-PENA	36.59 5.77	200-SEWE 996-UAC	22.50 236.03	
=====										
****	BOOK # :0002	TOTAL ACCOUNT	12	673.34	100-WATER 400-CN 701-DHFEE	713.57 4.27 36.84	150-LOPEZ 410-NEWACC 996-UAC	180.33 35.64 531.24	200-SEWER 700-PENALT	210.79 23.14
=====										
03-04466-05	MARTINS, MARCELO 2251 CIENAGA	FINAL	53.97	100-WATE	37.67	150-LOPE	1.68	200-SEWE	14.62	
03-04469-02	OUTLAND, JAMES 2240 BEACH	FINAL	0.01	996-UAC	0.01					

ACCOUNT	NAME / SERVICE ADDRESS	STATUS	BALANCE			REVENUE DISTRIBUTION			
03-04470-02	RIOS, DENNIS & YVETTE 2230 BEACH	FINAL	73.08	100-WATE	50.23	150-LOPE	3.36	200-SEWE	19.49
03-04491-07	EVANS, DANIELLE 2177 CIENAGA	FINAL	396.30	100-WATE 700-PENA 705-RECF	214.27 10.47 2.84	150-LOPE 701-DHFE	70.54 27.36	200-SEWE 702-RETC	40.82 30.00
03-04614-04	PIMENTAL, MAX 1960 CIENAGA	FINAL	128.34	100-WATE 700-PENA	65.23 5.00	150-LOPE 701-DHFE	8.75 25.00	200-SEWE	24.36
03-04673-00	PISMO COAST VILLAGE 22ND PISMO COAST HYDRANT	FINAL	30.00	999-REF	30.00				
03-04898-02	CASEY, BARBARA A 1511 15TH ST	FINAL	1,379.14	100-WATE 700-PENA 705-RECF	823.79 41.96 24.64	150-LOPE 701-DHFE	104.93 82.14	200-SEWE 702-RETC	277.04 24.64
03-04898-03	CASEY, MADELINE 1511 15TH ST	FINAL	93.83	100-WATE 700-PENA	62.79 5.00	150-LOPE	1.68	200-SEWE	24.36
03-05173-00	SHEPARD, WALT 1654 WILMAR	FINAL	58.11	100-WATE	33.08	150-LOPE	20.16	200-SEWE	4.87
03-05251-01	PETERS, FLOYD 1340 17TH ST	FINAL	318.17	100-WATE 700-PENA	167.92 5.00	150-LOPE 701-DHFE	56.14 25.00	200-SEWE 705-RECF	34.11 30.00
03-48984-03	FATOURCHI, MIKE 1505 15TH ST	FINAL	21.42	100-WATE	13.05	150-LOPE	3.50	200-SEWE	4.87
03-50597-00	OCEANO HOMES HOA AT 1485 16TH ST (IRRIGATION)	FINAL	5.00	100-WATE	5.00				

ACCOUNT	NAME / SERVICE ADDRESS	STATUS	BALANCE	REVENUE DISTRIBUTION					
**** BOOK # :0003	TOTAL ACCOUNT 12		2,497.35	100-WATER	1,473.03	150-LOPEZ	270.74	200-SEWER	444.54
				700-PENALT	67.43	701-DHFEE	159.50	702-RETCK	54.64
				705-RECFEE	57.48	996-UAC	0.01-	999-REF	30.00-
04-05732-04	STEVE LOUNSBURY 1371 A-C S 4TH ST	FINAL	657.21	100-WATE	398.89	150-LOPE	126.00	200-SEWE	102.32
				700-PENA	5.00	701-DHFE	25.00		
04-05836-04	PHILLIPS, AMY 1633 FRONT 7	FINAL	20.27	100-WATE	13.05	150-LOPE	1.75	200-SEWE	4.87
				400-CN	0.60				
04-05980-03	BOGDAN, WILLIAM 1539 FOUNTAIN	FINAL	35.84	100-WATE	26.09	200-SEWE	9.75		
04-06288-10	ART CEL INC 325 PIER	FINAL	155.58	002-FOG	20.00	100-WATE	56.09	200-SEWE	19.49
				700-PENA	5.00	701-DHFE	25.00	705-RECF	30.00
04-06745-05	VARDAPETIAN, ARTHUR 374 PIER	FINAL	151.12	100-WATE	103.49	150-LOPE	1.88	200-SEWE	40.15
				700-PENA	5.60				
04-07094-03	MAHONEY, MARY JO 1670 LAGUNA	FINAL	21.42-	996-UAC	21.42-				
04-55060-01	SOJOURN VENTURES 1102 PIKE LANE	FINAL	124.72-	996-UAC	124.72-				
04-55090-00	ROSS, MICHAEL HYDRANT FRONT 360 PIER	FINAL	382.79-	999-REF	382.79-				

ACCOUNT	NAME / SERVICE ADDRESS	STATUS	BALANCE			REVENUE DISTRIBUTION			
04-55135-01	HART, GARY & LEHMAN, STEVEN 1274 BELRIDGE (LOT 11)	FINAL	25.00	100-WATE	16.59	150-LOPE	2.22	200-SEWE	6.19
04-55390-02	STURTEVANT, ROBERT 1085 ALICE LN	FINAL	59.44-	100-WATE	35.33-	150-LOPE	9.59-	200-SEWE	14.52-

***** BOOK # :0004 TOTAL ACCOUNT 10 456.65

002-FOG	20.00	100-WATER	578.87	150-LOPEZ	122.26
200-SEWER	168.25	400-CN	0.60	700-PENALT	15.60
701-DHFEE	50.00	705-RECFEE	30.00	996-UAC	146.14-
999-REF	382.79-				

TOTALS BY ZONE

***** ZONE # :01	TOTAL ACCOUNTS: 47	6,676.45	002-FOG	20.00	100-WATER	4,801.44	150-LOPEZ	923.86
			200-SEWER	1,460.16	400-CN	7.27	410-NEWACC	35.64
			700-PENALTY	142.64	701-DHFEE	311.64	702-RETCK	54.64
			705-RECFEE	119.71	996-UAC	787.27	999-REF	413.28

TOTALS BY REVENUE CODE

002-FOG FEE	20.00	100-WATER	4,801.44	150-LOPEZ RECLAMATI	923.86
200-SEWER	1,460.16	400-COURTESY NOTICE	7.27	410-NEW ACCT FEE	35.64
700-PENALTY	142.64	701-DOOR HANGER FEE	311.64	702-RETURNED CHECK	54.64
705-RECONNECT FEE	119.71	996-Unapplied Credi	787.27CR	999-Refund	413.28CR
TOTAL REVENUE CODES:	6,676.45				
TOTAL ACCOUNT BALANCE	6,676.45				
DIFFERENCE:	0.00				

TOTALS BY CUSTOMER CLASS

AG	ARROYO GRANDE	176.39
R	RESIDENTIAL	6,876.99
H	HYDRANT METER	412.79CR
Q	IRRIGATION	5.00
C	COMMERCIAL	30.86
	CLASS TOTAL:	6,676.45

ERRORS: 000

SELECTION CRITERIA

REPORT SELECTIONS

ZONE: * - All
ACCOUNT STATUS: FINAL
CUSTOMER CLASS: ALL
COMMENT CODES: All

BALANCE SELECTION

SELECTION: ALL
RANGE: 000000.00 THRU 9999999.99
AGES TO TEST: ALL
INCLUDE ZERO BALANCES: Do Not Include

DATE SELECTION

CUSTOMER DATES: NO
START DATE: 99/99/9999 THRU 99/99/9999
LAST BILL DATE: 99/99/9999 THRU 99/99/9999
FINAL DATE: 99/99/9999 THRU 99/99/9999

PRINT OPTION

TOTALS ONLY: NO
PRINT CONTRACTS: NO
COMMENT CODES: None
BALANCE TO PRINT: CURRENT
PRINT SEQUENCE: ACCOUNT NUMBER

*** END OF REPORT ***



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: November 13, 2019

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(D): Submittal of the District's Fiscal Year 2019-20 Quarter 1 Treasurer Report**

Recommendation

It is recommended that your Board receive and file the District's 2019-20 Quarter 1 Treasurer Report.

Discussion

Government Code section 61053(f) requires the District Treasurer to report to the Board of Directors quarterly regarding the receipts, disbursements and the balances in each account controlled by the District. At the January 23rd meeting your Board approved Resolution 2019-01 to adopt the District's 2019 Investment Policy which is required by Government Code section 53646(A)(2). Section 7 of the Investment Policy requires the Financial Officer/Treasurer to provide a quarterly report that identifies the District's investments within 30 days after the end of each quarter. The attached worksheet has been prepared to review the District's first quarter report for fiscal year 2019-20.

The District holds accounts with the County of San Luis Obispo and Rabobank. Attachment "A" provides a summary of each account held by the District which have been reconciled against the District's general ledger.

Other Agency Involvement

The County of San Luis Obispo

Other Financial Considerations

The fiscal year 2019-20 Quarter 1 budget review is business item 9(A) of this agenda package.



Oceano Community Services District

Board of Directors Meeting

Results

Establishing compliance with both Government Code 61000-61250 regarding Community Service Districts and the District's Investment Policy will help ensure that the District's costs are managed properly and promotes prosperous and well governed communities.

- Attachment A – 2019-20 Quarter Treasurer Report

Oceano Community Services District
2019-20 Treasurer Report - Quarter 1

<u>Account</u>	<u>Month</u>	<u>Beginning Balance</u>	<u>Credits</u>	<u>Debits</u>	<u>Ending Balance</u>	<u>Quarter Ending Balance</u>
<u>County of San Luis Obispo Accounts:</u>						
Oceano CSD - Water Rev - 31215 (Revenue Bond)	Jul-19	\$105.92	\$0.00	\$0.00	\$105.92	
	Aug-19	\$105.92	\$0.00	\$0.00	\$105.92	
	Sep-19	\$105.92	\$0.00	\$0.00	<u>\$105.92</u>	\$105.92
Oceano CSD - 41005	Jul-19	\$2,387,322.15	\$12,754.62	(\$828,787.95)	\$1,571,288.82	
	Aug-19	\$1,571,288.82	\$1,750.24	(\$200.00)	\$1,572,839.06	
	Sep-19	\$1,572,839.06	\$37,769.29	\$0.00	<u>\$1,610,608.35</u>	\$1,610,608.35
Oceano CSD - 41045 (Sanitary District Bond - Paid Off)	Jul-19	\$4.66	\$0.00	\$0.00	\$4.66	
	Aug-19	\$4.66	\$0.00	\$0.00	\$4.66	
	Sep-19	\$4.66	\$0.00	\$0.00	<u>\$4.66</u>	\$4.66
					County Total	<u>\$1,610,718.93</u>
Public Checking - 1101	Jul-19	\$588,888.04	\$96,146.11	(\$246,579.72)	\$438,454.43	
	Aug-19	\$438,454.43	\$518,293.78	(\$404,216.35)	\$552,531.86	
	Sep-19	\$552,531.86	\$118,488.49	(\$128,481.32)	<u>\$542,539.03</u>	\$542,539.03
Public Investment Money Market - 5783	Jul-19	\$29,283.16	\$5.30	(\$25.00)	\$29,263.46	
	Aug-19	\$29,263.46	\$4.81	(\$25.00)	\$29,243.27	
	Sep-19	\$29,243.27	\$4.97	(\$25.00)	<u>\$29,223.24</u>	\$29,223.24
Public Fund CD - 7655 (Water Fund Deposit)	Jul-19	\$24,203.75	\$12.10	\$0.00	\$24,215.85	
	Aug-19	\$24,215.85	\$12.52	\$0.00	\$24,228.37	
	Sep-19	\$24,228.37	\$12.51	\$0.00	<u>\$24,240.88</u>	\$24,240.88
Public Investment Money Market - 0161 (Public Facilities Fees)	Jul-19	\$240,162.38	\$21,852.15	\$0.00	\$262,014.53	
	Aug-19	\$262,014.53	\$43.07	\$0.00	\$262,057.60	
	Sep-19	\$262,057.60	\$44.51	\$0.00	<u>\$262,102.11</u>	\$262,102.11
					Rabobank Total	<u>\$858,105.26</u>
					Total	<u><u>\$2,468,824.19</u></u>



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: November 13, 2019

To: Board of Directors

From: Paavo Ogren, General Manager

Subject: **Agenda Item # 8(E): Approval of recommendation to adopt a resolution Designating the General Manager as the authorized representative to file an application and execute agreements for the 2019 Proposition 1 Integrated Regional Water Management Implementation Grant Program**

Recommendation

It is recommended that your Board adopt a resolution Designating the General Manager as the authorized representative to file an application and execute agreements for the 2019 Proposition 1 Integrated Regional Water Management Implementation Grant Program.

Discussion

Over the past few years, the District has been developing its Water Resource Reliability Program (WRRP). The program has been substantially funded by a Proposition 84 grant obtained from the State's Integrated Regional Water Management (IRWM) program in the amount of \$198,367. Additional design services funded by a Proposition 1 grant in the amount of \$177,750 is helping to ensure that projects included in the WRRP can be "shovel-ready" for grant and loan applications. More recently, District staff has been working with the County of San Luis Obispo seeking construction funding from the Proposition 1 Integrated Regional Water Management (IRWM) Implementation Grant Program.

As reported to your Board on July 24, 2019, additional grants in the amount of \$274,500 for construction under the IRWM Implementation Grant Program has been recommended for award by the San Luis Obispo County Regional Water Management Group (RWMG). On September 23, 2019, staff attended a meeting in Salinas with representatives of the California Department of Water Resources (DWR), the County of San Luis Obispo and other local agencies to review pre-application grant materials. Feedback from DWR has been received to prepare the final grant application, which is due on December 20, 2019.

The attached resolution is included as Attachment "D" and is standard for the IRWM and other programs administered through DWR. The following is a summary of its provisions:

- It provides a statement in support of the grant by your Board.
- It designates the General Manager with the authority to file the grant application and execute a grant agreement.



- It authorizes the General Manager to enter into a reimbursement agreement, which is estimated to be 9% of the County Flood Control District costs, or approximately \$4,500 - \$5,000. The draft reimbursement agreement provided by the County is included as Attachment "E."

The WRRP following are the projects included in the grant efforts:

- Project #1-1: Cabrillo Highway (Highway One at 21st Street)
- Project #1-9: Cabrillo Alley Highway (At 19th Street)

Attachment "A" is a map illustrating over 30 waterline projects developed in the WRRP. Projects #1-1 and #1-9 were chosen for the grant since Caltrans will be completing a Highway One asphalt overlay project in 2022. Replacing the existing aged 2-inch galvanized steel waterline in Highway One prior to the Caltrans asphalt project will reduce risks associated with this highly vulnerable waterline project. Project #1-9 was also chosen since it also includes replacement of another existing 2-inch galvanized steel waterlines, which will be interconnected with Project #1-1. Attachment "B" is a technical memorandum prepared by staff identifying water flow improvements that will result from the project. Attachment "C" is a technical memorandum discussing estimates in the reduction in water system leaks that will result. Significant improvements in water system flows are expected since the existing 2-inch galvanized steel waterlines inhibit water flows. The reduction in leaks is more difficult to estimate and the District will be receiving additional assistance from the California Rural Water Association to test the lines prior to construction and afterwards to help determine actual benefits in reducing water losses.

Other Agency Involvement

The California Department of Water Resources is the granting agency. The San Luis Obispo County Flood Control and Water Conservation District is the lead agency for the Regional Water Management Group. The city of San Luis Obispo, Nipomo CSD, Los Osos CSD and San Simeon CSD are the other local agencies that are involved in the grant applications.

Other Financial Considerations

The Proposition 84 grant for the WRRP totals \$198,367. The Proposition 1 grant for design services is \$177,750. The Proposition 1 Implementation grant is estimated in the amount of \$274,500 for construction costs.

The District's share of the reimbursement agreement costs is estimated at \$4,500 - \$5,000.

Results

Authorizing the general manager to file the application and execute grant agreements after approval by DWR and the County promotes cost efficiencies and replacement of the community's aged infrastructure.



Oceano Community Services District

Board of Directors Meeting

Attachments:

- A. WRRP Projects Map
- B. Water System Flows Technical Memo
- C. Water System Losses Technical Memo
- D. Resolution
- E. Draft Reimbursement Agreement

CAPITAL IMPROVEMENT PROJECTS LIST

Project	Description	Priority	Existing (ft)	Proposed (ft)	Length (ft)
1	Cabrillo Hwy and Front St	1	6	8	400
1.2	Narrowing Dr Loop (North of Pier)	1	4	8	1750
1.4	Pier Ave (Lakeside to Hwy 1)	1	6	10	1140
1.5	Railroad St Alley (Truman to Air Park)	1	4.6	10	1000
1.6	Narrowing Dr, Truman, & Piering	1	1.24	8	1150
1.7	Strand Hwy (South of Utah)	1	4	8	235
1.8	Laguna Dr Alley (South of Utah)	1	4	8	330
1.10	Tank Inspections	1	-	-	-
1.11	Tank Re-Insulating and Re-coating	1	-	-	-
2.1	Jetty Ave Alley (Police to Fountain)	2	-	8	650
2.2	Creek Road (Sand Dollar to Railroad)	2	-	8	480
2.3	Railroad Street (Creek to 17th)	2	-	8	650
2.4	18th St at Wilmar Ave.	2	2	8	380
2.5	18th St at Wilmar St.	2	2.46	8	940

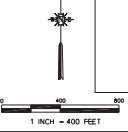
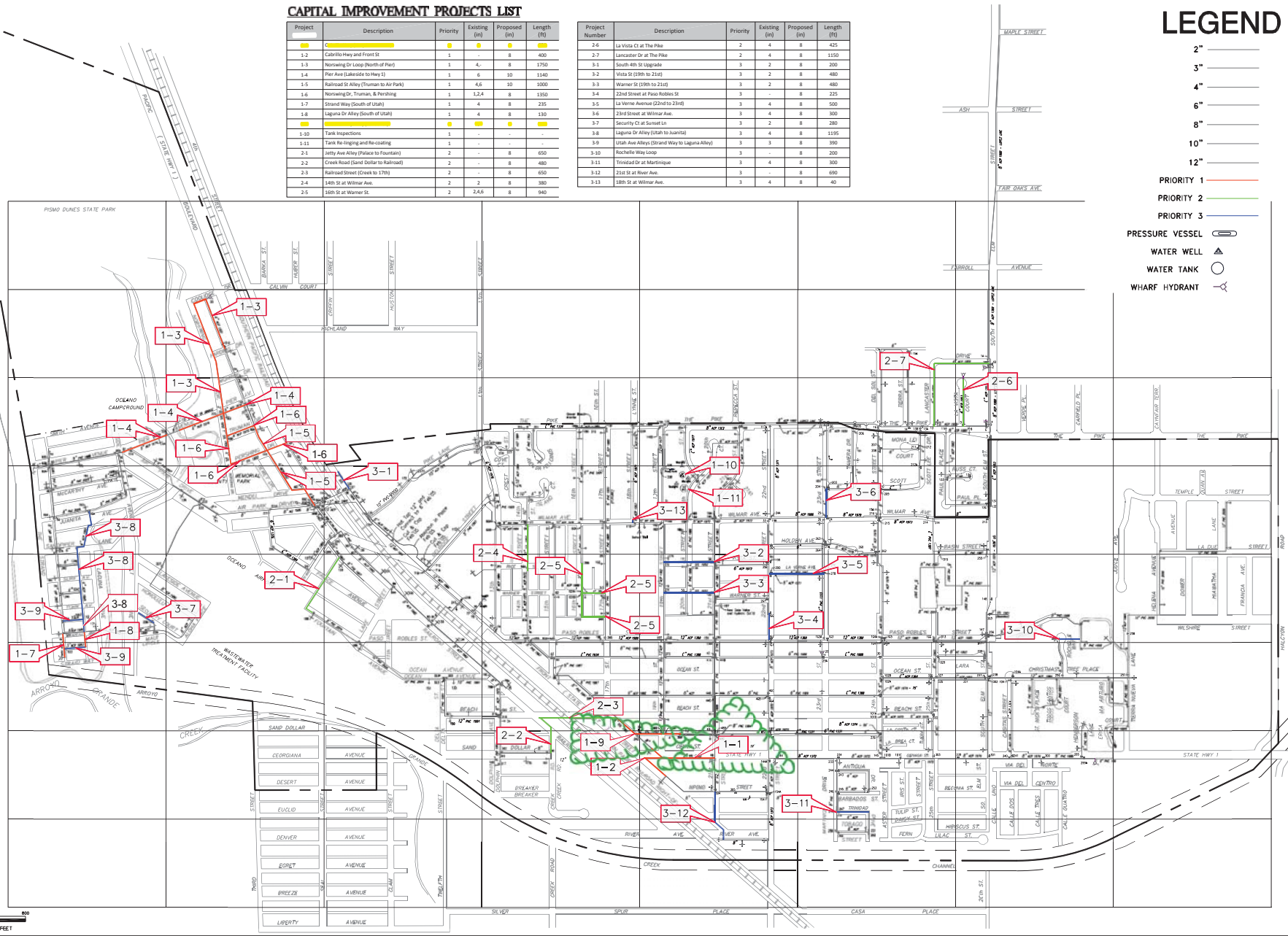
Project Number	Description	Priority	Existing (ft)	Proposed (ft)	Length (ft)
2.6	La Vista Ct at The Pike	2	4	8	435
2.7	Lancaster Dr at The Pike	2	4	8	1150
3.1	South 4th St Upgrade	3	2	8	200
3.2	Vista St (19th to 21st)	3	2	8	480
3.3	Warner St (19th to 21st)	3	2	8	480
3.4	22nd Street at Paso Robles St.	3	-	8	275
3.5	La Verne Avenue (21st to 24th)	3	4	8	600
3.6	23rd Street at Wilmar Ave.	3	4	8	300
3.7	Security Ct at Sunset Ln.	3	2	8	280
3.8	Laguna Dr Alley (Utah to Juanita)	3	4	8	1195
3.9	Utah Ave Alleys (Strand Way to Laguna Alley)	3	3	8	390
3.10	Rachelle Way Loop	3	-	8	200
3.11	Tombard Dr at Marinique	3	4	8	300
3.12	21st St at River Ave.	3	-	8	200
3.13	18th St at Wilmar Ave.	3	4	8	40

LEGEND

- 2" _____
- 3" _____
- 4" _____
- 6" _____
- 8" _____
- 10" _____
- 12" _____

- PRIORITY 1 _____
- PRIORITY 2 _____
- PRIORITY 3 _____

- PRESSURE VESSEL
- WATER WELL
- WATER TANK
- WHARF HYDRANT



REV	NO	DATE	REVISIONS



DATE	3/20/2018
CHECKED BY	AK
SCALE	" = 400'
CA JOB NO.	171019

DRAWN BY	AKS
CHECKED BY	AK

OCEANO COMMUNITY SERVICES DISTRICT
 WATER DISTRIBUTION SYSTEM
 CAPITAL IMPROVEMENT
 PROJECT LOCATIONS
 OCEANO, CALIFORNIA

SHEET
 1
 OF 1



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

TO: Paavo Ogren, General Manager

FROM: Tony Marraccino, Utility Systems Manager *AM 10-30-19*
California State Grade D3 Operator # 41413

DATE: October 30, 2019

SUBJECT: **TECHNICAL MEMO**
Water Distribution System Projects 1-1 & 1-9
Estimated benefits in distribution system flows

This memorandum and the attachments provide support for the estimated improvements in water system flows that will result from the construction of water distributions projects #1-1 and #1-9. I estimated that the current flows will improve from a range of 21-311 gallons per meter to a range of 1842-2142 gallons per minute.

As illustrated on the attached map, projects #1-1 and #1-9 are in close proximity to each other and will be connected with the extension of project #1-1 across Highway #1. The resulting "looping" of the lines is anticipated to significantly improve water flows. The following is a summary of existing flows:

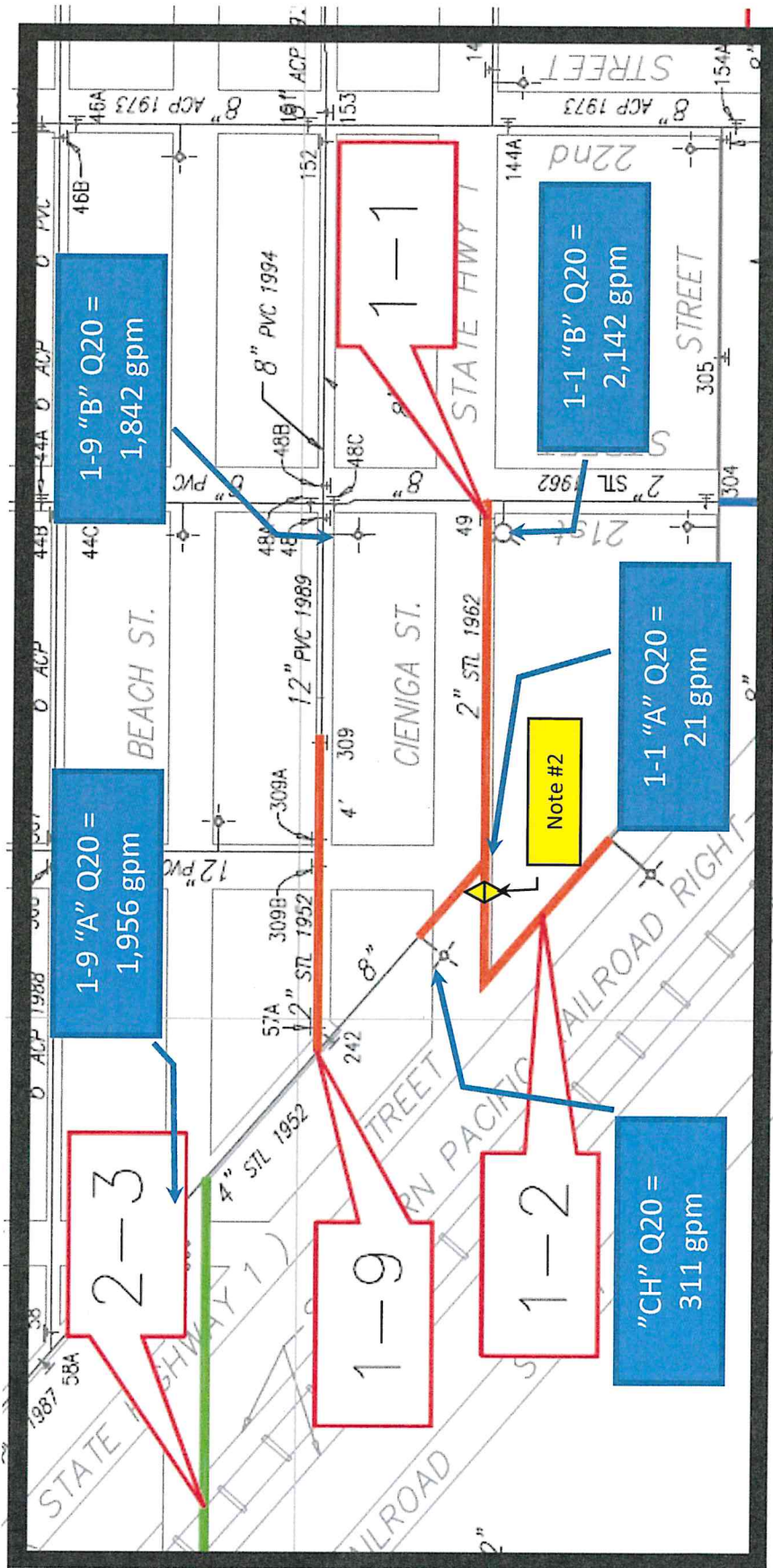
Flow Location	Flow Test (gallons per minute)
CH – Common Hydrant for both projects 19 th St. & Highway One	311 gpm
1-1A: Highway One & Front St. (blow-off)	21 gpm
1-1B: 21 St. & Highway One	2,142 gpm
1-9A: 17 St & Beach	1,956 gpm
1-9B: 21 St. & Alley	1,842 gpm

Attachments:

- Illustration – Hydrant Flow Analysis
- Hydrant Tests
- Photos

Oceano Community Services District Hydrant Flow Analysis

Project benefits will increase flows from 21-311 gallons per minute (gpm) to approximately 2,000 gpm.



Notes:

- 1) Attached are results of hydrant and blow-off flow testing.
- 2) Project 1-2 is a 2" galvanized line that does not currently loop with the water system and has no service connections. That existing line can be abandoned with the completion of 1-1, or, it's replacement can be included as an optional bid item with Project 1-1 and also constructed if funding is available.



Oceano Community Services District - Fire Hydrant Flow Test Results

Hydrant Number: **"CH" Common Hydrant for both Project 1-1 and 1-9**

Hydrant Location: 19 st. & HWY-1

Date of Test: 10/28/2019

Fire Flow Testing to Calculate Flow at (Q) 20 psi

Results:

Static Ps	Pressure (psi) Residual Ptest	P20	Flow (gpm) Qtest
78	6	20	350

Equation: $Q_{20} = \frac{Q_{test} \times (P_s - P_{20})^{1/1.85}}{(P_s - P_{test})^{1/1.85}}$

Q20 = 311 gpm

A. Marraccino
 Tony Marraccino, Utility Systems Manager
 Grade D3 Operator #41413

10-30-19
 Date



Oceano Community Services District - Fire Hydrant Flow Test Results

Hydrant Number: **1-1 "A"**

Hydrant Location: HWY-1 & Front St. Blow Off

Date of Test: 10/21/2019

Fire Flow Testing to Calculate Flow at (Q) 20 psi

Results:

Static Ps	Pressure (psi) Residual Ptest	P20	Flow (gpm) Qtest
76	0	20	25

Equation: $Q_{20} = Q_{test} \times \frac{(P_s - P_{20})^{1/1.85}}{(P_s - P_{test})^{1/1.85}}$

Q20 = 21 gpm

The blow off on HWY-1 was not able to be tested in the same way as the up stream hydrant due to its extremely low flow. The test gauge we have for our diffuser that we attach to the hydrant to measure the flow only goes as low as 349 GPM. Therefore, we had to use the "bucket method" to calculate flow from the 2" blow off. Please see attached photos.

Tony Marraccino
 Tony Marraccino, Utility Systems Manager
 Grade D3 Operator #41413

10-30-19
 Date



Oceano Community Services District - Fire Hydrant Flow Test Results

Hydrant Number: 1-1 "B"

Hydrant Location: 21 St. & HWY-1

Date of Test: 10/18/2019

Fire Flow Testing to Calculate Flow at (Q) 20 psi

Results:

Static Ps	Pressure (psi) Residual Ptest	P20	Flow (gpm) Qtest
76	58	20	1160

Equation: $Q_{20} = Q_{test} \times \frac{(P_s - P_{20})^{1/1.85}}{(P_s - P_{test})^{1/1.85}}$

Q20 = 2142 gpm

A. Marraccino
 Tony Marraccino, Utility Systems Manager
 Grade D3 Operator #41413

10-30-19
 Date



Oceano Community Services District - Fire Hydrant Flow Test Results

Hydrant Number: **1-9 "A"**

Hydrant Location: 17th St. & Beach

Date of Test: 10/28/2019

Fire Flow Testing to Calculate Flow at (Q) 20 psi

Results:

Static Ps	Pressure (psi) Residual Ptest	P20	Flow (gpm) Qtest
80	60	20	1080

Equation: $Q_{20} = \frac{Q_{test} \times (P_s - P_{20})^{1/1.85}}{(P_s - P_{test})^{1/1.85}}$

Q20 = 1956 gpm

Tony Marraccino
 Tony Marraccino, Utility Systems Manager
 Grade D3 Operator #41413

10-30-19
 Date



Oceano Community Services District - Fire Hydrant Flow Test Results

Hydrant Number: **1-9 "B"**

Hydrant Location: 21 St. & Alley at Central

Market Date of Test: 10/29/2019

Fire Flow Testing to Calculate Flow at (Q) 20 psi

Results:

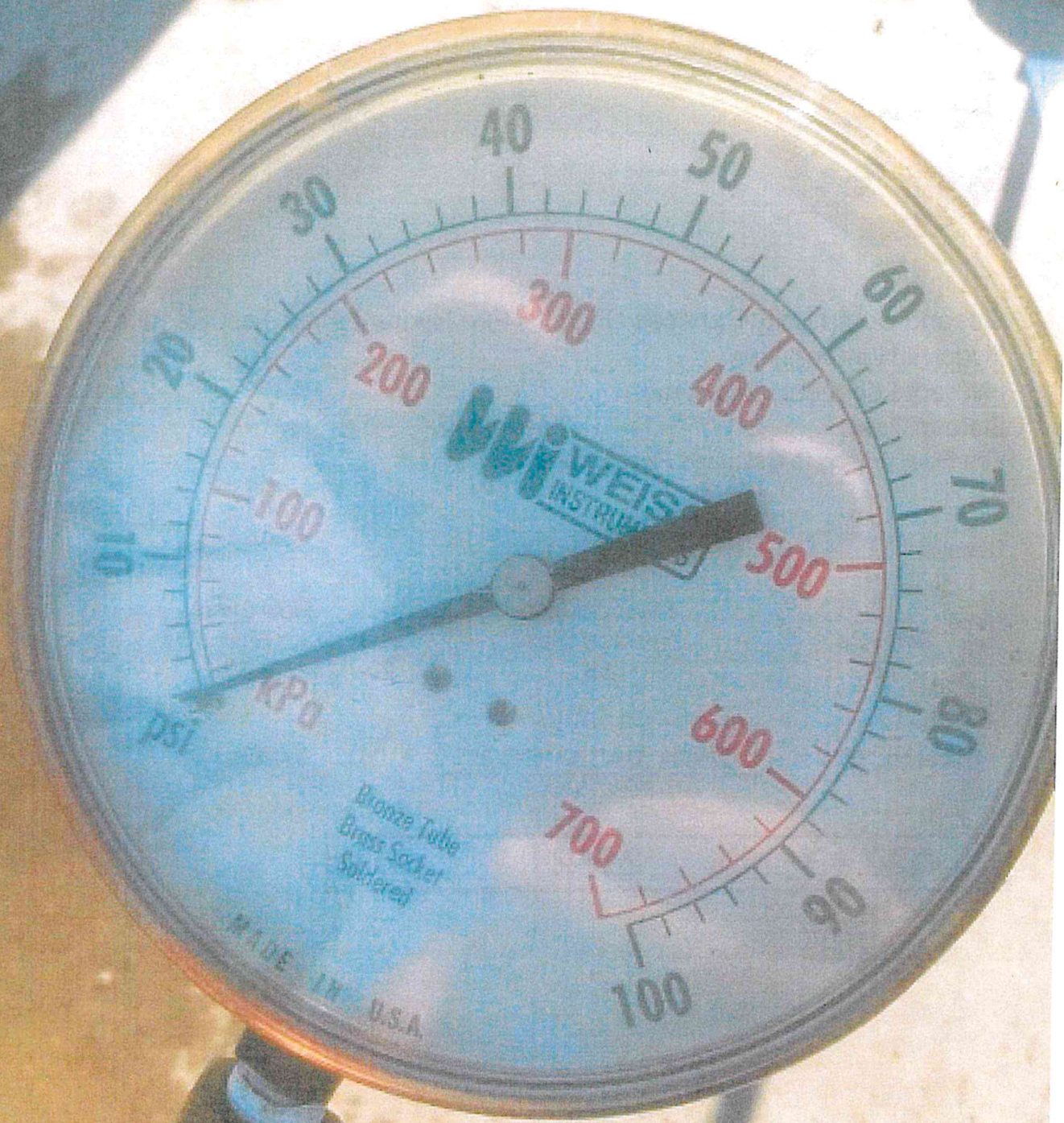
Static Ps	Pressure (psi) Residual Ptest	P20	Flow (gpm) Qtest
74	54	20	1077

Equation: $Q_{20} = \frac{Q_{test} \times (P_s - P_{20})^{1/1.85}}{(P_s - P_{test})^{1/1.85}}$

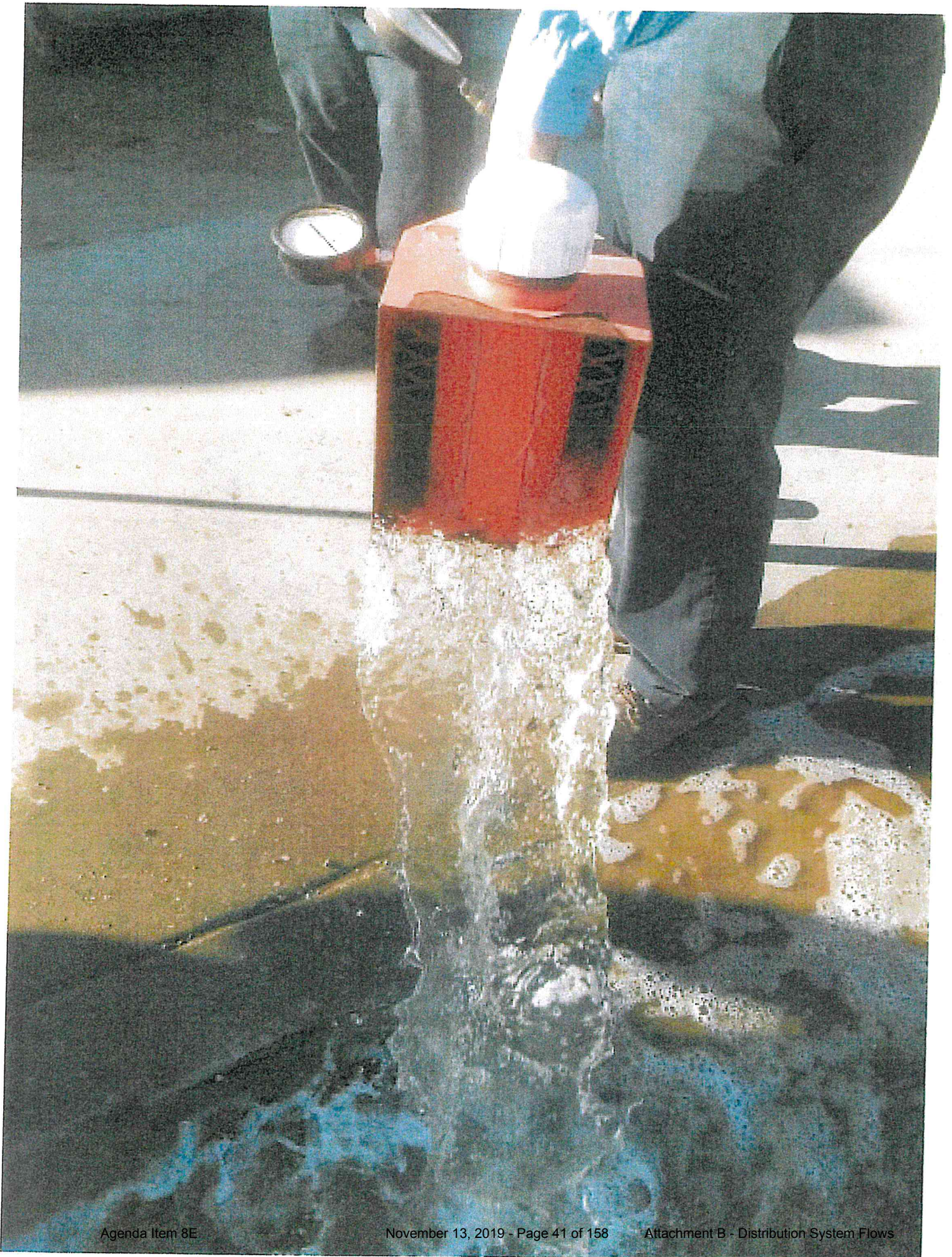
Q20 = 1842 gpm

A. Marraccino
 Tony Marraccino, Utility Systems Manager
 Grade D3 Operator #41413

10-30-19
 Date









Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

TO: Grant File – Proposition 1 Phase I Implementation

FROM: Paavo Ogren, General Manager

DATE: October 30, 2019

**SUBJECT: MEMORANDUM ON WATER LOSS REDUCTION BENEFITS
Water Distribution System - WRRP Projects 1-1 & 1-9**

This memorandum provides support for the estimated reduction in water system losses that will result from the construction of WRRP Projects #1-1 and #1-9. These loss estimates are based on assumptions identified in this memorandum and the actual reduction in system losses could vary from these estimates.

Background

The District's efforts to identify and reduce water system losses has been supported by grants issued by the California Department of Water Resources (DWR) and the California State Water Board (SWB). Those grants have been supporting the development of the District's Water Resource Reliability Program (WRRP) and include the following components:

- DWR – Proposition 84: Development of the WRRP (Grant # 4600011487)
 - Includes (among other components) the “Leak Detection and Management Plan”
 - Implementation of AWWA Water Audit Calculator Software
 - Leak evaluation
 - Development of an updated capital improvement plan with preliminary cost estimates for 33 waterline projects to replace antiquated waterlines (including 2” galvanized distribution system mains) which will create waterflow and water quality benefits and reduce system losses.
 - Design of four specified high priority projects, including #1-1 & #1-9.
 - Status on Design of project #1-1: Complete with Caltrans encroachment permit.
 - Status on Design of project #1-9: Substantially complete with County encroachment permit in first half of 2020.
- DWR - Proposition 1: Phase 2 WRRP Design (Grant #4600012296)
 - Includes design work for approximately 12 additional projects
 - With completion of Phase 2 WRRP design efforts, 16 of the 33 waterline projects will be designed.
- SWB – Technical Assistant (TA) 2017
 - SWB funded the California Rural Water Association (CRWA) to perform leak detection for the District.



- Scope of work included those projects that are part NOT on the District's deferred infrastructure list to determine if additional system losses could be detected.
 - No additional system losses detected.

Summary

For the past year, in developing the Leak Detection and Management Plan, the District has been utilizing Excel spreadsheets, and more recently, the AWWA water loss calculator software v3.0 to calculate estimated water losses. Developing and tracking water loss estimates is included in the leak detection component of the WRRP efforts funded by DWR grant # 4600011487. As a small water system with less than 3,000 connections and annual production of less than 1,000-acre feet per year, the District is not required to prepare an Urban Water Management Plan and the DWR grants have been important to help the District improve leak detection and overall system reliability.

As the District has implemented water loss calculators, the District has found the need to improve coordination on the timing of reading production meters and consumption meters, tracking losses from fire department training, line flushing and hydrant testing, line breaks and calibration of production meters. As the District enhances protocol and quality controls around data input, accuracy of loss calculations will improve.

Although estimates of loss reductions that will result with implementation of projects #1-1 and #1-9 are provided below, the overall integrity of data may result in actual water loss reductions that differ from the estimates provided. Due to uncertainty with existing data, the District has confirmed that the CRWA will provide additional leak detection services, at no cost to the District, to test losses for projects #1-1 and #1-9 prior to construction and after construction of the projects. CRWA is scheduled to test projects #1-1 and #1-9 in November 2019. After completion of the projects, re-testing will also occur. With the assistance of CRWA, the District is hopeful that its estimates on water loss reductions for these two projects, which together represent 1,350 linear feet of 2" galvanized distribution system waterlines, will help more accurately determine the specific benefits of the two projects. These efforts will be included in the Project Performance Monitoring Plan (PPMP).

Estimated Water Losses

The District began estimating water losses in its two-month billing period ending 11/18/2018. Over the past twelve months, which includes six bi-monthly billing periods, the District's water loss calculations have varied from 3.67% - 11.73%, and one billing period showing zero losses! In reviewing the details, variations seemed to have greater variations when water production came from surface water provided by the County of San Luis Obispo (State Water and Lopez Water) versus when the District is utilizing pumped groundwater. Testing of production meters and waterlines that convey water from the sources of supply to the distribution system will help to identify if variations result from production meters and/or the associated conveyance lines.

Given the data developed, the annual water loss was calculated at 6.13%. This amount does not seem consistent with expectations considering that the District has 18,385 linear feet of waterlines that are undersized and aged, which represents nearly 20% of the distribution system. The 2" galvanized lines



have a history of leaking. The District's water system workers make every effort at being prompt when leaks are identified. Nevertheless, a 6.13% loss calculation seems artificially low.

WRRP Project #1-1 will replace approximately 650 linear feet of 2" galvanized waterlines and Project #1-9 will replace approximately 700 linear feet of 2' galvanized (and some 4") waterlines. In total, the 1,350 acre feet represent 7.3% of 18,385 linear feet of waterlines identified as part of the updated capital improvement plan current being updated with the WRRP. Projects #1-1 and #1-9 also represent 27.6% of the highest priority water lines. Given this data, we anticipate that unaccounted water losses should be reduced between 7.3% and 27.6%. The following table provides a range in estimated reduction in water losses.

	9/18/2018- 9/18/2019		Projects #1-1 & #1-9 (l.f.)	1350
System Production	288,602		Deferred Infrastructure (l.f.)	18385
Losses	17,691		Projects 1-1 & 1-9 as %	7.3%
Loss %	6.13%		Projects 1-1 and 1-9 as % of high priority projects	27.6%
Hi-Loss Period	11.73%			
Losses (Acre Feet/Year) – Low End Estimate	40.61		Loss Reduction based on low-end estimate times 7.3%	2.96 afy
Losses (Acre Feet/Year) – High End Estimate	77.71		Loss Reduction based on high-end estimate times 7.3%	5.67 afy

Notes:

- A) Data derived from 9/18/2018 – 9/18/2019
- B) Data measured in ccf, 748 gallons per unit.

Project Performance Monitoring Plan

The District's PPMP for the proposed projects will also be used with the recommendations under development in the Leak Detection and Management Plan that is being prepared as part of the Water Resource Reliability Program (DWR Grant #4600011487).

As identified in the Attachment #4 – Work Plan, and above, the PPMP will include California Rural Water Associations pre-construction leak testing for the two projects and post-construction leak testing. CRWA is scheduled to perform the pre-construction leak testing in November 2019. The PMPP will also include ongoing use of the AWWA WLCC Water Audit Software so that the District can continue to improve data integrity and the accuracy of the water loss calculations.

RESOLUTION NO. 2019-_____

**RESOLUTION DESIGNATING THE GENERAL MANAGER AS THE
AUTHORIZED REPRESENTATIVE
TO FILE APPLICATION AND EXECUTE AGREEMENTS
FOR THE 2019 PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT
IMPLEMENTATION GRANT PROGRAM**

The following Resolution is hereby offered and read:

WHEREAS, the State of California has established an Integrated Regional Water Management (IRWM) grant program pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (also known as Proposition 1); and

WHEREAS, the Oceano Community Services District (OCSD) approved a Memorandum of Understanding, incorporated herein as Attachment No. 1, which established the OCSD as a member of the Regional Water Management Group for the San Luis Obispo County Region, and which also designates the San Luis Obispo County Flood Control and Water Conservation District (the "Flood Control District") as the lead agency to submit Integrated Regional Water Management grants; and

WHEREAS, the OCSD General Manager, or Designee, is especially suited to ensure the grant application materials submitted by and on behalf of the OCSD are prepared in a complete, efficient, and adequate manner; and

WHEREAS, the OCSD General Manager, or Designee, has the authority to ensure that projects are carried out in full compliance with the applicable permits and agreements; and

WHEREAS, the OCSD General Manager submitted the Water Resources Reliability Project for inclusion in the San Luis Obispo County Region's 2019 Proposition 1 Round 1 IRWM grant program application; and

WHEREAS, the OCSD Water Resource Reliability Project was endorsed by the Regional Water Management Group and the San Luis Obispo County Water Resources Advisory Committee; and

WHEREAS, Attachment No. 2 includes a list of all the local projects endorsed to be in the Region's application to the California Department of Water Resources; and

WHEREAS, in anticipation of the final application submittal, Flood Control District staff has requested that local agencies adopt a resolution verifying support for the projects, authorization to proceed with the IRWM grant application, and authorization to enter into a reimbursement agreement to fund a share of the Flood Control District's costs.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Oceano Community Services District, State of California, that:

1. The OCSD Board of Directors supports the Water Resources Reliability Project as described in Attachment No. 2, and that the application be made to the California Department of Water Resources to obtain a 2019 Proposition 1 Round 1 Integrated Regional Water Management Implementation Grant pursuant to the Water Quality,

Supply, and Infrastructure Improvement Act of 2014 in coordination with the Flood Control District and the Regional Water Management Group.

2. The General Manager, or Designee, of the Oceano Community Services District is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application required for grant funding, and to execute a grant agreement (which must first be approved as to form by OCSD Legal Counsel) with the San Luis Obispo County Flood Control and Water Conservation District.
3. The General Manager, or Designee, of the Oceano Community Services District is hereby authorized to enter into a reimbursement agreement to pay for OCSD's share of the Flood Control District's costs.

PASSED, APPROVED, and ADOPTED by the Board of Directors of the Oceano Community Services District, State of California, this ____ day of _____, 2019, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

President of the Board of Directors

ATTEST:

Board Secretary of the Oceano Community Services District

APPROVED AS TO FORM:

District Counsel

ATTACHMENT 1

San Luis Obispo County Region Integrated Regional Water Management Program Participants Memorandum of Understanding

The undersigned agencies and organizations hereby agree as follows:

1. BACKGROUND

The State of California has established an Integrated Regional Water Management (IRWM) planning and grant program pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resource Code (PRC) Section 75001 et seq., also known as Proposition 84). This program is anticipated to be perpetuated and/or modified by future Bond acts. The IRWM program provides guidance for collaborative efforts to manage all aspects of water resources in a region by crossing jurisdictional, watershed, and political boundaries to involve multiple agencies, stakeholders, individuals, and groups in order to address issues and differing perspectives of all entities involved through mutually beneficial solutions. Regions that develop IRWM plans in accordance with the guidelines are eligible for certain water resources grant funding opportunities.

In accordance with PRC Section 75001 (et seq.) and State IRWM Program guidelines, a Memorandum of Understanding (MOU) (dated 2009), signed by eleven agencies within San Luis Obispo County, established a Regional Water Management Group (RWMG) for the San Luis Obispo County IRWM Region, and the San Luis Obispo County IRWM Region was officially accepted by the State in May 2009.

The San Luis Obispo County IRWM Region water resources stakeholders have determined the need to update the IRWM MOU in order to meet new State IRWM guidelines, to clarify the governance structure for IRWM planning in the San Luis Obispo County IRWM Region, and encourage broader participation. This MOU, in conjunction with the current IRWM Plan, sets forth the San Luis Obispo County IRWM Region's governance structure thereby allowing members and other stakeholders to understand how to participate in the IRWM Plan development and implementation.

2. PURPOSE, GOALS, AND APPROACH

2.1 Purpose. The purpose of this MEMORANDUM OF UNDERSTANDING (MOU) is to establish the mutual understandings among the San Luis Obispo County Region participants with respect to their joint efforts to develop and implement an Integrated Regional Water Management (IRWM) Plan for the San Luis Obispo County Region, including the definition of common IRWM terms, roles and responsibilities of IRWM Program Participants, and decision-making processes.

2.2 Goals. The goal of the IRWM program is to provide a reliable, long-term, and high-quality water supply, and to establish a unified vision among the participants' goals for water quality improvement, ecosystem preservation, water supply protection and enhancement, ground water management and flood management, in the context of social justice and climate change adaptation, while protecting the environment. The adopted IRWM plan will identify major water-related goals, objectives and conflicts within the region, consider a broad variety of water management strategies, identify the appropriate mix of water demand and supply management alternatives, water quality protections, flood management strategies, and environmental stewardship actions.

2.3 Approach. The San Luis Obispo County Region participants are specifying their shared intent to coordinate and collaborate on water management issues, giving consideration to disadvantaged communities and Native American tribes and their water related needs. In order to

enhance participation of stakeholders, it will be necessary to work at a sub-regional level to better understand the water resources needs and priorities throughout the region. When applying for grants, the San Luis Obispo County Region will strive to distribute the grant funding request fairly across the geographic region. The goal is to distribute awarded funding from each grant cycle equally across the sub-regions (i.e. one quarter of the overall funding to benefit each of the three sub-regions' projects/programs and one quarter of the overall funding to benefit regional projects/programs), to the extent feasible.

3. DEFINITIONS

3.1 Integrated Regional Water Management Plan (Plan). A comprehensive plan for a defined geographic area which shall satisfy the requirements of California's IRWM Program.

3.2 San Luis Obispo County Region (Region). The geographic area of San Luis Obispo County, which is coterminous with the San Luis Obispo County Flood Control and Water Conservation District (District) boundary.

3.3 Local Agency. Any city, county, city and county, special district, joint powers authority, or other political subdivision of the state, a public utility as defined in Section 216 of the Public Utilities Code, or a mutual water company as defined in Section 2725 of the Public Utilities Code.

3.4 Program Participants. Development and implementation of the Region's Plan is a collaborative effort undertaken by the Region's participants, as further discussed in Section 4. The effort is being led by the District, in partnership with the Regional Water Management Group, Water Resources Advisory Committee, Implementation Affiliates, and Interested Stakeholders. Only regional projects and programs to be implemented by those agencies which have adopted the Plan will be eligible for grant applications. The Region categorizes IRWM Program Participants into the following:

3.4.1 Regional Water Management Group (RWMG). A group in which three or more local agencies, at least two of which have statutory authority over water supply or water management, as well as those other persons who may be necessary for the development and implementation of the Plan, participate by means of this memorandum of understanding, in accordance with requirements of the California Water Code (CWC § 10539). The Region's RWMG members are signatories to this MOU, have adopted the current Plan, and may designate a representative to participate in RWMG activities and its Working Group. The entities must be either a Local Agency or an IRS 501(c)(3) nonprofit organization. The RWMG has the capacity to carry out projects (i.e. financial resources, management structure, adequate staffing). The agencies/organizations that form the RWMG may have planning or implementation projects eligible for State IRWM grants.

3.4.2 Water Resources Advisory Committee (WRAC). This is the committee comprised of water purveyor, resource conservation district, environmental and agricultural, and other water resources representatives that was originally established in the 1940s to advise the District Board of Supervisors on water resource issues. The WRAC is a Brown Act committee that meets monthly, with the exception of July and August. Many participants are actively engaged in issues relevant to Plan development and implementation, and will represent important stakeholder groups throughout the program.

3.4.3 RWMG Working Group (Working Group). The Working Group will involve representatives from the RWMG who have technical expertise and are able to work on the details associated with IRWM efforts. The Working Group will engage stakeholders at a sub-regional level in order to better understand the specific water resources needs and priorities of that sub-region.

3.4.4 **Implementation Affiliates.** These entities will adopt the Plan by resolution, but would not be signatories of the MOU. The entities must be either a Local Agency or an IRS 501(c)(3) nonprofit organization. The Implementation Affiliates have the capacity to carry out projects (i.e. financial resources, management structure, adequate staffing). In order to have a planning or implementation project eligible for State IRWM grants, agencies must be an Implementation Affiliate if they are not a part of the RWMG.

3.4.5 **Interested Stakeholders.** These individuals, organizations, and nonprofits (including those that are not IRS 501(c)(3) nonprofit organizations) who are interested in the IRWM program. The Interested Stakeholders may sign a letter of support for the Plan, or otherwise provide input to the RWMG, but would not be eligible for directly receiving State IRWM grant funds.

3.5 Sub-regions. The Region's IRWM program seeks to engage stakeholders and understand the water resources needs of the Region. To adequately ensure this balanced access and opportunity for participation in the IRWM program, the RWMG will utilize a sub-regional geographic structure, allowing more focused planning and local outreach efforts that are later brought into the context of the overall IRWM Region. These sub-regions have been deliberately defined in terms of logical planning and watershed/ hydrogeologic unit boundaries. These "sub-regions" include the North Coast, North County, and South County (see Attachment 1).

3.6 Regional Projects or Programs. Projects or programs to be implemented by the RWMG and/or Implementation Affiliates are identified in the Plan and are based upon the State's IRWM Guidelines under which the current Plan was adopted, which includes but is not limited to: reducing water demand through agricultural and urban water use efficiency, increasing water supplies for any beneficial use, improving operational efficiency and water supply reliability, improving water quality, improving resource stewardship, and improving flood management.

3.7 Integration. Assembling into one document the water-related management strategies, projects, programs, and plans of the Region. The development and implementation of the Plan should demonstrate the RWMG is forming, coordinating and integrating separate efforts in order to function as a unified effort in a collaborative manner that balances interests and engages a variety of stakeholders and seeks to efficiently integrate regional resources. The Plan development will identify water management strategies for the Region and the priority projects and programs that demonstrate how these strategies work together to meet goals identified in Section 2. It will also identify regional benefits of linkages between projects and plans that address different primary water-related objectives (for example, identifying regional benefits of linkages between a water supply project and a flood management project in the same watershed).

4. IRWM PROGRAM PARTICIPANTS

4.1 Program Participant Structure. Elements of the Plan will be developed and implemented by the Program Participants. The RWMG, including the District as the Lead Agency, and the Implementation Affiliates are responsible for Plan development and implementation.

4.2 Plan Development and Implementation. The Region's Plan that was adopted by the District, developed in coordination with and approved by stakeholders in 2005, and updated in 2007, will be the basis for subsequent adopted Plans for the Region. The Working Group will propose changes to the previous versions of the Plan to comply with new State guidelines and incorporate new information and projects. Since a key element of the IRWM Program is integration, the RWMG will work with Program Participants to identify water management strategies for the Region and sub-regions and the priority projects that demonstrate how these strategies work together to meet the purpose and goals in Section 2. How each Program

Participant contributes and participates in Plan development and implementation is described below:

4.2.1 Lead Agency. The District will act as the lead agency for Plan development, will execute this MOU, and will adopt the Plan in accordance with 4.3 and 4.4 below. The District will ultimately be responsible for the final production of the Region's Plan, hiring consultant(s) to develop the Plan, and presentations to stakeholders, submittal of IRWM grant applications, and execution and administration of grant agreements with the State. As the Lead Agency, the District will execute and administer agreements with RWMG members and Implementation Affiliates responsible for the implementation of projects that are awarded grants, including data collection relevant to grant agreements, project reporting, etc. Efforts described in Section 4.2.1 are subject to the availability of funding.

4.2.2 RWMG. Members will execute this MOU and adopt the Plan in accordance with 4.3 and 4.4 below. RWMG members will designate a representative with clear authority to represent the agency or organization, provide expertise, provide information in a timely manner, participate in meetings, review and approve technical documents as needed, and will provide the District with their designated representative's contact information. This representative will be eligible to participate on the Working Group. All RWMG members, whether or not their representative is participating in the Working Group, hereby agree to provide information sufficient to meet State guidelines for their regional projects and programs to be included in the Plan and participate in the review of the Plan. RWMG members will consider integrating projects and programs with other agencies when possible, especially with disadvantaged communities and Native American tribes, in accordance with State IRWM Guidelines. RWMG members responsible for the implementation of regional projects and programs awarded grant funding will be responsible, through contract with the District, for complying with the provisions of the District's grant agreement with the State. The RWMG will provide updates to the WRAC and seek WRAC support of recommendations at key decision points.

4.2.3 WRAC. The WRAC will provide a forum for public meetings/ workshops related to Plan development and implementation at key decision points. The WRAC will review and comment on the RWMG recommendations to the District's Board of Supervisors at key decision points.

4.2.4 Working Group. Representatives of the Working Group will be designated by the RWMG member and will have clear authority to represent the agency or organization, provide expertise, provide information in a timely manner, participate in meetings, review and approve technical documents as needed, and will provide the District with their designated representative's contact information. The District will provide materials with sufficient lead time for RWMG member and Working Group engagement. The Working Group will develop information, draft documents and recommendations pertaining to the Plan update consistent with current State IRWM Guidelines during Plan development. Efforts are anticipated to include stakeholder outreach, collection and incorporation of updated data, etc. The Working Group will develop information and recommendations for IRWM program planning and implementation, stakeholder outreach, and pursuit of funding opportunities. All RWMG members will participate in the process to select the Region's IRWM projects and programs for grant applications by way of the Working Group, who will conduct project/program solicitations and evaluations, and will make recommendations on grant funding allocations. The Working Group will need to conduct sub-regional public meetings during Plan development and implementation to facilitate stakeholder participation.

4.2.5 Implementation Affiliates. Implementation Affiliates shall adopt the Plan in accordance with Section 4.3. Implementation Affiliates will designate a representative with clear authority to represent the agency or organization, provide expertise, provide information in a timely manner, participate in meetings, review and approve technical documents as needed, and will provide the District with their designated representative's contact information. All

Implementation Affiliates will provide information sufficient to meet State guidelines for their regional projects and programs to be included in the Plan and participate in the review of the Plan and for implementation activities, such as project status updates, project reporting, data collection, etc. Implementation Affiliates will consider integrating projects and programs with neighboring agencies when possible, especially with disadvantaged communities and Native American tribes, in accordance with State IRWM Guidelines. Implementation Affiliates responsible for the implementation of regional projects and programs awarded grant funding will be responsible, through contract with the District, for complying with the provisions of the District's grant agreement with the State.

4.2.6 Interested Stakeholders. Interested Stakeholders may participate in the Plan development and implementation process by way of participation at WRAC and/or RWMG meetings. Interested Stakeholders that are not WRAC members will be notified when an IRWM program item will be reviewed by the WRAC if they request inclusion on the IRWM contact list (Section 5.6). Sub-regional meetings will be required to ensure Interested Stakeholders, including disadvantaged communities, who may not necessarily be able to attend WRAC meetings, can participate in Plan development and implementation.

4.3 IRWM Plan Adoption. Plan approval and adoption will be required of the governing bodies of RWMG members and Implementation Affiliates. Plan updates to meet new State guidelines, add new RWMG Members, add or remove and evaluate regional projects and programs, or other updates to information do not require Plan re-adoption. Significant changes to the Plan, including revised goals and objectives, revised methodologies (such as methodology for evaluating, ranking, and prioritizing projects and programs), revised regional boundaries, or other changes deemed significant by the RWMG and the Lead Agency, will require Plan re-adoption via the decision-making process described in Section 4.5.

4.4 Personnel and Financial Resources. It is expected that Program Participants will contribute the resources necessary to fulfill the responsibilities listed within Section 4 of this MOU. Program Participants that receive implementation grant funding, shall contribute a proportionate share of non-project costs associated with the grant agreement, based on awarded implementation funding (for example, contributing toward the cost of updating the Plan, should that be a condition of grant award)..

4.5 Decision Making. The RWMG shall develop IRWM program materials and will make recommendations to the Lead Agency at key decision points of the IRWM program. Written input will be sought between the representatives of RWMG members in the event the need for a decision arises that cannot be brought forth to the RWMG before a decision needs to be made. The District, by way of its Public Works Department, shall notify the RWMG agencies of recommendations being taken to the District's Board of Supervisors for action. The District's Board of Supervisors may approve, alter, or return any said recommendation of the RWMG. Furthermore, if the District's Board of Supervisors intends to alter an item or proposition approved by the RWMG, the District's Board of Supervisors shall set forth in writing its findings, after which the Board will hold a public hearing. The RWMG agencies shall have the right to appear and address the District's Board of Supervisors.

5. MUTUAL UNDERSTANDINGS

5.1 Need for the Region's IRWM Plan

5.1.1 To improve communication and cooperation between public and private agencies and minimize conflict-generated solutions.

5.1.2 To enhance our existing water management efforts by increasing stakeholder awareness of important issues, providing more opportunities for collaborative efforts and improving efficiencies in government and water management.

5.1.3 To qualify for state grants and other funding opportunities only available to those regions which have developed IRWM plans.

5.2 Subject matter scope of the IRWM Plan. The Plan focuses on water supply, water quality protection and improvement, ecosystem preservation and restoration, groundwater monitoring and management, and flood management as these are the most prevalent water resource issues facing the Region.

5.3 Geographical scope of the IRWM Program. The Region for this memorandum is coterminous with the boundary of San Luis Obispo County. This is an appropriate geographic region for integrated regional water management planning because it encompasses all aspects of water management generally within the same physical, political, environmental, social, and economic boundaries. The Region may engage stakeholders within the three sub-regions in order to better understand the specific water resources needs and priorities of that sub-region, which would then be incorporated into the context of the greater IRWM Region planning and implementation.

The Region is bordered by the Greater Monterey County IRWM region to the north, the Santa Barbara County and Watersheds Coalition of Ventura County IRWM regions to the south, and the Kern County IRWM region to the east.

Water resources issues that overlap neighboring regional boundaries are either covered by existing cooperative water management plans (i.e. Nacitone Watershed Management Plan), adjudication (i.e. Santa Maria Groundwater Basin), and operational agreements (i.e. Nacimiento Reservoir), or have no defining water resource management issue. All of these items are to be included in the Region's Plan consistent with the plans of neighboring regions. The RWMG will continue to coordinate with neighboring regions to address additional water resources issues and possible integrated water management strategies in our respective IRWM plans.

5.4 Non-binding nature. This document and participation in the IRWM program efforts are nonbinding, and in no way suggest that a RWMG member or Implementation Affiliate may not continue its own planning and undertake efforts to secure project funding from any source. An agency/ organization may withdraw from participation in accordance with Section 5.7.

5.5 Other on-going regional efforts. Development of the Plan is separate from efforts of other organizations to develop water-related plans on a regional basis. As the Plan is developed, work products can be shared with these separate efforts to provide them with current information.

5.6 Reports and communications. The WRAC, an IRWM contact list, and the District's website will serve as the forum for updates and correspondence relating to the IRWM program and Plan development.

5.7 Termination. Because the Plan will require periodic review and updating for use into the future, it is envisioned that the joint efforts of those involved will be ongoing in maintaining a living document. Thus this MOU will remain as a reflection of the understandings of the RWMG Members. As indicated, parties to this MOU may terminate their involvement at any time, but must provide all RWMG agencies with 30 days' advance notice of intent to terminate.

5.8 Superseded Prior MOU. This MOU supersedes the MOU dated April 21, 2009 (2009 MOU).

5.9 Counterparts. This MOU may be executed in counterparts and has the same force and effect as if all the signatures were obtained in one document.

6. SIGNATORIES TO THE MEMORANDUM OF UNDERSTANDING

We, the undersigned representatives of our respective agencies or organizations, acknowledge the above as our understanding of how the San Luis Integrated Regional Water Management Plan will be developed.

**COUNTY OF SAN LUIS OBISPO
FLOOD CONTROL AND
WATER CONSERVATION DISTRICT**

By: JAMES R. PATTERSON
Chairman,
Board of San Luis Obispo County
Flood Control and
Water Conservation District

ATTEST:

JULIE L. RODEWALD
Clerk of the Board of Supervisors

By: Sandy Currens
Deputy Clerk

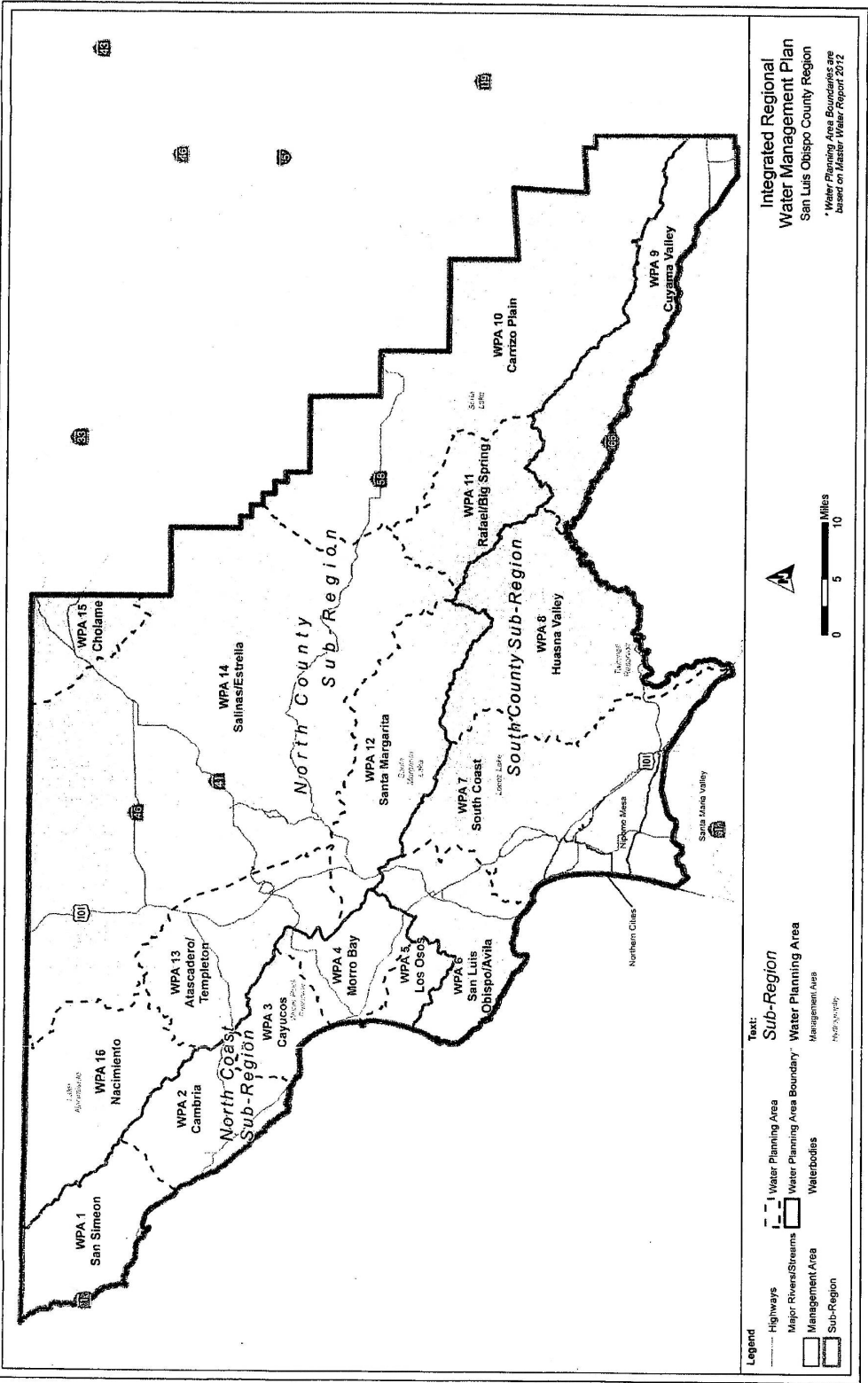
APPROVED AS TO FORM AND LEGAL EFFECT:

WARREN R. JENSEN
County Counsel

By: 
Deputy County Counsel

Date: 9/24/12

Attachment 1 – San Luis Obispo County IRWM Region and Sub-Regions Map



**Memorandum of Understanding Signatories for
San Luis Obispo County Region IRWM Participants**

Agency or Organization
San Luis Obispo County Flood Control and Water Conservation District
County of San Luis Obispo
Avila Beach Community Services District
California Men's Colony
Cambria Community Services District
Cayucos Sanitary District
Central Coast Salmon Enhancement
City of Arroyo Grande
City of Grover Beach
City of Morro Bay
City of Paso Robles
City of Pismo Beach
City of San Luis Obispo
Coastal San Luis Resource Conservation District
Estrella-El Pomar-Creston Water District
Heritage Ranch Community Services District
The Land Conservancy of San Luis Obispo County
Los Osos Community Services District
Morro Bay National Estuary Program
Nipomo Community Services District
Oceano Community Services District
Templeton Community Services District
San Miguel Community Services District
San Miguelito Mutual Water Company
San Simeon Community Services District
Shandon-San Juan Water District
South San Luis Obispo County Sanitation District
S&T Mutual Water Company
Upper Salinas - Las Tablas Resource Conservation District

Attachment 2. Summary of Selected Projects

Project 1: One Water SLO - MBR/UV Component

Project Proponent: City of San Luis Obispo (the City)

The MBR and UV system components of the City's Water Resource Reclamation Facility (WRRF) will increase the City's use of recycled water by increasing the quantity and quality of recycled water produced at the WRRF. Recycled water will be used for landscape irrigation, construction use, agricultural use, and to enhance water flows in San Luis Obispo Creek. Additional recycled water allows the City to improve its water supply reliability for current non-potable uses and potentially for future potable uses. Improved water quality will provide higher quality recycled water for customers, better habitat for flora and fauna of the creek, and improve downstream water quality.

Project 2: Nipomo Supplemental Water Project Final Phase

Project Proponent: Nipomo Community Services District (NCSD)

The Nipomo Supplemental Water Project, final phase, will increase the deliveries of the entire project from 1,000 acre-feet per year (AFY) to 3,000 AFY. This increased capacity will allow all project partners - NCSD, Golden State Water Company and Woodlands Mutual Water Company – to collectively reduce groundwater pumping by 2,000AFY on the Nipomo Mesa thereby helping achieve sustainability for this adjudicated groundwater basin. The entire mesa are will benefit from this reduced municipal pumping.

Project 3: 8th Street Well Construction – Basin Management Plan Program A Project

Project Proponent: Los Osos Community Services District (LOCSO)

The 8th Street Well Construction Project establishes an alternative groundwater pumping strategy in the Los Osos Groundwater Basin. LOCSO currently pumps groundwater from the lower aquifer which is experiencing seawater intrusion, by relocating pumping from the lower to upper portion of the aquifer, the Project will help reverse seawater intrusion and improve the sustainability of the basin. The project will also improve water quality by treating and blending the water in the upper aquifer, which currently has nitrate contamination issues, to drinking water standards.

Project 4: Oceano Water Resource Reliability Project

Project Proponent: Oceano Community Services District (OCSO)

The Oceano Water Resource Reliability Project replaces non-standard obsolete/aged pipes that are leaking and contributing to water losses. Pipe replacement will support water use and operational efficiency for a State Water Project sub-contractor. The project will also address water reliability by improving system pressures and flows for fires and other emergencies with the installation of new larger pipes.

Project 5: Reservoir Expansion Project – Phase 1 Distribution System

Project Proponent: San Simeon Community Services District (SSCSD)

The SSCSD Reservoir Expansion Project involves the construction of a water storage tank and a water distribution replacement line that will be tied into the current water distribution system. The tank construction is one of four that the Community needs to address the immediate necessity for additional potable water storage to meet fire prevention and suppression needs identified by CalFire as well as provide greater flexibility in the operation of their water supply wells. The project will help ensure water security at the local level for a Disadvantaged community.

**Reimbursement Agreement
Proposition 1 Integrated Regional Water Management
Round 1 Implementation Grant**

This Reimbursement Agreement ("Agreement") is made on this ____ day of _____, 2019 by and between the San Luis Obispo County Flood Control and Water Conservation District ("District"), the City of San Luis Obispo ("City"), the Nipomo Community Services District ("NCSD"), the Los Osos Community Services District ("LOCSD"), the Oceano Community Services District ("OCSD") and the San Simeon Community Services District ("SSCSD"), collectively referred to herein as the "Parties" (all Parties other than the District shall also be individually referred to herein as "Agency" and collectively as the "Agencies").

RECITALS

WHEREAS, the State of California has established an Integrated Regional Water Management ("IRWM") Grant Program pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code Section 79700 *et seq.*) (also known as "Proposition 1"); and

WHEREAS, a Memorandum of Understanding ("MOU") between the District and various other parties, including the Agencies, designates the District as the lead agency to submit IRWM grant applications and to execute and administer IRWM grant agreements with the State; and

WHEREAS, the Agencies have an interest in developing a regional application to submit to the California Department of Water Resources under the IRWM Proposition 1 Round 1 Implementation Grant Program ("Grant Application"); and

WHEREAS, the District entered into an Agreement for Professional Engineering Services with Water Systems Consulting, Inc. ("Consultant") on or about September 16, 2019, attached hereto as Exhibit "A" and incorporated herein, pursuant to which Consultant is to develop the Grant Application ("Consultant Agreement"); and

WHEREAS, the Consultant Agreement identifies the development of local project specific submittals (i.e. submittals for each Agency sponsored project) as a separate task and further requires the Consultant to detail the work performed on each task and each project on each invoice; and

WHEREAS, on or about **Nov. 19, 2019**, the District Board of Supervisors authorized and directed the Director of Public Works to execute a reimbursement agreement(s) with the Agencies on behalf of the District to recover certain costs incurred by the District in connection with the Consultant Agreement.

NOW, THEREFORE, it is hereby mutually agreed by the Agencies and District as follows:

1. The above recitals are true and correct and are incorporated herein by this reference.
2. Consistent with the MOU and Consultant Agreement, each Agency agrees that it is appropriate for the San Luis Obispo County Public Works Department ("Department"), as *ex officio* staff to the District, to manage the Consultant's development of the Grant Application. Each Agency further agrees to provide the

Department and the Consultant with all information, materials and coordination that they determine necessary to develop the Grant Application.

3. Each Agency shall pay to the District a sum equal to the costs that the Consultant identifies on its invoices as attributable to inclusion of the Agency's particular project in the Grant Application within thirty (30) days of written notification to the Agency by the District that the District has received the final Grant Application from the Consultant.
4. Each Agency shall also pay to the District a sum equal its proportionate share of the total costs that the Consultant identifies on its invoices as not attributable to any particular Agency project, including, without limitation, costs attributable to development of the overall proposal and program description and project management and meetings, within thirty (30) days of written notification to the Agency by the District that the District has received the final Grant Application from the Consultant. For purposes of this section, each Agency's proportionate share (equal to each Agency's grant funding request divided by the total request of the Agencies) shall be as follows:
 - City: 42%
 - NCSD: 26%
 - LOCSD: 7%
 - OCSD: 9%
 - SSCSD: 16%
5. Notwithstanding Paragraphs 3 and 4 above, no Agency's payment obligation pursuant to this Agreement shall exceed fifteen thousand dollars (\$15,000).
6. This Agreement shall not be changed or modified except upon written consent of all of the Parties.
7. This Agreement is intended by the Parties as a final expression of their understanding with respect to the matters contained herein and is a complete and exclusive statement of the terms and conditions thereof.
8. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute a single instrument. Signature pages may be detached from individual counterparts and attached to a single or multiple original(s) in order to form a single or multiple originals of this Agreement.

IN WITNESS WHEREOF, the Agencies have executed this Agreement with the approval of their respective governing bodies, and District has executed this Agreement in accordance with the authorization of the Board of Supervisors.

<p>City of San Luis Obispo</p> <p>By: _____</p> <p>Date: _____, 20__</p>	<p>Nipomo Community Services District</p> <p>By: _____</p> <p>Date: _____, 20__</p>
<p>Los Osos Community Services District</p> <p>By: _____</p> <p>Date: _____, 20__</p>	<p>Oceano Community Services District</p> <p>By: _____</p> <p>Date: _____, 20__</p>
<p>San Simeon Community Services District</p> <p>By: _____</p> <p>Date: _____, 20__</p>	
<p>SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT</p> <p>By: _____</p> <p>Date: _____, 20__</p>	<p>APPROVED AS TO FORM AND LEGAL EFFECT: RITA L. NEAL County Counsel</p> <p>By: _____ Deputy County Counsel</p> <p>Date: _____, 20__</p>

EXHIBIT A
CONSULTANT AGREEMENT

DRAFT

**CONTRACT FOR PROFESSIONAL CONSULTANT SERVICES
GRANT APPLICATION DEVELOPMENT – PROPOSITION 1
INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION ROUND 1**

This Contract is entered into this 16 day of September, 2019 by and between the San Luis Obispo County Flood Control and Water Conservation District, a political subdivision of the State of California, herein called "DISTRICT," and Water Systems Consulting, Inc., an independent contractor whose address is 805 Aerovista Place, Suite 201, San Luis Obispo, CA 93401, herein called "CONSULTANT" or "WSC."

The DISTRICT department responsible for administering this Contract is the Department of Public Works ("Public Works"), and all written communications hereunder with the DISTRICT shall be addressed to the Director of Public Works unless otherwise specified herein.

WHEREAS, the DISTRICT has need for special services and advice with respect to the work described herein for the Grant Application Development – Proposition 1 Integrated Regional Water Management Implementation Round 1 Project (hereafter, the "Project"); and

WHEREAS, the CONSULTANT warrants that it is specially trained, experienced expert, and competent to perform such special services;

NOW, THEREFORE, the parties agree with the above recitals, and hereby further agree as follows:

ARTICLE 1. SCOPE OF WORK

The CONSULTANT shall, at its own cost and expense, provide all the services, equipment, and materials necessary to complete the work described in the CONSULTANT's Scope of Work (hereafter, collectively "Work") attached hereto as Exhibit A. CONSULTANT warrants and represents that said Work encompasses all services, equipment, and materials necessary for the CONSULTANT's completion of a final application for a Proposition 1 Integrated Regional Water Management Implementation Round 1 grant based on the Final 2019 Integrated Regional Water Management Grant Program Guidelines and Final Round 1 – Implementation Proposal Solicitation Package. All Work shall be performed to the highest professional standard.

ARTICLE 2. TIME FOR COMPLETION OF WORK

No Work shall be commenced prior to the CONSULTANT's receipt of the DISTRICT's Notice to Proceed. All Work shall be completed at least one business day prior the deadline to submit the grant application described above to the California Department of Water Resources ("DWR"), as established by DWR (anticipated to be on or around December 6, 2019), provided, however, that extensions of time may be granted in writing by the DISTRICT's Director of Public Works, which said extensions of time, if any, shall be granted only for reasons attributable to inclement weather, acts of God, or for other cause determined in the sole discretion of the DISTRICT's Director of Public Works to be good and sufficient cause for such extensions.

ARTICLE 3. PAYMENT FOR SERVICES

A. COMPENSATION

1. DISTRICT shall pay to CONSULTANT as compensation in full for all Work required by this Contract a sum not to exceed the total Contract amount of \$50,680.

2. Payments will be made to CONSULTANT based on compensable services provided and allowable costs incurred at the rates set forth in the CONSULTANT'S Cost Proposal attached hereto as Exhibit B. All payments to CONSULTANT shall be based on actual services performed and costs incurred at the rates set forth in Exhibit B.
3. The DISTRICT reserves the right to delete Work from CONSULTANT'S Scope of Work, but such deletion must be in writing from the DISTRICT'S Director of Public Works and expressly state that certain Work is being deleted. CONSULTANT shall be entitled to no compensation for any Work that is deleted.

B. REPORTS

The CONSULTANT shall submit to the DISTRICT, on a monthly basis, a detailed statement of all services performed, and all Work accomplished under this Contract since the CONSULTANT'S last monthly statement, including the number of hours of Work performed and the personnel involved. For the purpose of timely processing of invoices, the CONSULTANT'S invoices are not regarded as received until the monthly report is submitted. Any anticipated problems in performing any future Work shall be noted in the monthly reports. The CONSULTANT shall also promptly notify the DISTRICT of any perceived need for a change in the scope of Work, and an explanation as to why the CONSULTANT did not include said Work in the attached Scope of Work.

C. INVOICES

Billing invoices shall be based upon the CONSULTANT'S Cost Proposal, attached hereto as Exhibit B. Invoices shall detail the Work performed on each task and each project as applicable. Invoices shall follow a format based upon the Cost Proposal and shall reference this Contract number and Project. Final invoice must contain the final cost and all credits due the DISTRICT including any equipment purchased under the provisions of Article 22 Equipment Purchase of this Contract.

D. CONSULTANT'S ASSIGNED PERSONNEL

All Work performed under this Contract shall be performed by the CONSULTANT'S personnel identified in the organizational chart, attached hereto as Exhibit C. Any changes to the any personnel designated on this organizational chart must be approved in writing by the DISTRICT'S Project Manager.

ARTICLE 4. ACCOUNTING RECORDS

- A. The CONSULTANT shall maintain accounting records in accordance with generally accepted accounting principles. The CONSULTANT shall obtain the services of a qualified bookkeeper or accountant to ensure that accounting records meet this requirement. The CONSULTANT shall maintain acceptable books of accounts which include, but are not limited to, a general ledger, cash receipts journal, cash disbursements journal, general journal, and payroll journal.
- B. The CONSULTANT shall record costs in a cost accounting system which clearly identifies the source of all costs. Contract costs shall not be co-mingled with other project costs, but shall be directly traceable to contract billings to the DISTRICT. The use of worksheets to produce billings shall be kept to a minimum. If worksheets are used to produce billings, all entries should be documented and clearly traceable to the CONSULTANT'S cost accounting records.

- C. All accounting records and supporting documentation shall be retained for a minimum of five (5) years or until any audit findings are resolved, whichever is later. The CONSULTANT shall safeguard the accounting records and supporting documentation.
- D. The CONSULTANT shall make accounting records and supporting documentation available on demand to the DISTRICT and its designated auditor for inspection and audit. Disallowed costs shall be repaid to the DISTRICT. The DISTRICT may require having the CONSULTANT's accounting records audited, at the CONSULTANT's expense, by an accountant licensed by the State of California. The audit shall be presented to the County Auditor-Controller within thirty (30) calendar days after completion of the audit.

ARTICLE 5. NON-ASSIGNMENT OF CONTRACT

Inasmuch as this Contract is intended to secure the specialized services of the CONSULTANT, the CONSULTANT may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of the DISTRICT and any such assignment, transfer, delegation, or sublease without the DISTRICT's prior written consent shall be considered null and void.

ARTICLE 6. INSURANCE

CONSULTANT shall procure and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the CONSULTANT, its agents, representatives, or employees.

A. MINIMUM SCOPE AND LIMITS OF REQUIRED INSURANCE POLICIES

Coverage shall be at least as broad as:

1. COMMERCIAL GENERAL LIABILITY (CGL)

Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. AUTOMOBILE LIABILITY

ISO Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

3. WORKERS' COMPENSATION

Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease. If CONSULTANT will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage shall also include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the DISTRICT as the Alternate Employer, and the endorsement form shall be modified to provide that DISTRICT will receive not less than thirty (30) calendar days advance written notice of cancellation of this

coverage provision. If applicable to CONSULTANT's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

4. PROFESSIONAL LIABILITY/ERRORS AND OMISSIONS

Insurance covering CONSULTANT's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, CONSULTANT understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

If the CONSULTANT maintains higher limits than the minimums shown above, the DISTRICT requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

B. OTHER INSURANCE PROVISIONS

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. ADDITIONAL INSURED STATUS

The DISTRICT, its officers, officials, employees, and volunteers are to be covered as insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the CONSULTANT; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONSULTANT including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONSULTANT's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

2. PRIMARY COVERAGE

For any claims related to this Contract, the CONSULTANT's insurance coverage shall be primary insurance as respects the DISTRICT, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the DISTRICT, its officers, officials, employees, or volunteers shall be excess of the CONSULTANT's insurance and shall not contribute with it.

3. NOTICE OF CANCELLATION

Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) calendar days' prior written notice (ten (10) calendar days for non-payment) has been given to the DISTRICT.

4. FAILURE TO MAINTAIN INSURANCE

CONSULTANT's failure to maintain or to provide acceptable evidence that it maintains the required insurance shall constitute a material breach of this Contract, upon which the DISTRICT immediately may withhold payments due to CONSULTANT, and/or suspend or terminate this Contract. The DISTRICT, at its sole discretion, may obtain damages from CONSULTANT resulting from said breach.

5. WAIVER OF SUBROGATION

CONSULTANT hereby grants to DISTRICT a waiver of any right to subrogation which any insurer of said CONSULTANT may acquire against the DISTRICT by virtue of the payment of any loss under such insurance. CONSULTANT agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the DISTRICT has received a waiver of subrogation endorsement from the insurer.

6. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and approved by the DISTRICT. The DISTRICT may require the CONSULTANT to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

7. ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the DISTRICT.

8. CLAIMS MADE POLICIES

If any of the required policies provide coverage on a claims-made basis:

- a. The Retroactive Date must be shown and must be before the date of the Contract or the beginning of Contract Work.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Contract Work
- c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Contract effective date, the CONSULTANT must purchase "extended reporting" coverage for a minimum of five (5) years after completion of Contract work.

9. SEPARATION OF INSUREDS

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

10. VERIFICATION OF COVERAGE

CONSULTANT shall furnish the DISTRICT with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the DISTRICT before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONSULTANT's obligation to provide them. The DISTRICT reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Certificates and copies of any required endorsements shall be sent to:

County of San Luis Obispo
Department of Public Works
Brendan Clark, Contract Administrator
County Government Center, Room 206
San Luis Obispo, CA 93408

11. SUBCONSULTANTS

CONSULTANT shall require and verify that all subconsultants maintain insurance meeting all the requirements stated herein.

12. SPECIAL RISKS OR CIRCUMSTANCES

DISTRICT reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

ARTICLE 7. INDEMNIFICATION

The CONSULTANT shall defend, indemnify and hold harmless the DISTRICT, its officers, agents, and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, liabilities, or other losses (hereafter, collectively "claims") that may be asserted by any person or entity, and that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT. The parties agree that, in addition to the CONSULTANT's general and professional duties of care, the CONSULTANT has a duty of care to act in accordance with the terms of this Contract. In addition to whatever other acts or omissions of CONSULTANT that constitute negligence, recklessness, or willful misconduct under applicable law, the parties acknowledge that any act or omission of the CONSULTANT that causes any damages or monetary losses, and constitutes a breach of any duty under, or pursuant to, this Contract, shall at a minimum constitute negligence (and may constitute recklessness or willful conduct if so warranted by the facts).

The preceding paragraph applies to any and all such claims, regardless of the nature of the claim or theory of recovery. For purposes of the paragraphs found in this Article of the Contract, "CONSULTANT" shall include the CONSULTANT, and/or its agents, employees, subconsultants, or other independent contractors hired by, or working under, the CONSULTANT.

It is the intent of the parties to provide the DISTRICT the fullest indemnification, defense, and "hold harmless" rights allowed under the law. No provisions of this Contract shall be construed in a manner that would constitute a waiver or modification of Civil Code section 2782.8. If any word(s) contained herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this Contract and the remaining language shall be given full force and effect. Nothing contained in this Contract shall be construed to require the CONSULTANT to indemnify the DISTRICT against any responsibility or liability in contravention of Civil Code 2782.8.

Pursuant to subdivision (a) of Civil Code section 2782.8, in no event shall the cost to defend charged to the CONSULTANT exceed the CONSULTANT's proportionate percentage of fault. However, notwithstanding the previous sentence, in the event one or more defendants is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, the CONSULTANT shall meet and confer with other parties regarding unpaid defense costs.

ARTICLE 8. CONSULTANT’S RESPONSIBILITY FOR ITS WORK

- A. The CONSULTANT has been hired by the DISTRICT because of the CONSULTANT’s specialized expertise in performing the Work described in the attached Scope of Work, Exhibit A. The CONSULTANT shall be solely responsible for such Work. The DISTRICT’s review, approval, and/or adoption of any designs, plans, specifications, or any other Work shall be in reliance on the CONSULTANT’s specialized expertise and shall not relieve the CONSULTANT of its sole responsibility for the Work. The DISTRICT is under no duty or obligation to review or verify the appropriateness, quality, or accuracy of any designs, plans, specifications, or any other Work, including but not limited to, any methods, procedures, tests, calculations, drawings, or other information used or created by the CONSULTANT in performing any Work under this Contract.
- B. All information which the CONSULTANT receives from the DISTRICT should be independently verified by the CONSULTANT. The CONSULTANT should not rely upon such information unless it has independently verified its accuracy. The only exception to the foregoing arises when the DISTRICT has expressly stated in writing that certain information may be relied upon by the CONSULTANT without the CONSULTANT’s independent verification. In such event, the CONSULTANT is still obliged to promptly notify the DISTRICT whenever the CONSULTANT becomes aware of any information that is inconsistent with any information which the DISTRICT has stated may be relied upon by the CONSULTANT.
- C. Pursuant to the provisions of this Article, the CONSULTANT is responsible for all Work under this Contract, including the Work performed by any subconsultants or any other independent contractors which CONSULTANT hires or contracts with regarding the Work.
- D. The CONSULTANT accepts the relationship of trust and confidence established with DISTRICT by this Contract, and covenants with the DISTRICT to furnish the CONSULTANT’s reasonable skill and judgment in furthering the interests of the DISTRICT. The CONSULTANT shall use its best efforts to perform in an expeditious and economical manner consistent with the interests of the DISTRICT.
- E. If CONSULTANT ever has reason to believe that any of its general or professional duties of care conflict with any requirements of this Contract, the CONSULTANT shall promptly so notify the DISTRICT in writing.

ARTICLE 9. INSURANCE AND INDEMNIFICATION AS MATERIAL PROVISIONS

The parties expressly agree that the indemnification and insurance clauses in this Contract are an integral part of the performance exchanged in this Contract. The compensation stated in this Contract includes compensation for the risks transferred to the CONSULTANT by the indemnification and insurance clauses.

ARTICLE 10. CONSULTANT’S ENDORSEMENT ON REPORTS, ETC

The CONSULTANT shall endorse all reports, maps, plans, documents, materials, and other data in accordance with applicable provisions of the laws of the State of California.

ARTICLE 11. DOCUMENTS, INFORMATION AND MATERIALS OWNERSHIP

All documents, information, and materials of any and every type prepared by the CONSULTANT (or any subconsultant) pursuant to this Contract shall be the property of the DISTRICT. Such documents shall include but not be limited to data, drawings, specifications, reports, estimates,

summaries, and such other information and materials as may have been accumulated by the CONSULTANT (or any subconsultant) in performing Work under this Contract, whether completed or in process. The CONSULTANT shall assume no responsibility for the unintended use by others of any such documents, information, or materials on project(s) which are not related to the scope of services described under this Contract.

ARTICLE 12. TERMINATION OF CONTRACT WITHOUT CAUSE

The DISTRICT may terminate this Contract at any time by giving the CONSULTANT thirty (30) calendar days written notice of such termination. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Other than payments for services satisfactorily rendered prior to the effective date of said termination, the CONSULTANT shall be entitled to no further compensation or payment of any type from the DISTRICT.

ARTICLE 13. TERMINATION OF CONTRACT FOR CAUSE

If the CONSULTANT fails to perform the CONSULTANT’s duties to the satisfaction of the DISTRICT; or if the CONSULTANT fails to fulfill in a timely and professional manner the CONSULTANT’s obligations under this Contract; or if the CONSULTANT violates any of the terms or provisions of this Contract; or if the CONSULTANT, or the CONSULTANT’s agents or employees fails to exercise good behavior either during or outside of working hours that is of such a nature as to bring discredit upon the DISTRICT, then the DISTRICT shall have the right to terminate this Contract effective immediately upon the DISTRICT giving written notice thereof to the CONSULTANT. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. The CONSULTANT shall be paid for all Work satisfactorily completed prior to the effective date of such termination. If the DISTRICT's termination of the Contract for cause is defective for any reason, including but not limited to the DISTRICT’s reliance on erroneous facts concerning the CONSULTANT’s performance, or any defect in notice thereof, this Contract shall automatically terminate without cause thirty (30) calendar days following the DISTRICT’s written notice of termination for cause to the CONSULTANT, and the DISTRICT’s maximum liability shall not exceed the amount payable to the CONSULTANT under Article 12 above.

ARTICLE 14. COMPLIANCE WITH LAWS

The CONSULTANT shall comply with all Federal, State, and local laws and ordinances that are applicable to the performance of the Work of this Contract. This includes compliance with prevailing wage rates and their payment in accordance with the California Labor Code. The CONSULTANT acknowledges that labor performed on site to support any Work required under this Contract is a public work within the meaning of Labor Code Section 1720. The CONSULTANT will comply, or cause its subconsultant(s) to comply, with the provisions of Labor Code Section 1774.

ARTICLE 15. COVENANT AGAINST CONTINGENT FEES

The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working for the CONSULTANT, to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percent, brokerage fee, gift, or any other consideration, contingent upon or

resulting from the award or making this Contract. For breach or violation of this warranty, the DISTRICT shall have the right to annul this Contract without liability or, in its discretion to deduct from the Contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

ARTICLE 16. DISPUTES & CLAIMS

A. EXCLUSIVE REMEDY

Any demand or assertion by CONSULTANT seeking any additional compensation and/or time extension, or other relief, for any reason whatsoever (hereafter collectively "Claim"), must be in strict compliance with the requirements of this Article. For purposes of this Article, any and all Work relating to any such demand or assertion shall be referred to as "Disputed Work", regardless of whether the basis of the demand or assertion arises from an interpretation of the Contract, an action or inaction of CONSULTANT or DISTRICT, or any other event, issue, or circumstance. If the Disputed Work relates to any Work performed by any subconsultants hired by CONSULTANT in compliance with the provisions of this Contract, any such Claims must also be processed by CONSULTANT in accordance with the provisions of this Article.

The administration of a Claim as provided in this Article, including CONSULTANT's performance of its duties and obligations specified in this Article is CONSULTANT's sole and exclusive remedy for disputes of all types pertaining to the payment of money, extension of time, the adjustment or interpretation of this Contract or other contractual or tort relief arising from this Contract. Compliance with the procedures described in this Article is a condition precedent to the right to file a Government Code Claim, commence litigation, or commence any other legal action. CONSULTANT waives the right to pursue or submit any Claims not processed in accordance with Article.

B. MANDATORY PROCEDURE AND CONDITION PRECEDENT

The requirements set forth in this Article are mandatory, and CONSULTANT shall strictly comply with these requirements. Strict compliance with these requirements is a condition precedent to CONSULTANT's ability to exercise any rights or remedies that may otherwise be available to CONSULTANT under this Contract or any applicable Laws or Regulations relating to the Claim. No action or inaction by CONSULTANT and/or DISTRICT to try to resolve any Claim(s) through agreement, amendment, mediation, settlement, or any other means shall excuse CONSULTANT from strictly complying with the requirements of this Article. CONSULTANT shall bear all costs incurred in complying with the provisions of this Article.

C. NOTICE OF POTENTIAL CLAIM

The CONSULTANT shall not be entitled to any additional compensation and/or time under this Contract for any act, or failure to act, by the DISTRICT, or for the happening of any event, thing, occurrence, or other cause, unless the CONSULTANT has provided the DISTRICT's Director of Public Works with timely written Notice of Potential Claim as hereinafter specified. The written Notice of Potential Claim shall set forth the reasons for which the CONSULTANT believes additional compensation and/or time will or may be due, the nature of the cost involved, and, insofar as possible, the full amount of additional compensation and/or time extension sought in relation to the potential claim. The said notice as above required must have been given to the DISTRICT prior to the time that the CONSULTANT shall have performed any Disputed Work. It is the intention of this paragraph that differences between the parties relating to this

Contract be brought to the attention of the DISTRICT at the earliest possible time in order that such matters may be settled, if possible, or other appropriate action promptly taken. The CONSULTANT hereby agrees that it shall have no right to additional compensation and/or time regarding any Claim for which no written Notice of Potential Claim as herein required was filed with the DISTRICT's Director of Public Works.

D. NOTICE OF FINAL CLAIM

As soon as reasonably practical upon completion of the Disputed Work, and no later than thirty (30) calendar days after completion of the Disputed Work, CONSULTANT shall provide to DISTRICT a Notice of Final Claim containing a full and final documentation of the Claim that provides the following information:

1. A detailed factual narration of events fully describing the nature and circumstances that caused the dispute, including, but not limited to, necessary dates, locations, and items of Work affected by the dispute.
2. The specific provisions of this Contract that support the Claim and a statement of the reasons these provisions support and provide a basis for entitlement of the Claim.
3. When additional monetary compensation is requested, the exact amount requested, including an itemized breakdown of individual costs. These costs shall be segregated into the following cost categories:
 - a. Labor – A listing of individuals, classifications, hours and dates worked, hourly labor rates, and other pertinent information related to the requested reimbursement of labor costs.
 - b. Materials/Equipment – Invoices, purchase orders, location of materials/ equipment used to perform the Disputed Work, dates they were used, and other pertinent information related to the requested reimbursement of material/ equipment costs. (Any applicable equipment rates shall be at the applicable State rental rate as listed in the Department of Transportation publication entitled "Labor Surcharge and Equipment Rental Rates," in effect when the Disputed Work was performed.)
 - c. Other categories as specified by DISTRICT.

E. CONSULTANT'S CONTINUING OBLIGATIONS

Neither the filing of a Notice of Potential Claim or of a Notice of Final Claim, nor the pendency of a dispute or claim, nor its consideration by the DISTRICT, shall excuse the CONSULTANT from full and timely performance in accordance with the terms of this Contract. CONSULTANT shall promptly respond to any requests for further information or documentation regarding CONSULTANT's potential or final Claim. If CONSULTANT fails to provide an adequate written response to DISTRICT within fifteen (15) calendar days of DISTRICT's written request for such further documentation or information, CONSULTANT shall be deemed to have waived its Claim. If the further documentation or information requested by DISTRICT, in the opinion of the DISTRICT, reasonably take the CONSULTANT more than fifteen (15) calendar days to comply with, the written request shall provide the CONSULTANT a specific response deadline that is commensurate to a reasonable response time.

F. RESPONSE TO NOTICE OF FINAL CLAIM

The DISTRICT shall respond in writing to the Notice of Final Claim within sixty (60) calendar days of receipt thereof, or may request, in writing, within forty-five (45) calendar days of said receipt, any additional information or documentation relating to the Claim or any defenses to the Claim the DISTRICT may have against the CONSULTANT. CONSULTANT shall comply with the request within the reasonable time deadline provided by DISTRICT in the request. If any additional information is thereafter requested by DISTRICT, it shall likewise be provided by CONSULTANT within the reasonable time deadline provided by DISTRICT in such follow-up request. The written response to the Notice of Final Claim shall be submitted to the CONSULTANT within thirty (30) calendar days after receipt of such further information and documentation, or within a period of time no greater than that taken by the CONSULTANT in producing the additional information or documentation, whichever is greater. CONSULTANT may request an informal conference to meet and confer for settlement of the issues in dispute, but CONSULTANT shall have no right to demand such a conference. Neither the requesting of any such conference by CONSULTANT or DISTRICT, nor the holding of such conference shall affect the date of the final decision on the Claim. No written communications of DISTRICT sent to CONSULTANT after any such conference will change the date of the final decision on the Claim unless the writing expressly states that the date of the final decision is being changed to a new specific date.

A Claim may be granted in whole or in part only by a written response that contains the signature of the DISTRICT's Director of Public Works or his authorized representative. In the event a valid written decision is not provided to CONSULTANT within the time prescribed in this Article, the Claim shall be deemed denied on the last day a written response was due. The date upon which the Claim is approved or denied pursuant to the provisions of this Article, shall constitute the date of the final decision on the Claim under the provisions of this Article. The date of the final decision on a Claim can only be changed by a subsequent writing signed by DISTRICT that expressly states that the date of the final decision on the Claim has been changed to a new specific date.

G. GOVERNMENT CODE CLAIM REQUIREMENTS

For all Claims not resolved as a result of these Article 16 procedures, CONSULTANT must submit each Claim in a Government Code Section 910 form of claim for final investigation and consideration of its settlement prior to initiation of any litigation on any such Claim, as required by Government Code Section 945.4. Pursuant to Government Code Section 930.2, the one-year period in Government Code Section 911.2 is hereby reduced to 150 calendar days. This time deadline is measured from the accrual date of each separate cause of action. The time deadline for filing a Government Code claim shall not be tolled by any action or inaction by CONSULTANT or DISTRICT, including but not limited to any action or inaction to try to resolve the Claim through negotiation, mediation, settlement, agreement (including Change Order), or by any other means, other than by a separate written tolling agreement expressly approved as to form (on the face of the agreement) by the County Counsel's Office.

ARTICLE 17. CONSULTANT IS AN INDEPENDENT CONTRACTOR

CONSULTANT shall, during the entire term of this Contract, be construed to be an independent contractor and nothing in this Contract is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow the DISTRICT to exercise discretion or control over the professional manner in which the CONSULTANT performs the services which

are the subject matter of this Contract; provided always however that the services to be provided by the CONSULTANT shall be provided in a manner consistent with all applicable standards and regulations governing such services.

The CONSULTANT understands and agrees that the CONSULTANT's personnel are not and will not be eligible for membership in or any benefits from any DISTRICT group plan for hospital, surgical or medical insurance or for membership in any DISTRICT retirement program or for paid vacation, paid sick leave, or other leave, with or without pay or for any other benefit which accrues to a DISTRICT employee.

ARTICLE 18. ENTIRE CONTRACT AND MODIFICATION

This Contract supersedes all previous contracts and constitutes the entire understanding of the parties hereto. The CONSULTANT shall be entitled to no other compensation and/or benefits than those specified herein. No changes, amendments, or alterations shall be effective unless in writing and signed by both CONSULTANT and the DISTRICT Purchasing Agent. In addition, no changes, amendments, or alterations that increase the CONSULTANT's compensation such that the total compensation due under this Contract equals or exceeds \$200,000 shall be effective unless in writing and approved by the DISTRICT's Board of Supervisors. The CONSULTANT specifically acknowledges that in entering into and executing this Contract, the CONSULTANT relies solely upon the provisions contained in this Contract and no others. To the extent there is any inconsistency between the text in the body of this Contract and anything in any of the Exhibits attached hereto, the text in the body of this Contract shall prevail.

ARTICLE 19. ENFORCEABILITY

If any term, covenant, condition, or provision of this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 20. WARRANTY OF CONSULTANT

The CONSULTANT warrants that the CONSULTANT and each of the personnel employed or otherwise retained by the CONSULTANT for Work under this Contract are properly certified and licensed under the laws and regulations of the State of California to provide the special services herein agreed to.

ARTICLE 21. SUBCONTRACTING

- A. CONSULTANT shall perform the work contemplated with resources available within its own organization and no portion of the work pertinent to this Contract shall be performed by any other person or entity without written authorization by DISTRICT's Contract Administrator; provided, however, that those individuals or entities expressly identified in the approved Scope of Work and Cost Proposal (Exhibits A and B) are authorized to perform the specific work identified therein.
- B. CONSULTANT agrees to be fully responsible for all work contemplated by this Agreement regardless of whether it is performed by the Consultant or another individual or entity authorized (in writing) by the DISTRICT to perform the work as a subconsultant of the Consultant (or as a subconsultant of a subconsultant). CONSULTANT agrees to be fully responsible for the acts and omissions of its subconsultant(s) and of any persons or entities employed or hired by any of them as it is for the acts and omissions of the CONSULTANT's

employees. Nothing in this Contract shall create any contractual relation between DISTRICT and any subconsultant(s), and no contract between the CONSULTANT and any subconsultant(s) shall relieve CONSULTANT of its responsibilities and obligations hereunder.

- C. CONSULTANT shall pay its subconsultants within ten (10) calendar days from receipt of each payment made to CONSULTANT by DISTRICT. CONSULTANT's obligation to pay its subconsultant(s) is an independent obligation from DISTRICT's obligation to make payments to the CONSULTANT.
- D. Any subcontract in excess of \$25,000 entered into as a result of this Contract shall contain all the provisions stipulated in this Contract to be applicable to subconsultants.
- E. Any substitution of subconsultant(s) must be approved in writing by DISTRICT's Contract Administrator prior to the start of work by the subconsultant(s).

ARTICLE 22. EQUIPMENT PURCHASE.

- A. Prior authorization in writing, by the DISTRICT's Contract Administrator, shall be required before the CONSULTANT enters into any unbudgeted purchase order or subcontract exceeding \$5,000 for supplies, equipment, or consultant services. The CONSULTANT shall provide an evaluation of the necessity or desirability of incurring such costs.
- B. For purchase of any item, service, or consulting work not covered in CONSULTANT's Cost Proposal and exceeding \$5,000 prior authorization by DISTRICT's Contract Administrator; three competitive quotations must be submitted with the request, or the absence of bidding must be adequately justified.
- C. Any equipment purchased as a result of this Contract is subject to the following: "The CONSULTANT shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of \$5,000 or more. If the purchased equipment needs replacement and is sold or traded in, the DISTRICT shall receive a proper refund or credit at the conclusion of this Contract, or if this Contract is terminated, the CONSULTANT may either keep the equipment and credit the DISTRICT in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established DISTRICT procedures; and credit the DISTRICT in an amount equal to the sales price. If the CONSULTANT elects to keep the equipment, fair market value shall be determined at the CONSULTANT's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be obtained from an appraiser mutually agreeable to by the DISTRICT and the CONSULTANT, if it is determined to sell the equipment, the terms and conditions of such sale must be approved in advance by the DISTRICT."
- D. All subcontracts in excess of \$25,000 shall contain the above provisions.

ARTICLE 23. APPLICABLE LAW AND VENUE

This Contract has been executed and delivered in the State of California and the validity, enforceability, and interpretation of any of the clauses of this Contract shall be determined and governed by the laws of the State of California. All duties and obligations of the parties created hereunder are performable in San Luis Obispo County and such County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with, or by reason of this Contract.

ARTICLE 24. NOTICES

Any notice required to be given pursuant to the terms and provisions hereof shall be in writing and shall be sent by first class mail to the DISTRICT at:

County of San Luis Obispo
Department of Public Works
Brendan Clark, Contract Administrator
County Government Center, Room 206
San Luis Obispo, CA 93408

And to the CONSULTANT:

Water Systems Consulting, Inc.
Spencer Waterman, Project Manager
805 Aerovista Place, Suite 201
San Luis Obispo, CA 93401

ARTICLE 25. COST DISCLOSURE - DOCUMENTS AND WRITTEN REPORTS

Pursuant to Government Code section 7550, if the total cost of this Contract is over \$5,000, the CONSULTANT shall include in all final documents and in all written reports submitted a written summary of costs, which shall set forth the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of such documentation or written report. The Contract and subcontract numbers and dollar amounts shall be contained in a separate section of such document or written report.

ARTICLE 26. CONFIDENTIALITY OF DATA

- A. All financial, statistical, personal, technical, or other data and information relative to the DISTRICT's operations, which are designated confidential by the DISTRICT and made available to the CONSULTANT in order to carry out this Contract, shall be protected by the CONSULTANT from unauthorized use and disclosure, and shall not be made available to any individual or organization by the CONSULTANT without the prior written approval of the DISTRICT.
- B. Permission to disclose information on one occasion, or public hearing held by the DISTRICT relating to this Contract, shall not authorize the CONSULTANT to further disclose such information, or disseminate the same on any other occasion.
- C. All information related to the construction estimate is confidential, and shall not be disclosed by the CONSULTANT to any entity other than the DISTRICT.

ARTICLE 27. RESTRICTIVE COVENANT

The CONSULTANT agrees that it will not, during the continuance of this Contract, perform or otherwise exercise the services described in Exhibit A for or on behalf of any other member of a Central Coast Funding Area Regional Water Management Group (RWMG) unless and until agreed to in writing by the Director of Public Works.

ARTICLE 28. QUALITY CONTROL AND QUALITY ASSURANCE

The CONSULTANT shall provide a description of its Quality Control procedure. The process shall be implemented for all facets of Work and a QC-QA statement and signature shall be placed on all submittals to the DISTRICT.

ARTICLE 29. CLAIMS ANALYSIS AND EVALUATION

To the extent any claims are made between the DISTRICT and the construction contractor (or any other third party), any analysis or evaluation of any claims by Consultant shall be deemed confidential work related to potential litigation relating to said claims. Any analysis or evaluation of any claims by Consultant shall be deemed done at the request of the DISTRICT's attorneys as part of the DISTRICT's preparation for the potential litigation of said claims. Consultant acknowledges that the delivery of any such analysis or evaluation to any DISTRICT staff or representative shall be deemed a delivery to the DISTRICT's attorneys, and shall be considered part of the work product directed by the DISTRICT's attorneys to be used in conjunction with the preparation for the potential litigation of said claims. Due to the special relationship between the DISTRICT and the Consultant, the Consultant may be included in communications with DISTRICT staff and/or the DISTRICT's attorneys regarding claims, and the Consultant agrees to keep all such communications privileged and confidential to the full extent allowed under applicable law.

ARTICLE 30. UNRESOLVED CLAIMS RELATING TO PROJECT

This Article only applies to services provided by Consultant after the Project is completed, and the DISTRICT has requested additional support services from Consultant regarding any claims made between the DISTRICT and the construction contractor (or any third party) regarding the Project.

- A. If claims are made between the DISTRICT and the construction contractor or any other third party that relates in any way to the Project, and additional information or assistance from the Consultant's personnel is requested by the DISTRICT regarding any such claims, the Consultant agrees to cooperate with and provide timely response to any reasonable requests for information submitted to the Consultant by the DISTRICT relating to such claims. To the extent the information requested by the DISTRICT only seeks documents or other factual information relating to Work performed by the Consultant, the Consultant will only be compensated for any clerical costs associated with providing the DISTRICT the requested documents or factual information.
- B. The Consultant's personnel that the DISTRICT considers essential to best assisting the DISTRICT regarding a claim will be made available for consultation with the DISTRICT upon reasonable notice from the DISTRICT. In the event the expert opinions of the Consultant's personnel is sought by the DISTRICT through such consultation or through testimony, and only in such event, such consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for the Consultant's personnel services under this Contract. In the event the testimonies of any of the Consultant's personnel are sought by another party, the Consultant reserves the right to charge other party a different rate for deposition or trial testimony.
- C. Other than requests for documents or other factual information relating to Work performed by the Consultant, any additional services requested by the DISTRICT under this Article will be performed pursuant to a written Contract amendment, if necessary, extending the termination date of this Contract in order to finally resolve the claims. Except as otherwise set forth above, the Consultant's hourly rates shall be the same as set forth in exhibit to this Contract.

- D. Any subcontract entered into by the Consultant relating to this Contract, shall bind the Sub-consultant to all of the provisions of this Article by incorporating the provisions of this Article in any such subcontract, and substituting the name of the Sub-consultant in place of the word "Consultant" where it appears in this Article.

ARTICLE 31. CONFLICT OF INTEREST

- A. The CONSULTANT shall disclose any financial, business, or other relationship with the DISTRICT that may be affected by the outcome of this Contract, or any ensuing DISTRICT construction project. The CONSULTANT shall also list current clients who may have a financial interest in the outcome of this Contract, or any ensuing DISTRICT construction project, which will follow.
- B. The CONSULTANT hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this Contract.
- C. Any subcontract entered into by the CONSULTANT relating to this Contract, shall bind the subconsultant to all of the provisions of this Article by incorporating the provisions of this Article in any such subcontract, and substituting the name of the subconsultant in place of the word "CONSULTANT" where it appears in this Article.
- D. The CONSULTANT hereby certifies that neither the CONSULTANT, nor any firm affiliated with the CONSULTANT will bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this Contract. An affiliated firm is one, which is subject to the control of one or more of the same persons through joint-ownership, or otherwise.
- E. Except for subconsultants whose services are limited to providing surveying or materials testing information, no subconsultant who has provided design services in connection with this Contract shall be eligible to bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this Contract.

ARTICLE 32. EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this Contract, the Consultant agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, and hereby promises to comply with the provision on contractor agreements contained in Presidential Executive Order Number 11246 as amended by Executive Order (1) 75 and as approved by Department of Labor Relations (41 CFR Part 61).

ARTICLE 33. STATE PREVAILING WAGE RATES

- A. CONSULTANT shall comply with the State of California's General Prevailing Wage Rate requirements in accordance with California Labor Code, Section 1770, and all Federal, State, and local laws and ordinances applicable to the work.
- B. Any subcontract entered into by CONSULTANT relating to this Contract, if for more than \$25,000 for public works construction or more than \$15,000 for the alteration, demolition, repair, or maintenance of public works, shall incorporate the provisions of this Article in a manner that binds the subconsultant to all of the provisions of the Article.
- C. When prevailing wages apply to the services described in the scope of work, transportation and subsistence costs shall be reimbursed at the minimum rates set by the Department of Industrial Relations (DIR) as outlined in the applicable Prevailing Wage Determination. See <http://www.dir.ca.gov>.

IN WITNESS THEREOF, the parties hereto have executed this Contract, and this Contract shall become effective on the date shown signed by the San Luis Obispo County Flood Control and Water Conservation District.

SAN LUIS OBISPO COUNTY FLOOD CONTROL AND
WATER CONSERVATION DISTRICT

By: 

Will Clemens *Mike Taylor*
Director of Central Services *Reimbursing Agent*

Date: *9/16/2019*

CONSULTANT

WATER SYSTEMS CONSULTING, INC.

By: 

Title: *PRESIDENT*

Date: *9/12/2019*

APPROVED AS TO FORM AND LEGAL EFFECT:
RITA L. NEAL
County Counsel

By: 
Deputy County Counsel

Date: *September 5, 2019*

G:\AdminServ\ADM_SERV\Trisha\AGREEMENTS\Grant App Prop 1 IRWM Imp Rnd 1 Prof_Consultant_Contract_Nonfed_funds Approved 2_27_19 DISTRICT eas redlines 8 26 19.docx.BC.taw

Scope

The following tasks represent the work that will be undertaken based on the Final 2019 IRWM Grant Program Guidelines and Final Round 1 – Implementation Grant PSP.

TASK 1.0 PROJECT MANAGEMENT & MEETINGS

1.1 Project Management

Manage Project efforts including developing an initial work plan and schedule. Provide weekly Project status updates via conference call to the District on Project progress, budget, and schedule for each task for the duration of the Project. Perform internal review activities for Project deliverables. Prepare progress reports to be submitted with each monthly invoice. The reports will include a summary of activities accomplished in the current month.

Provide coordination and management of efforts between the District and local project sponsors for the development of the grant application.

Deliverable

➤ WSC will provide weekly Project status updates and monthly progress reports with Project invoices.

1.2 Meetings

Organize and attend Project meetings with District and/or local project sponsors for the duration of the Project. WSC shall hold and conduct the following meetings:

- Project kick-off meeting in-person with the District and/or local project sponsors.
- Draft Project Information Forms and Project Summary Form review meeting with the District and local project sponsors
- Draft Phase 1 – Funding Area Pre-Application Process Workshop materials review meeting with the District and/or local project sponsors
- Draft PSP Phase 2 Final Application Submittal review meeting with the District and local project sponsors
- Additional in-person or conference call meetings with the District and/or local project sponsors to provide updates and review Project development as needed. WSC will commit two hours per local project for a total of 12 hours to be used as needed.

Deliverables

➤ *WSC will provide an agenda and meeting materials at least three (3) working days prior to a meeting and will provide a meeting summary with action items within five (5) working days following the meeting.*

TASK 2.0 PHASE 1 PRE-APPLICATION PROCESS – OVERALL

Develop an overall submittal for the PSP Phase 1 – Funding Area Pre-Application Process including the preparation of the Proposal Summary Form (including Proposal Map) in coordination with the District and local project sponsors. The overall submittal shall also include the District’s project for grant administration, which requires a completed Project Information Form. WSC will rely on complete Project Information Forms (PIF)s to prepare the Proposal Summary Form. Provide draft and final submittals to allow for review by the District.

Provide an analysis to the District based on feedback, if any, is received from DWR on the pre-application materials and/or workshop presentation. The District will facilitate coordination with DWR and Funding Area representatives for the preapplication submittal, workshop, and other meetings.

Deliverables

- *Proposal Summary Form*
- *Project Information Form – Grant Administration*

TASK 3.0 PHASE 1 PRE-APPLICATION PROCESS – SPECIFIC PROJECTS (PER PROJECT BASIS)

Develop local project specific submittals for the PSP Phase 1 – Funding Area Pre-Application Process including the review and finalization of the Project Information Forms provided by local project sponsors for selected projects (assume five implementation projects) in coordination with the District and local project sponsors. Provide draft and final submittals to allow for review by the District.

WSC assumes that all local project sponsors will provide completed Draft PIFs with relevant supporting files. WSC will commit four hours for review, coordination, and revisions per local project. Additional effort would be required if materials provided by project proponents are not sufficient to meet DWR requirements.

Deliverables

- *Project Information Forms*

TASK 4.0 PHASE 1 PRE-APPLICATION PROCESS – WORKSHOP (OVERALL AND PER PROJECT BASIS)

Develop overall proposal and project specific materials (electronic and hardcopy) for the PSP Phase 1 – Funding Area Pre-Application Process Workshop for selected projects (assume five implementation projects) in coordination with the District and local project sponsors. Conduct and present on behalf of District and/or local project sponsors for the overall proposal and each individual project to multiple DWR representatives if local project sponsors cannot attend (see PSP Exhibit B). The date(s) and location(s) of the Workshop are not yet determined. *Not all individual local project sponsors are expected to utilize WSC for this task; they may opt to take on this task themselves.*

Deliverables

➤ ***Workshop presentation materials, as requested by individual local project sponsors***

TASK 5.0 PHASE 2 FINAL APPLICATION SUBMITTAL - OVERALL

Develop an overall proposal submittal for the PSP Phase 2 Final Application Submittal in coordination with the District and local project sponsors. The overall proposal submittal shall also include the District's project for grant administration. Provide draft and final submittals to allow for review by the District.

Provide the final grant application files to the District according to the PSP format and standards (see PSP Section V.B.1) including all PDF, Word, Excel, GIS data files, etc. necessary for a complete submittal. Provide an electronic version of the completed grant application checklist to facilitate online uploading. The District will submit the completed grant application (electronic and signed hardcopy documents) via DWR's electronic submittal tool Grants Review and Tracking System (GRanTS).

WSC assumes that all local project sponsors will provide completed responses and information for relevant PSP sections of V.B.1-3 with supporting files and documentation.

Deliverables

➤ ***Attachment 1. Authorization and Eligibility Requirements***

➤ ***Attachment 2. Proposal Summary***

➤ ***Attachment 10. Climate Change***

➤ ***Electronic version of the completed grant application checklist***

TASK 6.0 PHASE 2 FINAL APPLICATION SUBMITTAL – SPECIFIC PROJECTS (PER PROJECT BASIS)

Develop local project specific submittals for the PSP Phase 2 Final Application Submittal for selected local projects (assume five implementation projects) in coordination with the District and local project sponsors.

Provide draft and final submittals to allow for review by the District. Compile the files for the final grant application to the District according to the PSP format and standards (see PSP Section V.B.1) including all PDF, Word, Excel, GIS data files, etc. necessary for a complete submittal. The District will submit the completed grant application (electronic and signed hardcopy documents) via GRanTS.

WSC assumes that all local project sponsors will provide completed responses, information, supporting files, and documentation in the formats described in the relevant PSP sections of V.B.1-3 and Exhibits B-E. WSC assumes local project sponsors will use DWR's PSP templates, forms, and spreadsheets and WSC does not anticipate creating customized templates, forms, or spreadsheets. WSC will commit 12 hours for review, coordination, and revisions per local project. Additional effort would be required if materials provided by project proponents are not sufficient to meet DWR requirements.

Deliverables

- ***Attachment 3. Project Information Form(s), for each local project***
- ***Attachment 4. Work Plan, for each local project***
- ***Attachment 5. Budget, for each local project***
- ***Attachment 6. Schedule, for each local project***
- ***Attachment 7. Disadvantaged Community, for each local project as needed***
- ***Attachment 8. Economically Distressed Area, for each local project as needed***
- ***Attachment 9. Tribe, for each local project as needed***

Exhibit B - Cost Proposal

County of San Luis Obispo
 Grant Application Development Consultant
 Cost Proposal
 5/22/2019



Task No. Task Description	WSC										ALL FIRMS	
	QA/QC	Principal in Charge	Project Manager	Presentations	Staff Engineer	Admin/Clerical	Presentations	WSC Labor Hours	WSC Labor Fee	Expenses	WSC Fee	Total Fee
	Robert Morrow	Laine Carlson	Spencer Waterman	Tiffany Meyer	Kendall Stahl	Kay Merrill	Nina Heintz					
	\$265	\$245	\$185	\$170	\$155	\$125	\$110					
1 Project Management & Meetings												
1.1 Project Management	3	3	16		6			28	\$ 5,240	\$ 100	\$ 5,340	\$ 5,340
1.2 Meetings			32		16			48	\$ 8,400	\$ 200	\$ 8,600	\$ 8,600
SUBTOTAL	3	3	48	0	16	6	0	76	\$ 13,640	\$ 300	\$ 13,940	\$ 13,940
2 Phase 1 Pre-Application Process – Overall												
SUBTOTAL	1	0	8	0	2	0	0	11	\$ 2,055	\$ -	\$ 2,055	\$ 2,055
3 Phase 1 Pre-Application Process – Specific Projects (per project basis)												
SUBTOTAL	2	0	6	0	24	0	0	32	\$ 5,360	\$ -	\$ 5,360	\$ 5,360
4 Phase 1 Pre-Application Process – Workshop (overall and per project basis)												
SUBTOTAL	2	2	14	8	12	0	12	50	\$ 8,150	\$ 200	\$ 8,350	\$ 8,350
5 Phase 2 Final Application Submittal - Overall												
SUBTOTAL	1	0	6	0	16	0	0	23	\$ 3,855	\$ -	\$ 3,855	\$ 3,855
6 Phase 2 Final Application Submittal – Specific Projects (per project basis)												
SUBTOTAL	6	2	32	2	56	0	0	98	\$ 17,020	\$ 100	\$ 17,120	\$ 17,120
COLUMN TOTALS	15	7	114	10	126	6	12	290	\$ 50,080	\$ 600	\$ 50,680	\$ 50,680

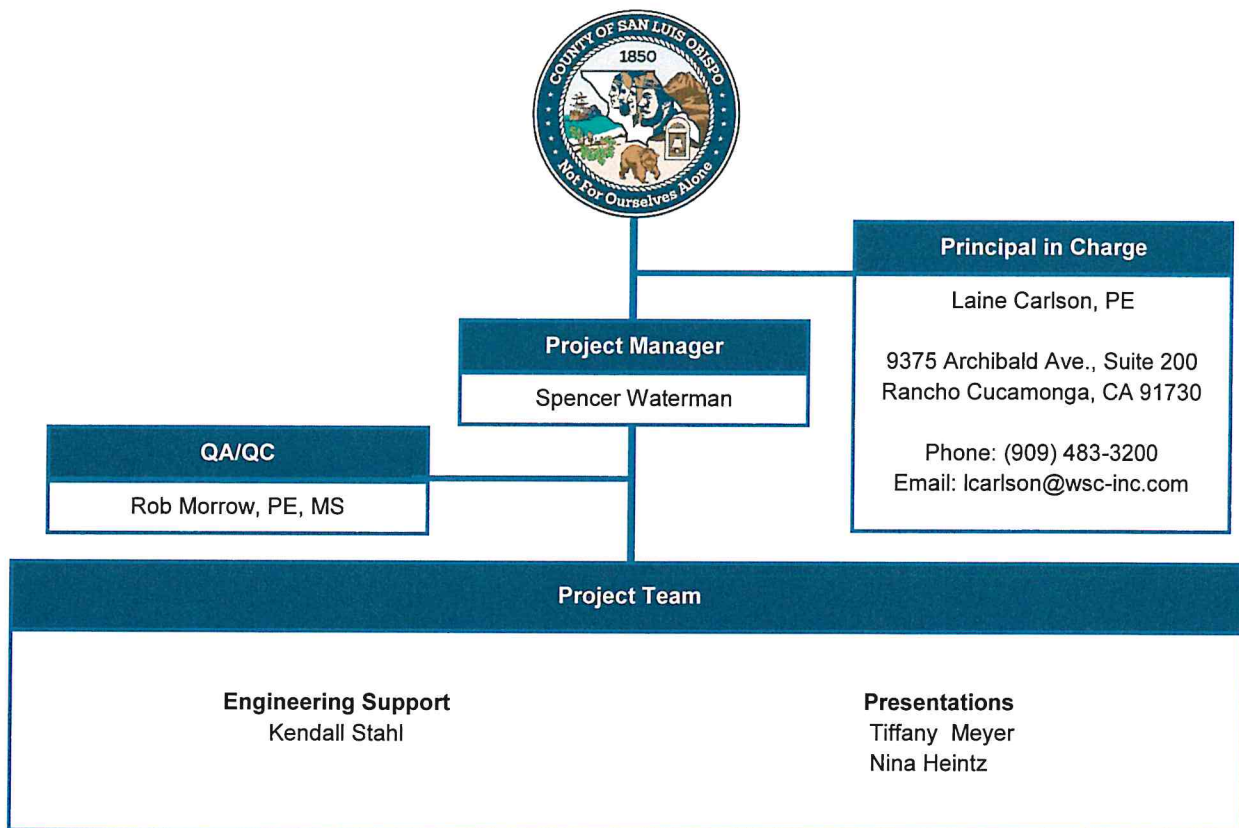
Staffing

WSC’s team is functionally organized to take advantage of the strengths of our expert staff within a streamlined structure to provide the highest level of responsiveness and quality.

WSC’s proposed Project Manager, Spencer Waterman, will serve as the primary point of contact to the District. Spencer will leverage a highly-qualified team and his directly relevant local experience to be a collaborative resource for the District. He is based in WSC’s San Luis Obispo office and has strong working relationships with District staff, stakeholders from other local agencies, and DWR.

Spencer will be supported by WSC’s Principal in Charge, Laine Carlson, who brings extensive Prop 1 IRWM experience. Laine is authorized to represent WSC in negotiations. QA/QC will be provided by senior engineer, Rob Morrow. The rest of WSC’s team members bring experience and expertise in developing funding applications, the IRWM process, and developing presentations that generate support for water resources projects.

The roles and experience of each team member are explained in this section of the proposal, and consolidated resumes are included in Appendix C.





Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: November 13, 2019

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: Agenda Item #9(A): Review of the District's Budget Status as of September 30, 2019

Recommendation

It is recommended that your Board review and discuss the District's budget status as of September 30, 2019 and provide direction to staff as you deem appropriate.

Discussion

The attached worksheets have been prepared to review the status of this year's budget. They have been designed to include the following:

- ✓ Current fiscal year actual revenues and expenditures as of September 30, 2019
- ✓ Current percentage of adopted budget
- ✓ Current fiscal year adopted budget
- ✓ Chronology of budget actions

In reviewing the worksheets items of significance can be identified. The column containing the percent of the 2019-20 budget utilized in the first quarter of fiscal year 2019-20 illustrates that revenues and costs are on track to remain within budget for each fund.

Expenditures:

There are a few expenses that are front loaded and paid at the beginning of the fiscal year. The budget worksheets indicated that the District has spent more than 25% of the overall budget for these items. The worksheets also show that the year-end cost estimate is within budget except that State Water costs are still dependent on billing for the County for the period from January 1, 2020 – June 30, 2020.



The front-loaded expenses are as follows:

1. Water Supply from Lopez and State Water
2. CalPERS Unfunded Accrued Liability (UAL) for the Miscellaneous and Safety Plan members
3. Local Agency Formation Commission Expense (LAFCO)
4. Liability Insurance
5. Membership Expense (CRWA)
6. Boot Allowance Expense
7. Annual Software Maintenance

Other expenses appear to be running high in the Enterprise Funds, but are expected to level out during the fiscal year, including the following:

Water Fund

1. Water Meter Expense - during the first quarter the utilities crew replaced old meters on multiple properties.

Budget:	Expensed @ 9/30:	Estimate - Year End:	Over/Under:
\$10,815	\$5,671 (52%)	\$ 10,815	-0-

2. Maintenance on Shared Structures – the costs related to the emergency action for Well #4 to pull the motor and camera the well.

Budget:	Expensed @ 9/30:	Estimate - Year End:	Over/Under:
\$10,815	\$6,489 (60%)	\$ 10,815	-0-

3. Fixed Assets – Equipment – the costs related to the emergency action for Well #8 to rewind and install the original motor were completed in the first quarter.

Budget:	Expensed @ 9/30:	Estimate - Year End:	Over:
\$0	\$5,601	\$ 5,601	\$5,601

4. CIP – HWY One Relocation – District utility relocations costs required by the County Highway One Drainage Project were paid to the County in the prior year totaling \$169,290. Three 12” valves were required to be installed along Highway One during the construction of the project to isolate the waterline during construction so that customer service was not interrupted for an extended period of time. Staff obtained a quote from County’s contractor in the amount of



Oceano Community Services District

Board of Directors Meeting

\$34,248.20. Resolution 2019-02, adopted, gave the District the opportunity to self-perform and the utilities crew installed the three valves in September and the costs related to the parts totaled \$17,886. Savings in the Water Fund are anticipated to cover these costs.

Budget:	Expensed @ 9/30:	Estimate - Year End:	Over:
\$-0-	\$17,886	\$ 17,886	\$17,886

Equipment Fund

1. Maintenance – Vehicles - The debris hatch hinge for the jetter was replaced and put back in service. Since the jetter is primarily used for wastewater collection system maintenance, a portion of these costs may also be transferred to the wastewater fund.

Budget:	Expensed @ 9/30:	Estimate - Year End:	Over:
\$6,500	\$6,029 (93%)	\$ 10,904	\$4,404

Revenues:

Certain revenues appear to be lower than the budgeted income for the first quarter. These revenues arise from the timing of the September 30th review:

1. Property Taxes - 60% of property taxes will be paid in December 2019 with the remaining expected to come in April 2020. This is consistent with previous years based on the County’s collection system.
2. Water and Sewer Sales – Two of the six billing periods in the year were recorded in the first quarter. The most recent billing period went out the end of September. As a result, the District has recognized approximately 36% of the budgeted revenues although 25% of the year was elapsed. Seasonally we would expect the July and September billing periods to be higher in consumption, however the amount budgeted still reflects the best estimate of the annual revenues that is anticipated. The revenue comparisons between the targeted revenue and the actual are attached from 2015 to September 2019. The bar graph illustrates the community’s ability to conserve even after the drought.

Closely monitoring the budget in a conservative manner will help ensure remaining within budget. The 2nd quarter results, as of December 31, 2019, will be provided to your Board at your second regular meeting in January 2020.



Other Agency Involvement

n/a

Other Financial Considerations

Items that may influence the budget in the future:

1. The Water Resource Reliability Program has the Norswing Drive & Pershing waterline replacement project has been estimated at \$200,000 and will need to be funded from reserves for infrastructure in the Water Fund which total \$235,995.
2. Agenda item 9(B) regarding painting the old fire station includes proposals that range in costs from \$10,550 to \$22,600 and costs for public education associated with Measure A-20 would need to be funded from \$27,955 in General Fund contingencies established in the budget.

Results

Establishing good budget monitoring procedures will help ensure that the District's costs are managed in a financially prudent manner and promotes prosperous and well governed communities.

Attachments: Budget Worksheets
 Water Revenue Data
 Chronology of Budget Actions



GENERAL FUND





	A	C	D	J	K	P	Q	R	S	T
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	GENERAL FUND - QUARTER 1 REVIEW									
3	SUMMARY									
4	GENERAL FUND (GF)			FINAL	ACTUAL AT		ESTIMATED	2019/20		
5				FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET		
6								VARIANCE		
7										
8	SOURCES OF FUNDS									
10	Fire			\$0	\$0	0%	\$0	\$0		
11	Lighting			\$0	\$0	0%	\$0	\$0		
12	Facilities			\$159,555	\$36,771	23%	\$156,968	(\$2,587)		
13	Admin			\$2,196,650	\$338,384	30%	\$1,953,004	(\$243,646)		
14	Total Sources of Funds			\$2,356,205	\$375,155	18%	\$2,109,972	(\$246,233)		
15	USES OF FUNDS									
18	Fire			\$1,184,088	\$281,372	27%	\$1,172,927	\$11,161		
19	Lighting			\$51,153	\$7,537	15%	\$27,776	\$23,377		
20	Facilities			\$82,567	\$8,942	11%	\$71,322	\$11,245		
21	Admin			\$1,145,929	\$286,050	25%	\$905,440	\$240,489		
22	Total Expenditures			\$2,463,737	\$583,901	24%	\$2,177,465	\$286,273		
23	OPERATING SURPLUS/(DEFICIT)									
24	Fire			(\$1,184,088)	(\$281,372)		(\$1,172,927)	\$11,161		
25	Lighting			(\$51,153)	(\$7,537)		(\$27,776)	\$23,377		
26	Facilities			\$76,988	\$27,829		\$85,646	\$8,658		
27	Admin			\$1,050,721	\$52,334		\$1,047,565	(\$3,156)		
28	OPERATING SURPLUS/(DEFICIT)			(\$107,532)	(\$208,745)		(\$67,492)	\$40,040		
29	TRANSFERS & ENCUMBRANCES									
30	Transfers In - From Water Fund			31,500			31,500	0		
31	(Transfers Out) - To Wastewater			(113,940)			(113,940)	0		
32	Encumbrances - Sources of Funding			60,454			60,454	0		
33	Encumbrances - (Designated Funds)			(73,278)			(73,278)	0		
35	NET TRANSFERS & ENCUMBRANCES			(\$95,264)	\$0		(\$95,264)	\$0		




ADMINISTRATIVE BUDGET






	A	C	D	J	K	P	Q	R	S	T	
1	OCEANO COMMUNITY SERVICES DISTRICT										
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW										
3	ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01										
4	GENERAL FUND (GF)			FINAL		ACTUAL AT		ESTIMATED		2019/20	
5	ADMINISTRATIVE DEPARTMENT - 01			FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET	
6						25%				VARIANCE	
7											
8	SOURCES OF FUNDS										
9											
10	Revenues			\$1,050,721		\$52,334		5%		\$1,047,565	(\$3,156)
11	Other Sources of Funds			\$1,145,929		\$286,050		25%		\$905,440	(\$240,489)
12	Total Sources of Funds			\$2,196,650		\$338,384		30%		\$1,953,004	(\$243,646)
13	USES OF FUNDS										
14											
15											
16	Salaries & Wages			\$460,650		\$89,486		19%		\$357,945	\$102,705
17	Benefits			\$193,972		\$66,689		34%		\$151,498	\$42,474
18	Personnel Services			\$654,622		\$156,175		54%		\$509,442	\$145,179
19	Services & Supplies			\$299,058		\$94,191		31%		\$256,262	\$42,796
20	Operating Crew Benefits Allocation			\$192,250		\$35,684		19%		\$139,736	\$52,514
21	Administrative Cost			\$0		\$0		0%		\$0	\$0
22	Total Expenditures			\$1,145,929		\$286,050		25%		\$905,440	\$240,489
23	OPERATING SURPLUS/(DEFICIT)			\$1,050,721		\$52,334				\$1,047,565	(\$3,156)
24	TRANSFERS & ENCUMBRANCES										
25	Transfers In - From General Fund			151,267		0				151,267	0
26	(Transfers Out)			(1,263,142)		(316,809)				(1,228,331)	(34,811)
27	Encumbrances - Sources of Funding			22,096		0				22,096	0
28	Encumbrances - (Designated Funds)			0		(31,138)				0	0
29											
30	NET TRANSFERS & ENCUMBRANCES			(\$1,089,779)		(\$347,947)				(\$1,054,968)	(\$34,811)

	A	C	D	J	K	P	Q	R	S	T
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	ADMINISTRATIVE DEPARTMENT - GEN			3%						
4	GENERAL FUND (GF)			FINAL		ACTUAL AT		ESTIMATED		2019/20
5	ADMINISTRATIVE DEPARTMENT - 01			FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET
6						25%				VARIANCE
7										
8	SOURCES OF FUNDS									
9	REVENUES									
10	Property Taxes: Current Year - Secured			1,022,013		2,356	0%	1,005,216	(16,797)	
11	Property Taxes: Current Year - Unsecured			22,667		36,492	161%	36,771	14,104	
12	Property Taxes: Prior Year - Secured			0		605		605	605	
13	Property Taxes: Prior Year - Unsecured			0		0		0	0	
14	Unitary Tax			14,193		12,755	90%	12,765	(1,428)	
15	Penalties & Interest			0		66		262	262	
16	Delinq Garbage Charges			0		0		0	0	
17	Homeowners' Prop Tax Relief			6,273		0	0%	6,130	(143)	
18	Will Serve Letter Fee			0		60		240	240	
21	Firework Permit			1,540		0	0%	1,540	0	
28	CO Charge: SB 2557			(15,965)		0	0%	(15,965)	0	
32	Total Revenues			\$1,050,721		\$52,334	5%	\$1,047,565	(\$3,156)	
33	OTHER SOURCES OF FUNDS									
35	Allocated Administrative Overhead			953,679		250,366	26%	765,704	(187,975)	
36	Allocated Operating Crew Overhead			192,250		35,684	19%	139,736	(52,514)	
38	Total Other Sources of Funds			\$1,145,929		\$286,050	25%	\$905,440	(\$240,489)	
39	Total Sources of Funds			\$2,196,650		\$338,384	15%	\$1,953,004	(\$243,646)	
40	USES OF FUNDS									
42	SALARIES & WAGES									
43	Salary & Wages			452,300		89,096	20%	356,382	95,918	
45	Overtime			8,350		391	5%	1,562	6,788	
47	Total Salaries & Wages			\$460,650		\$89,486	19%	\$357,945	\$102,705	
48	BENEFITS									
49	PERS Contribution			58,000		11,434	20%	45,737	12,263	
50	PERS UAL Payment			38,500		38,419	100%	38,419	81	
52	SUI			2,500		485	19%	1,941	559	
53	Medicare			6,400		1,364	21%	5,456	944	
54	FICA			1,650		347	21%	1,388	262	
56	Compensation Insurance			5,022		1,779	35%	7,116	(2,095)	
57	Insurance			81,000		12,635	16%	50,540	30,460	
58	Cell Phone Allowance			900		225	25%	900	0	
61	Total Benefits			\$193,972		\$66,689	34%	\$151,498	\$42,474	
62	Total Personnel Services			\$654,622		\$156,175	24%	\$509,442	\$145,179	




	C	D	J	K	P	Q	R	S
1	OCEANO COMMUNITY SERVICES DISTRICT							
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW							
3	ADMINISTRATIVE DEPARTMENT - GEN		3%					
4	GENERAL FUND (GF)		FINAL	ACTUAL AT		ESTIMATED	2019/20	
5	ADMINISTRATIVE DEPARTMENT - 01		FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET	
6							VARIANCE	
7								
63	SERVICES & SUPPLIES							
64	Communications & Dispatch	8,950	2,374	27%	9,496	(546)		
67	Insurance	24,000	17,803	74%	24,000	0		
68	Maintenance: Equipment	3,700	0	0%	0	3,700		
69	Maint: Structures/ Improvements	10,500	2,035	19%	8,140	2,360		
70	Memberships	6,800	0	0%	6,800	0		
73	Bank Fees	4,650	749	16%	2,997	1,653		
74	Office Expense	6,950	1,209	17%	4,836	2,114		
76	Postage	2,500	54	2%	216	2,284		
77	Audit	19,820	4,000	20%	19,820	0		
79	Professional Services	23,000	6,700	29%	26,799	(3,799)		
80	Information Technology	10,000	2,775	28%	11,100	(1,100)		
81	Legal Services	89,650	17,208	19%	68,832	20,818		
82	Board Stipends	18,540	3,050	16%	12,200	6,340		
83	Annual Software Maintenance	14,420	16,084	112%	16,084	(1,664)		
84	Required Legal Notice	2,575	230	9%	920	1,655		
85	Books/ Journals/ Subscriptions/ Software	1,545	0	0%	0	1,545		
86	Rents/ Lease: Equipment	3,090	0	0%	0	3,090		
87	LAFCO Annual Charge	16,995	15,220	90%	15,220	1,775		
88	Permits, Fees, Lincenses	1,030	135	13%	540	490		
90	Election Expense	10,000	0	0%	10,000	0		
91	Private Vehicle/ Milage Expense	515	0	0%	0	515		
92	Job Advertising Expense	1,803	635	35%	2,540	(738)		
93	Classes/ Seminars/ Training Fee	5,665	969	17%	3,876	1,789		
94	Board Member Travel	2,060	160	8%	640	1,420		
95	Utilities	10,300	1,845	18%	7,381	2,919		
96	Pass-thur: Delinquent Garbage/ Tax Roll	0	956		3,824	(3,824)		
101	Total Services & Supplies	\$299,058	\$94,191	31%	\$256,262	\$42,796		
102	Crew Benefits & Direct Labor Cost Allocations							
103	Leave time	43,000	6,409	15%	25,636	17,364		
104	Salaries & Wages (Admin)	6,400	0	0%	0	6,400		
105	PERS Contribution	31,500	6,581	21%	26,324	5,176		
106	Medicare	4,700	874	19%	3,496	1,204		
107	P/R Fed & State Taxes	4,150	485	12%	1,940	2,210		
108	SUI	1,750	0	0%	0	1,750		
109	Insurance	74,500	14,820	20%	59,280	15,220		
110	Boot Allowance	1,000	1,000	100%	1,000	0		
111	Clothing	7,000	1,615	23%	6,460	540		
112	Standby	18,250	3,900	21%	15,600	2,650		
115	Total Operating Crew Benefits	\$192,250	\$35,684	19%	\$139,736	\$52,514		
116								
117	ADMINISTRATIVE COST ALLOCATION							
118								
119								
120	Total Administrative Cost Allocation	\$0	\$0		\$0	\$0		
121	Total Expenditures	\$1,145,929	\$286,050	25%	\$905,440	\$240,489		
122								
123	OPERATING SURPLUS/(DEFICIT)	\$1,050,721	\$52,334		\$1,047,565	(\$3,156)		

	A	C	D	J	K	P	Q	R	S	T
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	ADMINISTRATIVE DEPARTMENT - GEN			3%						
4	GENERAL FUND (GF)			FINAL		ACTUAL AT		ESTIMATED		2019/20
5	ADMINISTRATIVE DEPARTMENT - 01			FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET
6						25%				VARIANCE
7										
124	TRANSFERS & ENCUMBRANCES									
125	Transfers In - Facilities Fund			151,267		0		151,267		0
126	(Transfers Out) - Fire and Lighting			(1,263,142)		(316,809)		(1,228,331)		(34,811)
127	Encumbrances - Sources of Funding			22,096		0		22,096		0
128	Encumbrances - (Designated LHMP Funds)			0		(31,138)		0		0
130	NET TRANSFERS & ENCUMBRANCES			(\$1,089,779)		(\$347,947)		(\$1,054,968)		(\$34,811)



FIRE BUDGET



	A	C	D	J	K	P	Q	R	S	T
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	FIRE DEPARTMENT - GENERAL FUND - 01									
4	GENERAL FUND (GF)			FINAL		ACTUAL AT		ESTIMATED	2019/20	
5	FIRE DEPARTMENT - 01			FY 2019/2020		9/30/2019		ACTUAL	EST. BUDGET	
6						25%			VARIANCE	
7										
8	SOURCES OF FUNDS									
9										
10	Revenues			\$0	\$0	0%	\$0	\$0		
11	Other Sources of Funds			\$0	\$0	0%	\$0	\$0		
12	Total Sources of Funds			\$0	\$0	0%	\$0	\$0	\$0	
13	USES OF FUNDS									
14										
15										
16	Salaries & Wages			\$1,000	\$0	0%	\$0	\$1,000		
17	Benefits			\$8,040	\$7,257	90%	\$7,778	\$262		
18	Personnel Services			\$9,040	\$7,257	90%	\$7,778	\$1,262		
19	Services & Supplies			\$1,146,438	\$266,603	23%	\$1,142,178	\$4,260		
20	Capital Overlay			\$0	\$0		\$0	\$0		
21	Administrative Cost Allocation			\$28,610	\$7,511	26%	\$22,971	\$5,639		
22	Total Expenditures			\$1,184,088	\$281,372	27%	\$1,172,927	\$11,161		
23	OPERATING SURPLUS/(DEFICIT)			(\$1,184,088)	(\$281,372)		(\$1,172,927)	\$11,161		
38										



	C	D	J	P	Q	R	S
1	OCEANO COMMUNITY SERVICES DISTRICT						
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW						
3	FIRE DEPARTMENT - GENERAL FUND - 01		3%				
4	GENERAL FUND (GF)		FINAL	ACTUAL AT		ESTIMATED	2019/20
5	FIRE DEPARTMENT - 01		FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET
6							VARIANCE
7							
8	SOURCES OF FUNDS						
9	REVENUES						
10							
11							0
12							
13	Total Revenues		\$0	\$0		\$0	\$0
14	OTHER SOURCES OF FUNDS						
15			0	0		0	0
16							
17	Total Other Sources of Funds		\$0	\$0		\$0	\$0
18	Total Sources of Funds		\$0	\$0		\$0	\$0
19	USES OF FUNDS						
20							
21	SALARIES & WAGES						
22	Salary & Wages		1,000		0%	0	1,000
23	Overtime		0			0	0
24							
25	Total Salaries & Wages		\$1,000	\$0	0%	\$0	\$1,000
26	BENEFITS						
27	PERS Contribution		0	0		0	0
28	PERS UAL Payment		7,079	7,079	100%	7,079	0
29	Medicare		0	0		0	0
30	FICA		0	0		0	0
31	Insurance		0	0		0	0
32	Operating Crew Benefits Allocation		961	178	19%	699	262
33							
34	Total Benefits		\$8,040	\$7,257	90%	\$7,778	\$262
35	Total Personnel Services		\$9,040	\$7,257	80%	\$7,778	\$1,262
36	SERVICES & SUPPLIES						
37	JPA - Quarterly Payments		1,138,148	265,596	23%	1,138,148	0
38							
39	Communication		0	140		560	(560)
40	Community Outreach		2,500		0%	0	2,500
41							
42							
43							
44	Operating Supplies		0	32		128	(128)
45							
46							
47							
48							
49							
50	Utilities		5,275	836	16%	3,342	1,933
51	Sandbags		515		0%	0	515
52							
53							
54							
55	Total Services & Supplies		\$1,146,438	\$266,603	23%	\$1,142,178	\$4,260
56	CAPITAL OVERLAY						
57							
58							
59	Total Capital Overlay		\$0	\$0		\$0	\$0
60	ADMINISTRATIVE COST ALLOCATION						
61	Allocated Overhead		28,610	7,511	26%	22,971	5,639
62							
63	Total Administrative Cost Allocation		\$28,610	\$7,511	26%	\$22,971	\$5,639
64	Total Expenditures		\$1,184,088	\$281,372	24%	\$1,172,927	\$11,161
65							
66	OPERATING SURPLUS/(DEFICIT)		(\$1,184,088)	(\$281,372)		(\$1,172,927)	\$11,161



	A	C	D	J	C	P	Q	R	S	T
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	FIRE DEPARTMENT - GENERAL FUND - 01			3%						
4	GENERAL FUND (GF)			FINAL	ACTUAL AT		ESTIMATED	2019/20		
5	FIRE DEPARTMENT - 01			FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET		
6								VARIANCE		
7										
67	TRANSFERS & ENCUMBRANCES									
68	Transfers In - Property Taxes & Fac Fund			1,211,989	309,272		1,200,623	(11,366)		
69	(Transfers Out)			0			0	0		
70	Encumbrances - Sources of Funding			0			0	0		
71	Encumbrances - (Designated Funds)			(27,900)	(27,900)		(27,900)	0		
72										
73	NET TRANSFERS & ENCUMBRANCES			\$1,184,089	\$281,372		\$1,172,723	(\$11,366)		



LIGHTING BUDGET





	A	C	D	J	K	P	Q	R	S	T
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	LIGHTING - GENERAL FUND - 01									
4	GENERAL FUND (GF)			FINAL	ACTUAL AT		ESTIMATED	2019/20		
5	LIGHTING - 01			FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET		
6								VARIANCE		
7										
8	SOURCES OF FUNDS									
9										
10	Revenues			\$0	\$0	0%	\$0	\$0		
11	Other Sources of Funds			\$0	\$0	0%	\$0	\$0		
12	Total Sources of Funds			\$0	\$0	0%	\$0	\$0		
13	USES OF FUNDS									
14										
15										
16	Salaries & Wages			\$1,000	\$0	0%	\$0	\$1,000		
17	Benefits			\$961	\$178	19%	\$699	\$262		
18	Personnel Services			\$1,961	\$178	19%	\$699	\$1,262		
19	Services & Supplies			\$39,655	\$4,855	12%	\$19,420	\$20,235		
20	Capital Outlay			\$0	\$0	0%	\$0	\$0		
21	Administrative Cost			\$9,537	\$2,504	26%	\$7,657	\$1,880		
22	Total Expenditures			\$51,153	\$7,537	15%	\$27,776	\$23,377		
23	OPERATING SURPLUS/(DEFICIT)			(\$51,153)	(\$7,537)		(\$27,776)	\$23,377		
38										



	A	C	D	J	K	P	Q	R	S	T
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	LIGHTING - GENERAL FUND - FUND 01									3%
4	GENERAL FUND (GF)			FINAL	ACTUAL AT		ESTIMATED	2019/20		
5	LIGHTING - 01			FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET		
6								VARIANCE		
7										
8	SOURCES OF FUNDS									
9	REVENUES									
10										
11										
12	Total Revenues			\$0	\$0		\$0	\$0		
13	OTHER SOURCES OF FUNDS									
14								0		
15										
16										
17										
18										
19										
20										
21	Total Other Sources of Funds			\$0	\$0		\$0	\$0		
22	Total Sources of Funds			\$0	\$0		\$0	\$0		
23	USES OF FUNDS									
24										
25	SALARIES & WAGES									
26	Salaries & Wages			1,000	0	0%	0	1,000		
27	Overtime Wages			0	0		0	0		
28										
29	Total Salaries & Wages			\$1,000	\$0	0%	\$0	\$1,000		
30	BENEFITS									
31	Medicare			0	0		0	0		
32	PERs Contributions			0	0		0	0		
33	Insurance			0	0		0	0		
34										
35										
36										
37										
38										
39										
40										
41										
42										
43										
44										
45										
46	Operating Crew Benefits Allocation			961	178	19%	699	262		
47										
48	Total Benefits			\$961	\$178	19%	\$699	\$262		
49	Total Personnel Services			\$1,961	\$178	9%	\$699	\$1,262		
50	SERVICES & SUPPLIES									
51	Operating Supplies			1,545	0	0%	0	1,545		
52										
53	Steet Lighting			38,110	4,855	13%	19,420	18,690		
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108										
109										
110	Total Services & Supplies			\$39,655	\$4,855	12%	\$19,420	\$20,235		
111	CAPITAL OUTLAY									
112										
113										
114	Total Capital Outlay			\$0	\$0		\$0	\$0		
115	ADMINISTRATIVE COST ALLOCATION									
116	Administrative Cost Allocation			9,537	2,504	26%	7,657	1,880		
117										
118	Total Administrative Cost Allocation			\$9,537	\$2,504	26%	\$7,657	\$1,880		
119	Total Expenditures			\$51,153	\$7,537	15%	\$27,776	\$23,377		
120										
121	OPERATING SURPLUS/(DEFICIT)			(\$51,153)	(\$7,537)		(\$27,776)	\$23,377		
122	TRANSFERS & ENCUMBRANCES									
123	Transfers In - Property Taxes			51,153	7,537		27,708	(23,445)		
124	(Transfers Out)			0	0		0	0		
125	Encumbrances - Sources of Funding			0	0		0	0		
126	Encumbrances - (Designated)			0	0		0	0		
127										
128	NET TRANSFERS & ENCUMBRANCES			\$51,153	\$7,537		\$27,708	(\$23,445)		



FACILITIES FUND





	A	C	D	J	K	P	Q	R	S		
1	OCEANO COMMUNITY SERVICES DISTRICT										
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW										
3	FACILITIES - FUND 10										
4	GENERAL FUND (GF)			FINAL		ACTUAL AT		ESTIMATED		2019/20	
5	FACILITIES - 10			FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET	
6						25%				VARIANCE	
7											
8	SOURCES OF FUNDS										
9											
10	Revenues			\$159,555		\$36,771		23%		\$156,968	(\$2,587)
11	Other Sources of Funds			\$0		\$0		0%		\$0	\$0
12	Total Sources of Funds			\$159,555		\$36,771		23%		\$156,968	(\$2,587)
13	USES OF FUNDS										
14											
16	Salaries & Wages			\$2,000		\$323		16%		\$1,292	\$708
17	Benefits			\$1,923		\$357		19%		\$1,397	\$526
18	Personnel Services			\$3,923		\$680		35%		\$2,689	\$1,234
19	Services & Supplies			\$19,270		\$3,255		17%		\$13,018	\$6,252
20	Capital Outlay			\$40,300		\$0		0%		\$40,300	\$0
21	Administrative Cost			\$19,074		\$5,007		26%		\$15,314	\$3,760
22	Total Expenditures			\$82,567		\$8,942		11%		\$71,322	\$11,245
23	OPERATING SURPLUS/(DEFICIT)			\$76,988		\$27,829				\$85,646	\$8,658
24	TRANSFERS & ENCUMBRANCES										
25	Transfers In - From General Fund			31,500		0				31,500	0
26	(Transfers Out)			(265,205)		0				(265,205)	0
27	Encumbrances - Sources of Funding			38,358		38,358				38,358	0
28	Encumbrances - (Designated Funds)			(45,378)		0				(45,378)	0
29											
30	NET TRANSFERS & ENCUMBRANCES			(\$240,725)		\$38,358				(\$240,725)	\$0



	C	D	J	K	P	Q	R	S
1	OCEANO COMMUNITY SERVICES DISTRICT							
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW							
3	FACILITIES - FUND 10		3%					
4								<u>2019/20</u>
5	GENERAL FUND (GF)		FINAL	ACTUAL AT		ESTIMATED		EST. BUDGET
6	FACILITIES - 10		FY 2019/2020	9/30/2019	25%	ACTUAL		VARIANCE
7								
8	SOURCES OF FUNDS							
9	REVENUES							
10	Utility Reimbursement	3,915	332	8%	1,328	(2,587)		
11	Old Fire Station Rent	11,700	2,925	25%	11,700	0		
12	Fire Rent	15,000	3,750	25%	15,000	0		
13	Lease - Sheriff Facility	113,940	28,485	25%	113,940	0		
14	Public Facilities Fees	15,000	1,279	9%	15,000	0		
28	Total Revenues	\$159,555	\$36,771	23%	\$156,968	(\$2,587)		
29	OTHER SOURCES OF FUNDS							
35	Public Facilities Fees - Emergency Generator	0	0		0	0		
37	Total Other Sources of Funds	\$0	\$0		\$0	\$0		
38	Total Sources of Funds	\$159,555	\$36,771	23%	\$156,968	(\$2,587)		
39	USES OF FUNDS							
41	SALARIES & WAGES							
42	Salary & Wages	2,000	323	16%	1,292	708		
43	Overtime	0			0	0		
47	Total Salaries & Wages	\$2,000	\$323	16%	\$1,292	\$708		
48	BENEFITS							
49	PERS - Retirement	0			0	0		
50	Medicare	0			0	0		
51	FICA	0			0	0		
52	Boot Allowance	0			0	0		
53	Medical Insurance	0			0	0		
56	Operating Crew Overhead	1,923	357	19%	1,397	526		
58	Total Benefits	\$1,923	\$357	19%	\$1,397	\$526		
59	Total Personnel Services	\$3,923	\$680	17%	\$2,689	\$1,234		
60	SERVICES & SUPPLIES							
61	Communication	0	6		24	(24)		
64	Maint: Structure/ Improvements	15,450	2,278	15%	9,110	6,340		
67	So: Maint. Structures/ Improvements	2,060	0	0%	0	2,060		
70	Professional Services	1,500	775	52%	3,100	(1,600)		
73	Utilities	260	196	75%	784	(524)		
77	Total Services & Supplies	\$19,270	\$3,255	17%	\$13,018	\$6,252		
78	CAPITAL OUTLAY							
79	Fixed Assets	0	0		0	0		
82	Budget Adjustment - July 24, 2019 - Emergency Generator Project	5,178	0		5,178	0		
83	Budget Adjustment - September 25, 2019 - Emergency Generator Project	32,500	0		32,500	0		
84	Budget Adjustment - October 23, 2019 - Emergency Generator Project	2,622	0		2,622	0		
86	Total Capital Outlay	\$40,300	\$0		\$40,300	\$0		
87	ADMINISTRATIVE COST ALLOCATION							
88	Admin Allocation	19,074	5,007	26%	15,314	3,760		
90	Total Administrative Cost Allocation	\$19,074	\$5,007	26%	\$15,314	\$3,760		
91	Total Expenditures	\$82,567	\$8,942	11%	\$71,322	\$11,245		
92								
93	OPERATING SURPLUS/(DEFICIT)	\$76,988	\$27,829		\$85,646	\$8,658		



	A	C	D	J	K	P	Q	R	S
1	OCEANO COMMUNITY SERVICES DISTRICT								
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW								
3	FACILITIES - FUND 10			3%					
4	GENERAL FUND (GF)			FINAL	ACTUAL AT		ESTIMATED	2019/20	
5	FACILITIES - 10			FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET	
6								VARIANCE	
7									
94	TRANSFERS & ENCUMBRANCES								
95	Transfers In - From Water Fund			31,500	0		31,500	0	
96	(Transfers Out) - To General & Sewer			(265,205)	0		(265,205)	0	
97	Encumbrances - Sources of Funding			38,358	38,358		38,358	0	
98	Encumbrances - (Designated Funds)			(45,378)	0		(45,378)	0	
100	NET TRANSFERS & ENCUMBRANCES			(\$240,725)	\$38,358		(\$240,725)	\$0	
116									



	A	C	D	J	K	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS									
3	ENTERPRISE FUNDS									
4	ENTERPRISE FUNDS			FINAL		ACTUAL AT		ESTIMATED		2019/20
5				FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET
6						25%				VARIANCE
7										
8	SOURCES OF FUNDS									
9										
10	Water			\$2,407,219		\$863,533		36%		\$2,424,426
11	Wastewater			\$403,800		\$136,135		33%		\$404,921
12	Garbage			\$109,836		\$33,426		30%		\$107,688
13	Equipment			\$29,090		\$10,545		36%		\$42,180
14	Total Sources of Funds			\$2,949,945		\$1,043,639		35%		\$2,979,215
15	USES OF FUNDS									
16										
17										
18	Water			\$2,868,220		\$1,220,238		37%		\$2,619,248
19	Wastewater			\$476,516		\$101,876		21%		\$336,054
20	Garbage			\$102,565		\$16,687		16%		\$67,018
21	Equipment			\$25,067		\$10,545		42%		\$28,968
22	Total Expenditures			\$3,472,368		\$1,349,345		39%		\$3,051,288
23	OPERATING SURPLUS/(DEFICIT)									
24	Water			(\$461,001)		(\$356,705)				(\$194,823)
25	Wastewater			(\$72,716)		\$34,259				\$68,867
26	Garbage			\$7,271		\$16,739				\$40,670
27	Equipment			\$4,023		\$0				\$13,212
28	OPERATING SURPLUS/(DEFICIT)			(\$522,423)		(\$305,706)				(\$72,073)
29	TRANSFERS & ENCUMBRANCES									
30	Transfers In - From General Fund			121,440		0				0
31	(Transfers Out)			(67,999)		(6,011)				(63,043)
32	Encumbrances - Sources of Funding			147,775		43,823				147,775
33	Encumbrances - (Designated Funds)			(130,435)		(6,751)				(130,435)
34										
35	NET TRANSFERS & ENCUMBRANCES			\$70,781		\$31,062				(\$45,702)
64										



WATER FUND





	A	C	D	J	K	P	Q	R	S
1	OCEANO COMMUNITY SERVICES DISTRICT								
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW								
3	WATER FUND - 02								
4	WATER FUND			FINAL	ACTUAL AT		ESTIMATED	2019/20	
5	WATER DEPARTMENT - 02			FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET	VARIANCE
6									
7									
8	SOURCES OF FUNDS								
9									
10	Revenues		\$2,407,219		\$861,658	36%	\$2,422,551	\$15,332	
11	Other Sources of Funds		\$0		\$1,875	0%	\$1,875	\$1,875	
12	Total Sources of Funds		\$2,407,219		\$863,533	36%	\$2,424,426	\$17,207	
13	USES OF FUNDS								
14									
15	Salaries & Wages		\$184,000		\$42,339	23%	\$169,356	\$14,644	
16	Benefits		\$129,585		\$25,157	19%	\$98,707	\$30,878	
17	Personnel Services		\$313,585		\$67,496	42%	\$268,063	\$45,522	
18	Services & Supplies		\$1,982,428		\$984,636	53%	\$1,873,877	\$108,551	
19	Capital Outlay		\$0		\$17,886	4%	\$17,886	(\$17,886)	
20	Administrative Cost		\$572,207		\$150,220	27%	\$459,422	\$112,785	
21	Total Expenditures		\$2,868,220		\$1,220,238	37%	\$2,619,248	\$248,972	
22									
23	OPERATING SURPLUS/(DEFICIT)		(\$461,001)		(\$356,705)		(\$194,823)	\$266,178	
24	TRANSFERS & ENCUMBRANCES								
25	Transfers In - From General Fund		0		0		0	0	
26	(Transfers Out)		(55,454)		(6,011)		(63,043)	(7,589)	
27	Encumbrances - Sources of Funding		147,775		43,823		147,775	0	
28	Encumbrances - (Designated Funds)		(130,435)		(6,751)		(130,435)	0	
29									
30	NET TRANSFERS & ENCUMBRANCES		(\$38,114)		\$31,062		(\$45,702)	(\$7,589)	



	A	C	D	J	K	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	WATER FUND - 02									
4				3%						
5	WATER FUND			FINAL		ACTUAL AT		ESTIMATED	2019/20	
6	WATER DEPARTMENT - 02			FY 2019/2020		9/30/2019		ACTUAL	EST. BUDGET	
7						25%			VARIANCE	
8	SOURCES OF FUNDS									
9	REVENUES									
10	Sales: Residential		1,799,000		650,275	36%		1,799,000		0
12	Sales: Lopez		493,000		187,037	38%		493,000		0
13	Connection Fees		0		0			0		0
14	Front Footage Fees		16,320		0	0%		16,320		0
15	Sales: U/B Courtesy Notice		4,500		1,457	32%		4,371		(129)
16	Delinquent U/B Acct Fees		27,000		8,215	30%		24,647		(2,353)
17	Capacity Charages		25,164		0	0%		25,164		0
18	Meter Fees		5,400		618	11%		5,400		0
19	Lopez Connection Fees		4,000		0	0%		4,000		0
20	New Account Setup Fee		2,600		1,350	52%		4,050		1,450
21	Wheeling/Fire Protection		25,000		8,905	36%		26,718		1,718
22	Sales: Miscellaneous		0		140			0		0
23	Reimbursement - New Development		5,035		0	0%		5,035		0
24	Inspection Fees		200		0	0%		200		0
28	Claims & Settlements		0		3,661			14,645		14,645
30	Total Revenues		\$2,407,219		\$861,658	36%		\$2,422,551		\$15,332
31	OTHER SOURCES OF FUNDS									
39	Other Income - Airpark Bridge Drive Refund from County		0		1,875			1,875		1,875
41	Total Other Sources of Funds		\$0		\$1,875			\$1,875		\$1,875
42	Total Sources of Funds		\$2,407,219		\$863,533	36%		\$2,424,426		\$17,207
43	USES OF FUNDS									
45	SALARIES & WAGES									
46	Salaries and Wages		130,000		37,973	29%		151,892		(21,892)
47	Classic EE Contr by ER PERS		0					0		0
48	Overtime		41,000		4,366	11%		17,464		23,536
49	Lead Operator Contingency (Budget Workshop)		13,000			0%		0		13,000
51	Total Salaries & Wages		\$184,000		\$42,339	23%		\$169,356		\$14,644
52	BENEFITS									
53	PERs Contribution		0					0		0
54	Pension Expense		0					0		0
55	Medicare		0					0		0
56	Workers Compensation Insurance		6,545		2,319	35%		9,276		(2,731)
57	Boot Allowance		0					0		0
58	Insurance		0					0		0
59	Operating Crew Benefits Allocation		123,040		22,838	19%		89,431		33,609
61	Total Benefits		\$129,585		\$25,157	19%		\$98,707		\$30,878
62	Total Personnel Services		\$313,585		\$67,496	22%		\$268,063		\$45,522



	A	C	D	J	K	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	WATER FUND - 02									
				3%						
4	WATER FUND			FINAL	ACTUAL AT		ESTIMATED	2019/20		
5	WATER DEPARTMENT - 02			FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET		
6								VARIANCE		
7										
63	SERVICES & SUPPLIES									
65	Communications		3,500		588	17%	2,352		1,148	
67	Maint: Structures/ Improvments		8,900		3,394	38%	13,576		(4,676)	
68	Paving		6,250		617	10%	2,468		3,782	
69	Maintenance - Equipment		5,665		1,671	29%	6,682		(1,017)	
72	Maint: Shared Structures/ Improvements		10,815		6,489	60%	10,815		0	
73	System Parts/ Operating Supplies		17,510		1,627	9%	6,508		11,002	
74	Water Meters		10,815		5,671	52%	10,815		0	
75	Safety Expense		570			0%	0		570	
76	Chemicals		3,800			0%	0		3,800	
77	Membership		2,700		1,555	58%	6,220		(3,520)	
81	Office Expense		620		31	5%	124		496	
82	Outside UB Mail Service		9,000		1,631	18%	6,524		2,476	
85	Professional Services		18,025		2,171	12%	8,684		9,341	
86	Information Technology		575			0%	0		575	
87	Contracted Engineering		5,665		18	0%	72		5,593	
90	Engineering & Other Reimbursements		10,815		2,691	25%	10,764		51	
91	Legal Notices		1,145			0%	0		1,145	
92	Bad Debt Expense		545			0%	0		545	
94	Rents/ Leases - Equipment		2,115			0%	0		2,115	
96	Permits, Fees, Licenses		13,085			0%	0		13,085	
97	Small Tools and Instruments		2,575		22	1%	88		2,487	
98	Classes/ Seminars		10,279		830	8%	3,320		6,959	
99	Water Supply - Lopez		505,069		252,534	50%	505,069		0	
100	Water Supply - State Water		1,150,000		666,447	58%	1,150,000		0	
101	Utilities		60,000		2,001	3%	8,004		51,996	
102	Pass-Thru: Crest/Christie/AG		26,265		8,891	34%	35,564		(9,299)	
103	Fixed Assets - Equipment		0		5,601		5,601		(5,601)	
104	Litigation: SMGB		50,000		6,996	14%	27,984		22,016	
106	NCMA Tec		38,625		8,497	22%	33,988		4,637	
112	Claim & Settlements		7,500		4,664	62%	18,655		(11,155)	
120	Total Services & Supplies		\$1,982,428		\$984,636	53%	\$1,873,877		\$108,551	
121	CAPITAL OUTLAY									
128	CIP - HWY One Relocation		0		17,886		17,886		(17,886)	
132	Total Capital Outlay		\$0		\$17,886	4%	\$17,886		(\$17,886)	
133	ADMINISTRATIVE COST ALLOCATION									
134	Administrative Cost Allocation		572,207		150,220	26%	459,422		112,785	
136	Total Administrative Cost Allocation		\$572,207		\$150,220	27%	\$459,422		\$112,785	
137	Total Expenditures		\$2,868,220		\$1,220,238	37%	\$2,619,248		\$248,972	
138										
139	OPERATING SURPLUS/(DEFICIT)		(\$461,001)		(\$356,705)		(\$194,823)		\$266,178	
140	TRANSFERS & ENCUMBRANCES									
141	Transfers In		0		0				0	
142	(Transfers Out) - To General , Garbage, Equipment		(55,454)		(6,011)		(63,043)		(7,589)	
143	Encumbrances - Sources of Funding		147,775		43,823		147,775		0	
144	Encumbrances - (Designated Funds)		(130,435)		(6,751)		(130,435)		0	
146	NET TRANSFERS & ENCUMBRANCES		(\$38,114)		\$31,062		(\$45,702)		(\$7,589)	
161										



WASTE WATER FUND





	A	C	D	J	K	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	WASTEWATER DEPARTMENT - FUND - 03									
4	WASTEWATER FUND			FINAL	ACTUAL AT		ESTIMATED	2019/20		
5	WASTEWATER DEPARTMENT - 03			FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET		
6								VARIANCE		
7										
8	SOURCES OF FUNDS									
10	Revenues			\$403,800	\$133,323	33%	\$402,109	(\$1,691)		
11	Other Sources of Funds			\$0	\$2,812	0%	\$2,812	\$2,812		
12	Total Sources of Funds			\$403,800	\$136,135	33%	\$404,921	\$1,121		
13	USES OF FUNDS									
16	Salaries & Wages			\$72,500	\$12,786	14%	\$51,144	\$21,356		
17	Benefits			\$49,792	\$9,858	20%	\$38,713	\$11,079		
18	Personnel Services			\$122,292	\$22,644	34%	\$89,857	\$32,435		
19	Services & Supplies			\$68,120	\$3,797	6%	\$15,186	\$52,934		
20	Capital Outlay			\$0	\$325	0%	\$1,300	(\$1,300)		
21	Administrative Cost			\$286,104	\$75,110	26%	\$229,711	\$56,393		
22	Total Expenditures			\$476,516	\$101,876	21%	\$336,054	\$140,462		
23	OPERATING SURPLUS/(DEFICIT)			(\$72,716)	\$34,259		\$68,867	\$141,583		
24	TRANSFERS & ENCUMBRANCES									
25	Transfers In - From General Fund			113,940	0		113,940	0		
26	(Transfers Out)			(11,545)	(4,218)		(16,872)	(5,327)		
27	Encumbrances - Sources of Funding			0	0		0	0		
28	Encumbrances - (Designated Funds)			0	0		0	0		
30	NET TRANSFERS & ENCUMBRANCES			\$102,395	(\$4,218)		\$97,068	(\$5,327)		
45										



	A	C	D	J	K	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	WASTEWATER DEPARTMENT - FUND 03									3%
4	WASTEWATER FUND			FINAL		ACTUAL AT		ESTIMATED		2019/20
5	WASTEWATER DEPARTMENT - 03			FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET
6						25%				VARIANCE
7										
8	SOURCES OF FUNDS									
9	REVENUES									
10	Sales - Sewer			400,000		131,583	33%	394,788		(5,212)
12	Sewer Connections			2,000		0	0%	2,000		0
14	Inspection Fees			100		0	0%	100		0
15	FOG Program			1,700		1,740	102%	5,221		3,521
33	Total Revenues			\$403,800		\$133,323	33%	\$402,109		(\$1,691)
34	OTHER SOURCES OF FUNDS									
40	Other Income - Airpark Bridge Drive Refund from County			0		2,812		2,812		2,812
43	Total Other Sources of Funds			\$0		\$2,812		\$2,812		\$2,812
44	Total Sources of Funds			\$403,800		\$136,135	34%	\$404,921		\$1,121
45	USES OF FUNDS									
47	SALARIES & WAGES									
48	Salaries and Wages			50,000		11,493	23%	45,972		4,028
50	Overtime			17,500		1,293	7%	5,172		12,328
51	Lead Operator Contingency (Budget Workshop)			5,000		0	0%	0		5,000
53	Total Salaries & Wages			\$72,500		\$12,786	14%	\$51,144		\$21,356
54	BENEFITS									
55	CalPERS			0		0		0		0
56	Pension Expense (GASB 68)			0		0		0		0
57	Medicare			0		0		0		0
58	Workers Compensation Insurance			3,652		1,294	35%	5,176		(1,524)
59	Boot Allowance			0		0		0		0
60	Insurance			0		0		0		0
61	Operating Crew Benefits Allocation			46,140		8,564	19%	33,537		12,603
63	Total Benefits			\$49,792		\$9,858	20%	\$38,713		11,079
64	Total Personnel Services			\$122,292		\$22,644	19%	\$89,857		32,435



	A	C	D	J	K	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	WASTEWATER DEPARTMENT - FUND 03									3%
4	WASTEWATER FUND			FINAL		ACTUAL AT		ESTIMATED		2019/20
5	WASTEWATER DEPARTMENT - 03			FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET
6						25%				VARIANCE
7										
65	SERVICES & SUPPLIES									
67	Communication		515	72	14%	288		227		
69	Maint: Sewer Structures/ Improvements		17,000	418	2%	1,672		15,328		
70	Maintenance: Equipment		3,348	745	22%	2,980		368		
71	Maintenance: Vehicles		3,500	0	0%	0		3,500		
72	Gas and Oil		3,500	0	0%	0		3,500		
74	System Parts/ Operating Supplies		8,240	537	7%	2,148		6,092		
75	Safety Expense		2,850	0	0%	0		2,850		
79	Office Expense		515	31	6%	124		391		
80	Outside UB Mailing Expense		9,000	1,638	18%	6,552		2,448		
81	Professional Services		2,575	0	0%	0		2,575		
82	Contracted Engineering		2,833	18	1%	70		2,763		
85	Rents & Leases/ Equipment		2,575	0	0%	0		2,575		
87	Regulatory Permits & Fees		4,020	0	0%	0		4,020		
89	Classes/ Seminars/ Training Fees		2,800	181	6%	724		2,076		
90	Utilities		2,600	157	6%	628		1,972		
93	Bad Debt Expense		350	0	0%	0		350		
94	Claims & Settlements		1,900	0	0%	0		1,900		
96	Total Services & Supplies		\$68,120	\$3,797	6%	\$15,186		\$52,934		
97	CAPITAL OUTLAY									
98	CIP - HWY One Relocation		0	325		1,300		(1,300)		
104	Total Capital Outlay		\$0	\$325	0%	\$1,300		(\$1,300)		
105	ADMINISTRATIVE COST ALLOCATION									
106	Administrative Cost Allocation		286,104	75,110	26%	229,711		56,393		
108	Total Administrative Cost Allocation		\$286,104	\$75,110	26%	\$229,711		\$56,393		
109	Total Expenditures		\$476,516	\$101,876	21%	\$336,054		\$140,462		
110										
111	OPERATING SURPLUS/(DEFICIT)		(\$72,716)	\$34,259		\$68,867		\$141,583		
112	TRANSFERS & ENCUMBRANCES									
113	Transfers In - From General Fund		113,940	0		113,940		0		
114	(Transfers Out) - Equipment Fund		(11,545)	(4,218)		(16,872)		(5,327)		
115	Encumbrances - Sources of Funding		0	0		0		0		
116	Encumbrances - (Designated Funds)		0	0		0		0		
118	NET TRANSFERS & ENCUMBRANCES		\$102,395	(\$4,218)		\$97,068		(\$5,327)		



GARBAGE FUND





	A	C	D	J	C	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	GARBAGE FUND - 06									
4	GARBAGE FUND			FINAL	ACTUAL AT		ESTIMATED	2019/20		
5	GARBAGE DEPARTMENT - 06			FY 2019/2020	9/30/2019	25%	ACTUAL	EST. BUDGET	VARIANCE	
6										
7										
8	SOURCES OF FUNDS									
9										
10	Revenues		\$109,836		\$33,426	30%	\$107,688		(\$2,148)	
11	Other Sources of Funds		\$0		\$0	0%	\$0		\$0	
12	Total Sources of Funds		\$109,836		\$33,426	30%	\$107,688		(\$2,148)	
13	USES OF FUNDS									
14										
15										
16	Salaries & Wages		\$22,000		\$1,289	6%	\$5,156		\$16,844	
17	Benefits		\$20,138		\$3,891	19%	\$15,266		\$4,872	
18	Personnel Services		\$42,138		\$5,180	25%	\$20,422		\$21,716	
19	Services & Supplies		\$22,280		\$1,492	7%	\$15,968		\$6,312	
20	Capital Outlay		\$0		\$0	0%	\$0		\$0	
21	Administrative Cost		\$38,147		\$10,015	26%	\$30,628		\$7,519	
22	Total Expenditures		\$102,565		\$16,687	16%	\$67,018		\$35,547	
23	OPERATING SURPLUS/(DEFICIT)		\$7,271		\$16,739		\$40,670		\$33,399	
24	TRANSFERS & ENCUMBRANCES									
25	Transfers In - From General Fund		7,500		0		7,500		0	
26	(Transfers Out)		(1,000)		(316)		(1,265)		(265)	
27	Encumbrances - Sources of Funding		0		0		0		0	
28	Encumbrances - (Designated Funds)		0		0		0		0	
29										
30	NET TRANSFERS & ENCUMBRANCES		\$6,500		(\$316)		\$6,235		(\$265)	



	C	D	J	C	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT								
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW								
3	GARBAGE FUND - 06		3%						
4	GARBAGE FUND		FINAL		ACTUAL AT		ESTIMATED		2019/20
5	GARBAGE DEPARTMENT - 06		FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET
6					25%				VARIANCE
7									
8	SOURCES OF FUNDS								
9	REVENUES								
12	Franchise Fees	102,036	24,754	24%	99,016	(3,020)			
13	Landfill Savings Payment	7,800	8,672	111%	8,672	872			
22									
23	Total Revenues	\$109,836	\$33,426	30%	\$107,688	(\$2,148)			
24	OTHER SOURCES OF FUNDS								
30		0			0	0			
32	Total Other Sources of Funds	\$0	\$0		\$0	\$0			
33	Total Sources of Funds	\$109,836	\$33,426	30%	\$107,688	(\$2,148)			
34	USES OF FUNDS								
36	SALARIES & WAGES								
37	Salaries & Wages	20,000	1,289	6%	5,156	14,844			
38	Classic EE Contr by ER PERS	0			0	0			
39	Overtime Wages	0			0	0			
40	Lead Operator Contingency (Budget Workshop)	2,000			0	2,000			
42	Total Salaries & Wages	\$22,000	\$1,289	6%	\$5,156	\$16,844			
43	BENEFITS								
44	PERS Contributions	0	0		0	0			
45	Pension Expense	0	0		0	0			
46	Medicare	0	0		0	0			
47	FICA	0	0		0	0			
48	Compensation Insurance	913	323	35%	1,292	(379)			
49	Boot Allowance	0	0		0	0			
50	Insurance	0	0		0	0			
54	Operating Crew Benefits Allocation	19,225	3,568	19%	13,974	5,251			
56	Total Benefits	\$20,138	\$3,891	19%	\$15,266	\$4,872			
57	Total Personnel Services	\$42,138	\$5,180	12%	\$20,422	\$21,716			



	C	D	J	C	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT								
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW								
3	GARBAGE FUND - 06		3%						
4	GARBAGE FUND		FINAL		ACTUAL AT		ESTIMATED		2019/20
5	GARBAGE DEPARTMENT - 06		FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET
6					25%				VARIANCE
7									
58	SERVICES & SUPPLIES								
60	Communication	900	33	4%	132	768			
62	Maintenance - Vehicles	515	0	0%	0	515			
65	Operating Supplies	1,545	306	20%	1,224	321			
67	Office Expense	1,030	0	0%	0	1,030			
68	Postage	515	0	0%	0	515			
70	Professional Services	7,000	1,153	16%	4,612	2,388			
71	Legal Notices	260	0	0%	0	260			
73	Utilities	515	0	0%	0	515			
74	School Outreach Programs	10,000	0	0%	10,000	0			
77	Total Services & Supplies	\$22,280	\$1,492	7%	\$15,968	\$6,312			
78	CAPITAL OUTLAY								
79	CPI - Facilities Yard	0	0		0	0			
85	Total Capital Outlay	\$0	\$0		\$0	\$0			
86	ADMINISTRATIVE COST ALLOCATION								
87	Administrative Cost Allocation	38,147	10,015	26%	30,628	7,519			
89	Total Administrative Cost Allocation	\$38,147	\$10,015	26%	\$30,628	\$7,519			
90	Total Expenditures	\$102,565	\$16,687	16%	\$67,018	\$35,547			
91									
92	OPERATING SURPLUS/(DEFICIT)	\$7,271	\$16,739		\$40,670	\$33,399			
93	TRANSFERS & ENCUMBRANCES								
94	Transfers In - From Water Fund	7,500	0		7,500	0			
95	(Transfers Out) - Equipment Fund	(1,000)	(316)		(1,265)	(265)			
96	Encumbrances - Sources of Funding	0	0		0	0			
97	Encumbrances - (Designated Funds)	0	0		0	0			
99	NET TRANSFERS & ENCUMBRANCES	\$6,500	(\$316)		\$6,235	(\$265)			



EQUIPMENT FUND





	A	C	D	J	O	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	EQUIPMENT FUND - 12									
4	EQUIPMENT FUND - 12		FINAL	ACTUAL AT		ESTIMATED		2019/20		
5			FY 2019/2020	9/30/2019	25%	ACTUAL		EST. BUDGET		
6								VARIANCE		
8	SOURCES OF FUNDS									
10	Revenues		\$29,090	\$10,545	36%	\$42,180		\$13,090		
11	Other Sources of Funds		\$0	\$0	0%	\$0		\$0		
12	Total Sources of Funds		\$29,090	\$10,545	36%	\$42,180		\$13,090		
13	USES OF FUNDS									
16	Salaries & Wages		\$0	\$0	0%	\$0		\$0		
17	Benefits		\$0	\$0	0%	\$0		\$0		
18	Personnel Services		\$0	\$0	0%	\$0		\$0		
19	Services & Supplies		\$16,000	\$8,278	52%	\$19,900		(\$3,900)		
20	Capital Outlay		\$0	\$0	0%	\$0		\$0		
21	Debt Service		\$9,067	\$2,267	25%	\$9,068		(\$1)		
22	Total Expenditures		\$25,067	\$10,545	42%	\$28,968		(\$3,901)		
23	OPERATING SURPLUS/(DEFICIT)		\$4,023	\$0		\$13,212		\$9,189		



	A	C	D	J	C	P	Q	R	S	W
1	OCEANO COMMUNITY SERVICES DISTRICT									
2	FUND LEVEL ANALYSIS - QUARTER 1 REVIEW									
3	EQUIPMENT FUND - 12									
4				FINAL		ACTUAL AT		ESTIMATED		2019/20
5				FY 2019/2020		9/30/2019		ACTUAL		EST. BUDGET
6	EQUIPMENT FUND - 12					25%				VARIANCE
8	SOURCES OF FUNDS									
9	REVENUES									
10	Lease Revenue from Water			16,545	6,011	36%	24,043	7,498		
11	Lease Revenue from Sewer			11,545	4,218	37%	16,872	5,327		
12	Lease Revenue from Garbage			1,000	316	32%	1,265	265		
16	Total Revenues			\$29,090	\$10,545	36%	\$42,180	\$13,090		
17	OTHER SOURCES OF FUNDS									
18				0			0	0		
25	Total Other Sources of Funds			\$0	\$0		\$0	\$0		
26	Total Sources of Funds			\$29,090	\$10,545	36%	\$42,180	\$13,090		
27	USES OF FUNDS									
29	SALARIES & WAGES									
30				0	0		0	0		
37	Total Salaries & Wages			\$0	\$0		\$0	\$0		
38	BENEFITS									
39				0	0		0	0		
53	Total Benefits			\$0	\$0		\$0	\$0		
54	Total Personnel Services			\$0	\$0		\$0	\$0		
55	SERVICES & SUPPLIES									
56	Maintenance - Vehicles			6,500	6,029	93%	10,904	(4,404)		
57	Fuel			9,500	2,249	24%	8,996	504		
59	Total Services & Supplies			\$16,000	\$8,278	52%	\$19,900	(\$3,900)		
60	CAPITAL OUTLAY									
61	Fixed Assets			0				0		
63	Total Capital Outlay			\$0	\$0		\$0	\$0		
65	DEBT SERVICE									
66	Equipment Lease			9,067	2,267	25%	9,068	(1)		
69	Total Debt Service			\$9,067	\$2,267	25%	\$9,068	(\$1)		
71	Total Expenditures			\$25,067	\$10,545	42%	\$28,968	(\$3,901)		
72										
73	OPERATING SURPLUS/(DEFICIT)			\$4,023	\$0		\$13,212	\$9,189		

Oceano Community Services District

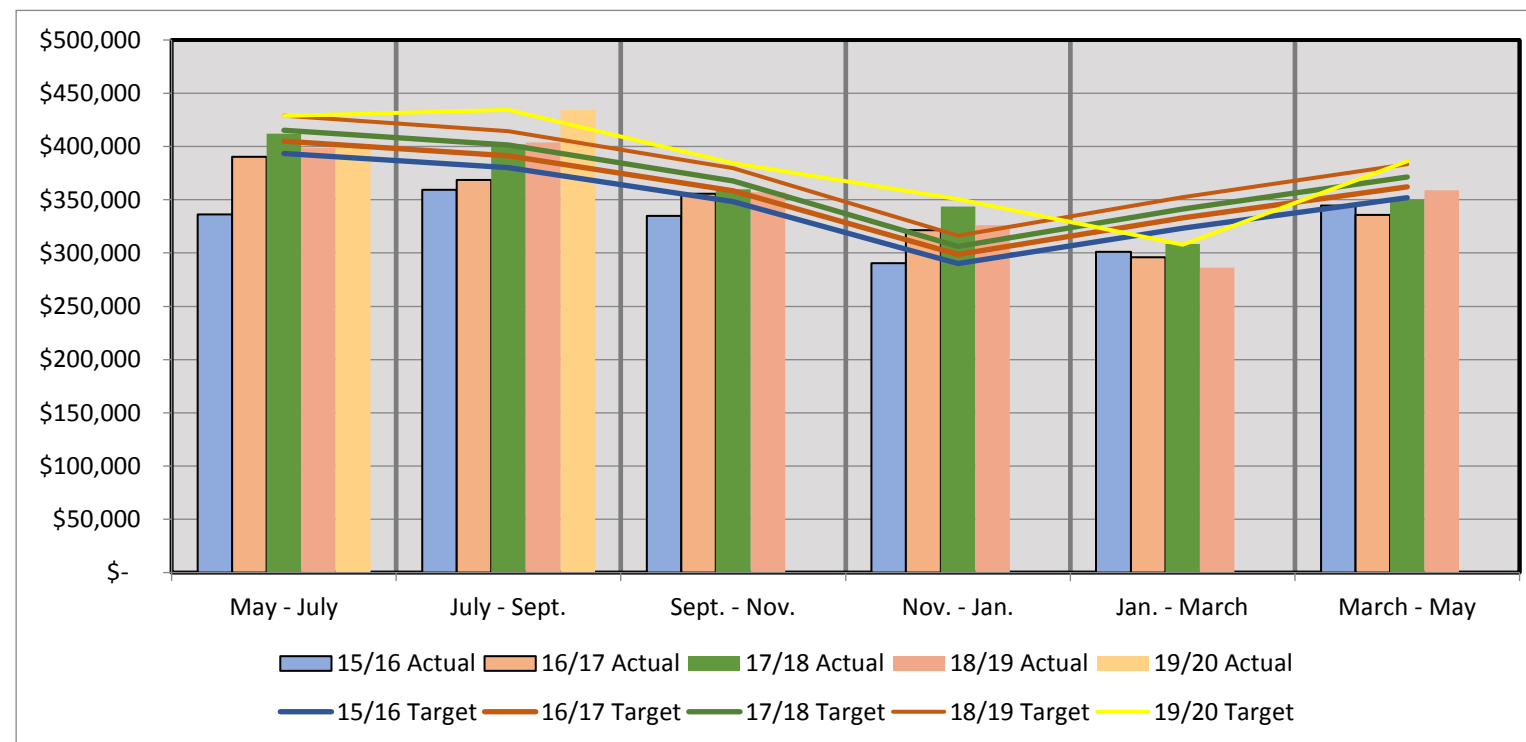
Revenue Comparisons - Target to Actual

Billing Periods Ending in:

Fiscal Years 2015/16, 2016/17, 2017/18, 2018/19, Parcial 2019/20

	<u>15/16 Target</u>	<u>15/16 Actual</u>	<u>16/17 Target</u>	<u>16/17 Actual</u>	<u>17/18 Target</u>	<u>17/18 Actual</u>	<u>18/19 Target</u>	<u>18/19 Actual</u>	<u>19/20 Target</u>	<u>19/20 Actual</u>
May - July	\$ 393,460	\$ 336,187	\$ 405,040	\$ 390,467	\$ 415,276	\$ 411,935	\$ 428,980	\$ 398,540	\$ 428,760	\$ 402,632
July - Sept.	\$ 380,230	\$ 359,329	\$ 391,420	\$ 368,608	\$ 401,313	\$ 402,095	\$ 414,556	\$ 403,771	\$ 434,388	\$ 434,372
Sept. - Nov.	\$ 348,369	\$ 334,971	\$ 358,621	\$ 355,697	\$ 367,685	\$ 359,870	\$ 379,819	\$ 357,085	\$ 384,162	\$ -
Nov. - Jan.	\$ 290,136	\$ 290,531	\$ 298,675	\$ 321,261	\$ 306,223	\$ 343,440	\$ 316,328	\$ 326,018	\$ 350,739	\$ -
Jan. - March	\$ 323,358	\$ 300,986	\$ 332,874	\$ 296,186	\$ 341,287	\$ 308,550	\$ 352,550	\$ 286,146	\$ 307,844	\$ -
March - May	\$ 351,803	\$ 344,349	\$ 362,157	\$ 335,738	\$ 371,309	\$ 350,089	\$ 383,563	\$ 358,893	\$ 386,107	\$ -
Totals	\$ 2,087,356	\$ 1,966,353	\$ 2,148,787	\$ 2,067,956	\$ 2,203,093	\$ 2,175,978	\$ 2,275,795	\$ 2,130,454	\$ 2,292,000	\$ 837,004
(Shortfall)/Overfall		\$ (121,003)		\$ (80,831)		\$ (27,115)		\$ (145,341)		\$ (26,144)

Cumulative Revenue Shortfall: \$ (400,433)



Oceano Community Services District
 Chronology of Budget Actions
 Fiscal Years 2019-20

Date	Action
FISCAL YEAR 2019-20 BUDGET ADJUSTMENTS	
June 26, 2019	Approved the Preliminary Budget for Fiscal Year 2019-20
August 28, 2019	Approved the Final Budget for Fiscal Year 2018-19
July 24, 2019	Approved a Budget Adjustment for \$5,178 utilizing Public Facilities Fees reserves for the 2019 Replacement Generator Project
September 25, 2019	Approved a budget adjustment increasing the project budget \$32,500 for construction inspection services; cancelling \$72,048 in Public Facilities Reserves and increasing facility fund contingencies \$39,548.
October 23, 2019	Approved a budget adjustment in the Water Fund of \$35,000 for Well #4 from infrastructure reserves.
October 23, 2019	Approved a budget adjustment of \$1,143.51 from Facilities Fund contingencies and \$1,478.85 from public facilities reserves.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: November 13, 2019

To: Board of Directors

From: Nicole Miller, Administration

Via: Paavo Ogren, General Manager

Subject: **Agenda Item #9(B):** Review of painting proposals for the Old Fire Station at 1687 Front Street and consider providing direction to the General Manager to approve the proposal deemed preferable by the Board.

Recommendation

It is recommended that your Board review the painting proposals for the Old Fire Station at 1687 Front Street and consider providing direction to the General Manager to approve the proposal deemed preferable by the Board.

Discussion

On June 26, 2019 the Board of Directors discussed the Old Fire Station and the desire for an art or mural project to be done on the building and created an ad hoc committee to proceed with next steps. A "Lead Building Inspection" was completed on September 21st and it has been determined that lead paint is present on portions of the building. Painting proposals were sought from four different companies and three were willing to provide a proposal, which are attached for your review and discussion.

Other Agency Involvement

The County of San Luis Obispo Planning Department reviews Oceano's use of real property and will help determine any permits that may be required.

Financial Considerations

The District currently leases a portion of the Old Fire Station to The Village Group for \$975 a month. The cost proposals, including lead paint removal, range from \$10,550 to \$22,600. Existing reserves available for the project include \$27,955 designated for contingencies.

Results

The community development of District facilities promotes a well governed community.

Attachments: Painting proposals

Proposal

Five Cities 489-3195
San Luis Obispo 544-4195

Santa Maria 931-0195
Santa Ynez 686-9195

SPECTRUM Painting & Fine Finishes Doug Marohn - Owner

P. O. Box 1059
Pismo Beach, CA 93449

Fully Insured
Lic.# 744357

Proposal Submitted to OCSD, c/o Nicole Miller Acct Admin.	Date 9-11-19	Phone 805.481.6730
Street 1655 Front St., P.O. Box 599	Fax/e-mail Nicole@oceanocsd.org	Cell
City, State and Zip Code Oceano, CA	Job Location Same	OCSDCommBldg.19

We hereby submit specifications and estimates for: Exterior Painting

Preparation includes:

- 1) remove loose paint and powerwash complete removing dirt and loose coats of paint,
- 2) remove mildew, apply a rust inhibitive primer to rusty metal earthquake retrofit bolts/plates, etc
- 3) scrape loose paint before painting, caulk all wood joints, caulk all windows to structure, other as needed.

Finish work includes:

- 1) spray two wet coats of a excellent quality; Behr Ultra or comparable high quality *self priming* paint on all eaves and siding/stucco in the same color in flat *or* satin.
- 2) Windows to receive two coats of the same material in a satin sheen.

Basic Prep and paint cost: \$ 10,550.00.

Additional prep of; a) window trim pieces about 12' total and garage trim pieces of 2 ea 1" x 3" about 12' total. Additional minor wood replacement prep cost: \$ 200.00

NOTE: Pure Whites and Deep Base Colors may be additional cost.

Exterior work is guaranteed for four years against peeling.

The owner or tenant has the right to require the contractor to have a performance and payment bond.
Major Credit Cards Accepted. Cost to use a Credit Card is 2.7% of Invoice Total

We propose hereby to furnish material and labor – complete in accordance with above specifications for the sum of:
Dollars (\$.00)

Terms: Payable net 10 days from date of invoice. Finance charge of 1.8% per month on all overdue accounts.

Approximate Start Date:

Approximate Finish date:

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon mutual agreement, and will become an extra charge over and above the estimate. Our workers are fully covered by Worker's Compensation Insurance.

Authorized Signature: _____ **Date:** _____

Note: This proposal may be withdrawn by us if not accepted within 90 days

Acceptance of Proposal: The above prices, specifications and conditions are satisfactory and hereby accepted. You are authorized to do the work as specified. **I will not share Spectrum Painting methods with others.** Payment will be made as outlined above.

Signature: _____ **Date:** _____

NOTES TO OWNER

EXTERIOR WORK – Please prune back all bushes and remove ivy & vines from structure.

WINDOWS – Power washing will water spot windows. The windows can be cleaned for additional charge.

CLEAN UP - After the work is performed, garbage will be removed and clean up is performed daily and at completion of the job. Touch up paint is left in labeled cans for your future convenience.

INSPECTION - Upon completion, an inspection is performed by the foreman, supervisor or owner with you to ensure that all areas are painted properly. Final touch-ups are performed before we leave your project. When payment is made, you will be asked to complete a customer survey to assess the company, work quality and employees.

COVERAGE - The estimator will estimate the number of coats needed to do the job properly and this will be spelled out in the contract. If additional coats are desired by the client, additional costs will be incurred.

COLOR CHANGES – All colors must be chosen by the client before any work is done. If a color change is desired by the client after the job begins, additional costs may be charged for these changes.

ROOFING – Every precaution will be made to protect roofs. Some types of roofs e.g. clay tile, may incur damage during the painting process. With full knowledge thereof, I (We) hold harmless SPECTRUM Painting from the entire risk of damage to roofing during the course of service to this structure. This does not apply to potential paint over spray problems.

PREVIOUS PAINT COAT FAILURE – When additional coats of paint are applied over existing coats, the previous coats may fail causing peeling and blistering. SPECTRUM Painting is not responsible for previous coats not applied by its employees.

OTHER – Attachment of new replacement lighting may incur additional charges.

NOTICE TO OWNER

“STATE LAW REQUIRES ANYONE WHO CONTRACTS TO DO CONSTRUCTION WORK TO BE LICENSED BY THE CONTRACTORS’ STATE LICENSE BOARD IN THE LICENSE CATEGORY IN WHICH THE CONTRACTOR IS GOING TO BE WORKING – IF THE TOTAL PRICE OF THE JOB IS \$500 OR MORE (INCLUDING LABOR AND MATERIALS). LICENSED CONTRACTORS ARE REGULATED BY LAWS DESIGNED TO PROTECT THE PUBLIC. IF YOU CONTRACT WITH SOMEONE WHO DOES NOT HAVE A LICENSE, THE CONTRACTORS’ STATE LICENSE BOARD MAY BE UNABLE TO ASSIST YOU WITH A COMPLAINT. YOUR ONLY REMEDY AGAINST AN UNLICENSED CONTRACTOR MAY BE IN CIVIL COURT, AND YOU MAY BE LIABLE FOR DAMAGES ARISING OUT OF ANY INJURIES TO THE CONTRACTOR OR HIS OR HER EMPLOYEES. YOU MAY CONTACT THE CONTRACTORS’ STATE LICENSE BOARD TO FIND OUT IF THIS CONTRACTOR HAS A VALID LICENSE. THE BOARD HAS COMPLETE INFORMATION ON THE HISTORY OF LICENSED CONTRACTORS, INCLUDING ANY POSSIBLE SUSPENSIONS, REVOCATIONS, JUDGEMENTS, AND CITATIONS. THE BOARD HAS OFFICES THROUGHOUT CALIFORNIA. PLEASE CHECK THE GOVERNMENT PAGES OF THE WHITE PAGES FOR THE OFFICE NEAREST YOU OR CALL 1-800-321-CSLB FOR MORE INFORMATION.”

Installations under \$5,000 may not contain security interests in real property and are limited to mechanics’ liens. The prevailing party in any legal action brought under this agreement will not be entitled to attorney’s fees and costs. Failure to substantially commence work within (20) days from the approximate date specified in the contract when work will begin, without lawful excuse, is a violation of the Contractors’ State License Law. Substantial commencement means either physical delivery of materials onto your premises or performance of labor. Contractors are required by law to be licensed and regulated by the Contractors’ State License Board that has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors’ State License Board, Post Office Box 26000, Sacramento, California, 95826.

Under the California mechanics’ Lien Law, any contractor, subcontractor, laborer, supplier, or other person or entity who helps to improve your property, but is not paid for his or her work or supplies, has a right to place a lien on your home, land, or property where the work was performed and to sue you in court to obtain payment. This means that after a court hearing, your home, land, and property could be sold by a court officer and the proceeds of the sale used to satisfy what you owe. This can happen even if you have paid your contractor in full if the contractor’s subcontractors, laborers, or suppliers remain unpaid. To preserve their rights to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are each required to provide you with a document called a “Preliminary Notice”. A preliminary notice is not a lien against your property. Its purpose is to notify you of persons or entities that may have a right to file a lien against your property if they are not paid. In order to protect their lien rights, a contractor, subcontractor, supplier, or laborer must file a mechanics’ lien with the County Recorder that then becomes a recorded lien against your property. Generally, the maximum time allowed for filing a mechanics’ lien against your property is ninety (90) days after substantial completion of your project.



PROPOSAL AGREEMENT

- Written Guarantee
 - License #703428
 - Fully Insured
- 805-544-0547
805-489-2467
805-772-2467

FOR	
ADDRESS	
SITE ADDRESS	
HOME PHONE	WORK PHONE
	DATE

Email

“Have a Brush with Quality”

PREPARATION WORK

WASH - Environmentally friendly cleaners will remove dirt and mildew as required. Low-pressure power washing will remove chalky paint and promote adhesion.

TRENCH - Soil around the buildings foundation will be trenched to allow painting below the ground level.

SCRAPE & SAND - Areas of loose paint will be scraped and sanded to create a firm and tight bond. Glossy areas will be scuff-sanded to ensure adhesion. Loose paint chips are collected.

PRIME & NAIL - Apply top quality primer to all bare wood. Rusted metal will be coated with rust inhibiting red primer. Loose nails will be re-set or replaced as necessary.

CAULK & GLAZE - Loose caulking will be replaced with top quality 50-year sealants. Windowpanes with missing glazing will also be filled with new putty.

STUCCO CRACKS - Holes and cracks are cleaned & re-textured to resemble the stucco wall. When appropriate, flexible elastomeric patching compounds are used to prevent future cracking due to ground movement & heat.

MASKING - All areas not to be painted will be covered and protected against over-spray and splatters. Landscaping, concrete walks, roofs, and windows will be covered.

CLEAN UP - Work will be completed in a clean and professional manner. Garbage is removed and clean up is performed daily and at completion of the job. Touch up paint is left in labeled cans for your future convenience.

INSPECTION - A completion inspection is performed with the client to ensure all areas are painted properly. Final touchups are completed before we leave your project.

FOLLOW UP - You will receive a follow up phone call and a customer survey to guarantee your satisfaction.

PROJECT MANAGER:

SCOPE OF WORK	EXCLUDE	# OF COATS	SHEEN	COLOR

Eaves/Soffits will match the Stucco/Siding

Eaves/Soffits will match the Fascia Board

PAINT APPLICATION

COVERAGE - Estimators are unable to know how some surfaces will absorb or accept paint or stain coatings, or how coatings will hide for coverage. Two-coat or even three-coats or more may be needed to accomplish the desired coverage. The customer is responsible for choosing how many coats to apply. If it is determined by the customer that additional coats are needed, additional costs will be incurred.

COLOR CHANGES – All colors must be chosen by the client before any work is done. If a color change is required by the client or someone other than Browder Painting after the job begins, the client will be charged an additional fee for time and material expenses arising from the changes.

SCHEDULING – We schedule by the week, not by the day. We are unable to start a new job until we complete jobs in progress. Therefore there can be no guarantee of exact start date.

WAIVER FOR DAMAGES TO TILE OR OTHER DELICATE TYPES OF ROOF COVERING - I, (We) have full knowledge & understanding that due to the brittle and fragile nature of tile, metal and/or other delicate roofs, some damage may occur while placing and removing ladders, tarps and other equipment in the course of the preparation, painting and washing. With full knowledge thereof, I (We) hold harmless Browder Painting Company from the entire risk of damages during the course of service to this structure.

HIDDEN CONDITIONS – If after beginning work, defects or unforeseen conditions arise which could not reasonably have been recognized by the estimator upon first inspection (i.e. invisible defects), the client agrees to pay an additional charge if the client desires the necessary extra work to be done.

PREVIOUS COAT BREAKDOWN – In view of the fact that an additional coat of paint when applied over a previous coat, can cause peeling or loss of adhesion from the substrate, Browder Painting Company is not responsible for the failure of a paint film which was not applied by Browder Painting Company and which may have been previously applied to the same surface. This often occurs in the case of galvanized metal flashing and multiple coat build up. Breakdown due to mildew is not guaranteed, as this is a moisture problem not a paint failure.

GLAZING – This operation is very time consuming and therefore costly. When this function is indicated on the front of this agreement, the procedures taken by Browder Painting Company will involve replacement of missing material only. More extensive glazing will require special notation on the agreement with the additional charge included.

WHAT IS GUARANTEED

Browder Painting Company guarantees all of our painting workmanship and materials against the following conditions: **Peeling, Flaking or Chalking** for one year from the date on this agreement. We will provide the following during the first year after completion: all **MATERIALS** and **LABOR** to restore the offending surface to its original condition absolutely free of charge. This guarantee is limited to the conditions listed below. The guarantee is invalid if any of the following conditions occur:

1. Failure of any previously applied materials.
2. Extraneous factors arise (i.e. roof leaks, moisture damage, structural damage).
3. Decks and horizontal surfaces are not guaranteed.
4. Customers supply their own paint.
5. Galvanized metal areas are not guaranteed.
6. If mildew arises it is not guaranteed, as it is a moisture/fungus problem, not a paint problem.
7. Failure due to caulking or settling of ground.

Failure by contractors without lawful excuse to substantially commence work within twenty (20) days from the approximate date specified in this proposal and contract when work will begin is a violation of the contractors license law. This is subject to delays caused by acts of God, stormy weather, uncontrollable or unforeseen contingencies.

Any alteration or deviation from the specifications involving extra costs will be made upon written agreement, and will become an extra charge over and above the estimate. All agreements are contingent upon delays beyond our control. You are to required to carry fire, tornado and other necessary insurance on the above work. Overdue accounts may be charged interest at the rate of 1.5% per month. In the event it becomes necessary to enforce this agreement by litigation, the prevailing party shall be entitled to recover the expense of court costs, attorney and collection fees. No contractual rights arise until this proposal is accepted in writing by both parties. We may withdraw this proposal at any time before a signed acceptance is received.

WE PROPOSE to perform the work in accordance with the specifications submitted and complete the job in a workmanlike manner according to standard practices.

PROPOSAL AGREEMENT

OPTIONS	YES	NO
1.		
2.		
3.		
4.		

MISCELLANEOUS
<input checked="" type="checkbox"/> WORKERS COMPENSATION - Complete coverage is provided to protect our clients. Please call CSLB 1-800-321-2752 <input checked="" type="checkbox"/> SCHEDULING - Every effort is made to complete your project in consecutive working days. <input checked="" type="checkbox"/> PLANTS - In order to provide the best quality paint job we ask that plants be pruned away from the building. <input checked="" type="checkbox"/> UTILITIES - Your painting project will require that you supply water and electricity. <input checked="" type="checkbox"/> WINDOWS - Proper preparation steps often dirty the windows. The windows can be cleaned for an additional charge. <input checked="" type="checkbox"/> COLORS - In order to provide the best value to our clients all color and sheen decisions must be made by the owner prior to our crew's arrival. Changes in paint after commencement of work or paint order, will result in additional charges.

<input checked="" type="checkbox"/> ESTIMATED START DATE -	PROPOSAL IS GOOD FOR	DAYS.
---	-----------------------------	--------------

ALL PAINT, LABOR, MATERIALS & WARRANTY ARE INCLUDED

BASE PROPOSAL \$ _____
OPTIONS \$ _____

TOTAL INVESTMENT \$ _____

Full payment is to be paid to the crew leader on the last day of work or substantial completion.

I agree to have the above work done at the above price or cost and have read and understand the information on all four pages of this agreement.	Client: _____	Date: _____
--	---------------	-------------

“You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the cancellation notice on the reverse side of this form. Cancellation after the 3-day period may be charged at a 10% cancellation fee.”

Browder Painting Company, Inc. 811 Ricardo Court, San Luis Obispo, CA 93401 (805) 544-0547

Fax 544-9547 email: nick@browderpainting.com www.browderpainting.com

NOTICE TO OWNER – CALIFORNIA ADMINISTRATION CODE SECTION

Effective July, 1984: "Notice to Owner" information as required by Section 7018.5 of the Business and Professions Code shall be that set forth as below:

STATE LAW REQUIRES ANYONE WHO CONTRACTS TO DO CONSTRUCTION WORK TO BE LICENSED BY THE CONTRACTOR'S STATE LICENSE BOARD IN THE LICENSE CATEGORY IN WHICH THE CONTRACTOR IS GOING TO BE WORKING, IF THE TOTAL PRICE OF THE JOB IS \$500 OR MORE (INCLUDING LABOR AND MATERIALS). LICENSED CONTRACTORS ARE REGULATED BY LAWS DESIGNED TO PROTECT THE PUBLIC. IF YOU CONTRACT WITH SOMEONE WHO DOES NOT HAVE A LICENSE, THE CONTRACTOR'S STATE LICENSE BOARD MAY BE UNABLE TO ASSIST YOU WITH A COMPLAINT. YOUR ONLY REMEDY AGAINST AN UNLICENSED CONTRACTOR MAY BE IN CIVIL COURT, AND YOU MAY BE LIABLE FOR DAMAGES ARISING OUT OF ANY INJURIES TO THE CONTRACTOR OR HIS OR HER EMPLOYEES. YOU MAY CONTACT THE CONTRACTORS STATE LICENSE BOARD TO FIND OUT IF THIS CONTRACTOR HAS A VALID LICENSE. THE BOARD HAS COMPLETE INFORMATION ON THE HISTORY OF LICENSED CONTRACTORS, INCLUDING ANY POSSIBLE SUSPENSIONS, REVOCATIONS, JUDGEMENTS, AND CITATIONS. THE BOARD HAS OFFICES THROUGHOUT CALIFORNIA. PLEASE CHECK THE GOVERNMENT PAGES OF YOUR DIRECTORY FOR THE OFFICE NEAREST YOU, OR CALL 1-800-321CSLB, OR VISIT THE WEBSITE WWW.CSLB.CA.GOV FOR MORE INFORMATION.

Under The California Mechanics' Lien Law, any contractor, subcontractor, laborer, supplier or other person or entity who helps to improve your property, but is not paid for his/her work or supplies, has a right to place a lien on your home, land, or property where the work was performed and to sue you in a court to obtain payment. This means that after a court hearing, your home, land, and property could be sold by a court officer and the proceeds of the sale used to satisfy what you owe. This can happen even if you have paid your contractor in full if the contractor's subcontractors, laborers, or suppliers remain unpaid.

Contractors are required by law to be licensed and regulated by the Contractors State License Board, which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of the violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning the contractor may be referred to the Registrar, Contractors State License Board, P.O. Box 26000, Sacramento, California 95826.

NOTICE OF CANCELLATION – Mail to: Browder Painting Company, Inc. or Fax to: 805-544-9547
811 Ricardo Court
San Luis Obispo, CA 93401

We, _____, at _____
Buyer's Name Buyer's Address

hereby cancel this transaction on this date _____.

Buyer's Signature



Proposal Date: 9/11/2019

Prevailing Wage

PROPOSAL SUBMITTED TO	PRIMARY PHONE		
Oceano CSD	(805) 481-6730		
ADDRESS			
1755 Front Street			
CITY, STATE, AND ZIP CODE	JOB NAME AND ADDRESS (if different)		
Oceano, CA 93445			

The areas we are proposing to paint (scope of work):

Exterior

Preparation as stated below

Power wash exterior surfaces to prepare for prep and paint

Prep, scrape, caulk and spot prime as needed, siding, pillars, trim and doors – apply one coat of a stain blocking primer as needed

Paint stucco, siding, brick, eaves, metal wall cap and pillars – Apply 2 coats using Kelly Moore AcryShield premium exterior latex

Paint fascia, gutters, window and door trim and garage door - Apply 2 coats using Kelly Moore AcryShield premium exterior latex

Prep and paint entry doors - Apply 2 coats using Kelly Moore Epic premium exterior hybrid latex

Note: If lead is present, lead protocols and proper protections will be put in place, additional costs for protection and disposal do apply.

Note: This project is bid at prevailing wage.

Investment for no lead - \$18,750

Investment for lead protocols in place - \$22,600

***Unless otherwise clearly defined above, all work shall be performed at the New Life Painting Preparation Guide standard (see below)**

Excluded:

- All exterior concrete floor surfaces
- All roof and roof mounted items
- All other perimeter fencing and other landscape items
- All other surfaces not specifically mentioned above

Cost

- We propose to furnish material and labor – complete and in accordance with the above specifications for the sum stated below. *Individual tasks*, if selected, may require additional pricing. Price is valid for 90 days, unless otherwise noted.

Preparation Guide:

The following procedures will be applied as necessary to your job under normal conditions:

- Power Wash: Wash the surfaces described above. A chlorine-based solution will be applied to any areas where mildew, algae, and/or moss are growing to kill these organisms on contact. All areas, described above, will be visually inspected for any remaining loose coatings. If loose coatings are still present, they will be removed by hand-scraping to insure the correct bond is achieved to the substrate when the new coatings are installed.

Moisture-prone joints next to windows and doors will be caulked. If the existing caulking is loose and separated from the substrate, it will be removed prior to applying a new bead of caulk.

- **Wood:** Remove loose, chipping or peeling paint down to a sound surface by scraping and sanding. Fill areas, as needed, with appropriate fillers. **Note:** the work we are proposing is repainting, not restoration. Therefore, the surface will be tight (no loose or flaking paint), clean, free of contaminants, filled, sanded and primed, as needed. However, it will not necessarily appear new.
- **Stucco:** Fill cracks that are larger than hairline (the width of a credit card). Remove damaged stucco down to sound surface and prime. Patch damaged stucco. Work the patches to approximate the surrounding texture as close as possible. Spot prime raw or patched stucco.
- **Metal:** Sand and clean rusted metal. Prime bare or rusted metal with appropriate primers. **Note:** Warranty does not cover metal surfaces.
- **Reset Nails:** Reset nails that are protruding above the plain of the surface. Loose components, such as siding or trim boards, will be reattached to the best of our ability. Please note that, at times, this may not be feasible unless the component is replaced or something structural is done to allow for reattachment.
- **Remove:** Address numbers or anything else deemed necessary to remove prior to the installation of any coatings. If, for unforeseen reasons items cannot be removed, New Life Painting will tape off and professionally paint around these objects.
- **Landscape:** Landscape rock and/or wood chips will be moved back to allow for painting of foundation below the normal level. This will provide a “finished” look when rock is moved back after completion of painting.
- **Mask and Cover:** Masking paper, visqueen and drop clothes will be used to protect windows, doors, sidewalks, landscape, furniture, fixtures and other necessary areas as appropriate from over-spray and drips.
- **Coating Specification:** Any exposed bare wood will receive a coat of primer. Priming is a very important step, as it penetrates the wood fibers and creates the bond to bare wood. The other purpose of the primer is to provide a stable base coat, so the finish coat has a great surface to adhere to, thus, reducing the risk of flashing.
- **Job Clean-up:** For the duration of the job, each evening, all equipment will be stowed in a trailer and all debris will be removed from the yard so that the home can be enjoyed while we are not working. **Note:** Any poly, paper, and/or tape that is necessary for the completion of the job will be left on the structure until the contractor deems the removal safe. Reinstall all electrical cover plates, lights, address numbers, or any other items that were removed prior to painting. Remove all ply film, drip cloths, masking tape, and masking paper. All debris, as listed above, will be inserted into a plastic yard bag.
- **Repairs:** If wood repairs are needed, customer will be notified. Customer may contract with New Life Painting to make repairs.
- All left-over paint will be labeled and left at job site.

Colors & Samples

- We offer free in-house assistance with color if needed.
- If you need more assistance with color, we offer professional outsourced Color Consultations and custom color mixing. Additional costs do apply.
- This estimate includes up to 5 different colors throughout the project.
- Additional pricing may be required on multiple colors, color placement or deep based colors.

Insurance & Licenses

- California Contractors License No. 959135
- \$1,000,000 General Liability
- Workers Compensation Insurance through Everest National Insurance Company.

Two-Year Limited Warranty

- New Life Painting warrants labor and materials for a period of two (2) years. If paint failure occurs, we will supply labor and materials to correct the condition without cost to the Client. This warranty excludes, and in no event will New Life Painting be responsible for consequential or incidental damages caused by accident or abuse, temperature changes, settlement or moisture (e.g., cracks caused by expansion and/or contraction). Cracks will be properly prepared as indicated at time of job but will not be covered under this warranty. This warranty is in lieu of all other warranties, expressed or implied. Our responsibility is limited to correcting the condition as indicated in this paragraph.

Work Standards

- New Life Painting is a member of the Painting and Decorating Contractors of America.
- All work is to be completed in a workman-like manner according to standard practices. Worker(s) will remain on job until its completion. Work site will be cleaned daily and upon job completion. All agreements are subject to possible occurrence of strikes, accidents, or delays beyond our control.
- Work procedures as per standards of the PDCA (*Painting and Decorating Contractors of America*) P1, P2, P3, P4, P5, P6 and P7.
- The painting contractor will produce a “*properly painted surface*”. A “*properly painted surface*” is one that is uniform in color and sheen. It is one that is free of foreign material, lumps, skins, sags, holidays, misses, strike-through, or insufficient coverage. It is a surface that is free of drips, spatters, spills, or over-spray which the contractor’s workforce may cause. Compliance with meeting the criteria of a “*properly painted surface*” shall be determined when viewed, without magnification, at five feet or more under normal lighting conditions and from a normal viewing position.

Change Orders

- This is only a proposal and your acceptance is subject to our approval in order to make this a binding contract.
- If, after you accept this Proposal, you wish to make any changes to the Scope of Work, please contact our office or our estimator as the cost of all revisions must be agreed upon in writing. Workers are instructed not to undertake additional work without authorization.
- Starting date is to be agreed upon verbally. Changes may require additional cost to Client.
- You will be notified of all needed carpentry repairs before they are done.
- It is essential that the work area be available to us, free from the presence of other trades. Should trade interference occur, New Life Painting may leave the job and additional charges may be incurred by the Client.

Payment

- A 10% deposit is required to reserve your painting appointment.
- Progress payment will be addressed in our agreement / contract.
- We gladly accept checks, cash, or Visa or MasterCard.



Respectfully submitted: **Jay Dupler**

Please read this proposal carefully and make sure that it contains all the aspects of the job that you want and no additional aspects. Anything not included in this proposal is excluded. We want to be as clear as possible to make this project easier for you. Please let us know of any way we can help.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: November 13, 2019

To: Board of Directors

From: Paavo Ogren, General Manager

Subject: **Agenda Item # 9(C):** Consideration of a recommendation to the State Water Subcontractors Advisory Committee supporting participation in preliminary efforts of the State Water Delta Conveyance Project

Recommendation

It is recommended that your Board support a recommendation to the State Water Subcontractors Advisory Committee to support participation in preliminary efforts of State Water Delta Conveyance Project.

Discussion

On October 23, 2019 the State Water Subcontractors Advisory Committee (SWSAC) held a meeting to address the following upcoming items relating to the State Water Project (SWP):

- A. Studies to evaluate benefits of the following:
 - a. "Water Management Tools" that are anticipated to be included in an upcoming contract amendment to the SWP Water Supply Agreement.
 - b. Storage options.

- B. A determination by the Board of Supervisors on whether to participate in preliminary efforts associated with the Delta Conveyance Project (DCP).

Background

The California State Department of Water Resources (DWR) manages and operates the State Water Project (SWP) on behalf of 29¹ State Water Contractors. The SWP "Water Supply" agreement

¹ <https://water.ca.gov/Programs/State-Water-Project/Management/SWP-Water-Contractors>



between DWR and the San Luis Obispo County Flood Control and Water Conservation District (San Luis Obispo County) provides for an annual allocation of 25,000-acre feet per year, or approximately ½ of 1% of the 4.2² million-acre feet per year in total allocations for the 29 Contractors.

For well over the past decade, DWR has been evaluating options for addressing SWP environmental impacts on the Sacramento-San Joaquin Delta (Delta) and options for improving project reliability while reducing risks associated with climate change and seismic events³. Earlier this year, Governor Newsom directed to DWR to change the DCP from a “twin-tunnel” project to a single-tunnel project. The single-tunnel project is estimated to increase long-term reliability of the SWP from 48% to 67%.

In addition to evaluating environmental impacts, project vulnerabilities and options to improve SWP reliability, DWR has also been working with the 29 Contractors to develop SWP contract amendments. The contract amendments are needed since current contracts expire in 2035, and although renewal is readily anticipated, timing is important so that the financing for DCP can be amortized over a term that is common for infrastructure, which for the DCP is anticipated over 40 years. If DCP has to be financed over a shorter term so that the underlying debt is repaid by 2035, then annual costs to the SWP Contractors would be unnecessarily high. Concurrent with the contract extension, other provisions are also being considered. An “Agreement in Principle” (AIP) has been circulated, and the May 2019 draft is included in agenda addendum materials.

The AIP is especially important to the District because it will provide options that do not currently exist in SWP contracts by allowing transfers or exchanges with other SWP agencies and thereby improve the District’s cost recovery capabilities.

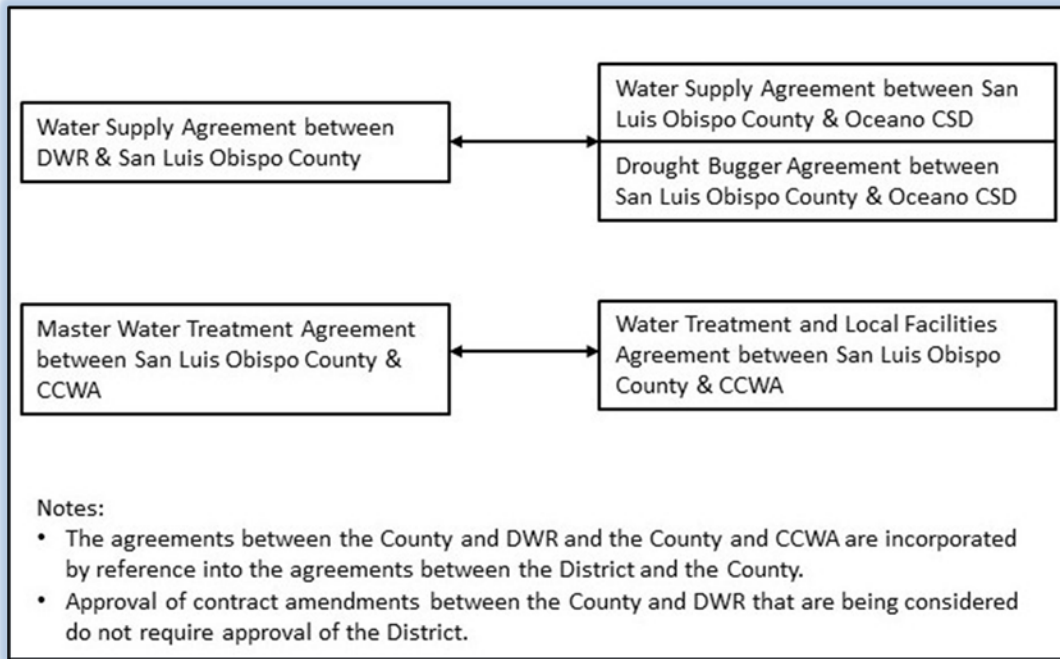
² <https://water.ca.gov/Programs/State-Water-Project>

³ <https://water.ca.gov/deltaconveyance>



SWP Contracts

Several contracts comprise the District’s set of SWP Contracts. The following provides an illustration of those contracts.



As illustrated, the SWP agreements with the County and DWR provide the water supply while the agreements with the County and CCWA provide for water treatment and the construction of original local facilities. Local facilities include the interconnection between the SWP supply pipeline and the Lopez Water Supply Project / Zone 3 infrastructure. The Zone 3 infrastructure is used to “wheel water” to the District’s water system.

The District’s SWP Supply

The District’s allocation for annual delivery is 750-acre feet per year (afy). Together with other supplies, the District’s combined supplies total 1,953 afy. The District’s current production is less than 800 afy with production peaking in the past at over 900 afy. Altogether, the District’s annual supply is approximately 2.5 times annual needs. All supplies are, however, subject to reliability concerns and the SWP was critical in the recent drought to ensure that the District could not only meet its annual demand from customers but also so that water could be placed in storage to protect against a prolonged drought.



The District's annual allocation is also supported by a drought buffer allocation of 750 afy, for a total allocation of 1,500 afy. The following are some key points relating to the District's participation in the SWP.

- The maximum annual delivery is limited to 750-acre feet based on existing contractual rights in the delivery capacity of SWP infrastructure. (The District's "wet water" allocation).
- The annual allocation is not a guaranteed entitlement.
- The District entered into a "Drought Buffer Agreement" with the County for an additional allocation of 750 afy to improve the reliability of its wet water allocation. Key points on Drought Buffer water include the following:
 - Drought Buffer water does not have delivery capacity to San Luis Obispo County.
 - Drought Buffer water does not increase the District's ability to have more than 750-acre feet of wet water delivered to Oceano in a given year.
 - Drought Buffer allocations have a significantly lower cost compared to wet water allocations.

The following provides some key points relating to SWP reliability estimates:

- SWP average annual deliveries are estimated to be 62% based on current operating criteria.
- Long term average annual deliveries are estimated to decrease to 48%.
- DWR established 2019 deliveries at 75%.
 - OCSD can take delivery of 750-acre feet in 2019, and
 - OCSD can store 375-acre feet in San Luis Reservoir for use in a subsequent year unless a spill occurs at San Luis Reservoir, in which case stored water is lost.

Item "A" – Study Efforts on Water Management Tools & South of Delta Storage

Concurrent with addressing environmental impacts, tunnel options and reliability concerns, DWR has been working on SWP contract amendments that will provide participating agencies with new water management tools. The goals within the AIP include providing water exchange and transfer options that do not exist under the current contracts

As a result, the County and the Central Coast Water Authority (CCWA), which represents SWP subcontractors in Santa Barbara County, have been discussing how cooperative utilization of the water management tools may improve project benefits on the central coast, and how storage options might



also be considered. The upcoming joint study efforts reflect a long history of CCWA and County cooperation and updates on the study efforts will be provided to your Board as either agenda items or committee member updates in the future.

At the October 23rd meeting, a consensus of the advisory committee supported proceeding with study efforts.

Item "B" – An upcoming determination by the Board of Supervisors on whether to participate and fund preliminary efforts on the Delta Conveyance project

In contrast to the anticipated contract amendments discussed in Item "A," which will increase SWP benefits for all 29 SWP Contractors and their subcontractors, the implementation of the DCP project is currently considered by DWR to be a discretionary option for each of the 29 SWP Contractors. It is anticipated that the Board of Supervisors will need to decide in early 2020 whether to participate in preliminary DCP efforts.

- If a SWP Contractor (the County) decides **YES** to participate in preliminary efforts, doing so **does not** obligate that SWP Contractor to participate in DCP implementation. DCP project implementation decisions will be made after completion of DCP preliminary efforts – i.e. in several years.
- If a SWP Contractor decides **NO** and does not participate in the preliminary planning efforts, then that SWP Contractor will not be able to participate in DCP implementation and those SWP Contractors will not receive benefits of increased SWP reliability.

"Talking Points" discussed at the advisory committee meeting and prepared by County staff is included as Attachment "A." Attachment "B" is a PowerPoint that staff will present that reflects the recent advisory committee discussion.

Summary

The Board may wish to consider the following while discussing and considering staff recommendations.

- Joint studies to evaluate how to best utilize the anticipated water management tools and storage options have been supported by consensus at the State Water Subcontractors Advisory Committee. Updates to the Board on those efforts will be provided as they progress.



- As a result of the District’s Drought Buffer agreement with the County, the District’s annual long-term reliability is estimated at 96% *without participating in the DCP*.

Wet Water Allocation	750 afy
Drought Buffer Allocation	750 afy
Total SWP Allocation	1,500 afy
DWR estimated long-term reliability for SWP	48%
1,500 afy times 48% =	720
District’s Long-term Reliability	
720 afy divided by 750 afy =	96%

- Actual delivery percentages in any given year can vary dramatically.
- With the District’s current sources of supply, storage continues to be a high priority.
- SWP vulnerabilities include seismic events and climate change.
 - Seismic risk studies on the Delta estimate a 63% probability that a 6.5 magnitude or greater earthquake will occur by 2032 with a great potential for levee failures and interruption of SWP deliveries for agencies not participating in the DCP.
 - Climate change analysis indicates increasing salinity levels in the Delta that will impact the ability to convey water through the Delta – especially during drought.
- Although the District’s Drought Buffer allocation improves reliability for Oceano more than the DCP, the SWP vulnerabilities could entirely interrupt SWP deliveries for multiple years without participation in the DCP.
- The current decision by the Board of Supervisors will only consider whether to participate in preliminary efforts.
- The decision on whether to participate in DCP implementation will occur after completion of preliminary efforts.

Agenda addendum materials include the entire agenda package from the October 23rd advisory committee meeting, including a report by the CCWA Executive Director to the CCWA Board of Directors.

Other Agency Involvement

There are twelve local subcontractors that contract with the County for SWP. The subcontractors combined wet water allocations are 4,830 afy and drought buffer allocations are 5,747 afy. Morro Bay (1,313 afy), Pismo Beach (1,240 afy) and Oceano (750 afy) represent slightly more than 2/3rds of local agency participation in the SWP. The Pismo Beach city council supported participating in the DCP preliminary efforts at their meeting of November 5, 2019. Staff will provide an update on



recommendations of other SWP subcontractors at your Board meeting. The County's excess SWP allocation is 14,423 afy.

Financial Considerations

The District's estimated costs for SWP in the current fiscal year is \$1,150,000. Participating in the DCP efforts is estimated to cost \$30,000 (2.6%) per year for the next five years.

Preliminary estimates for the annual cost of DCP implementation is \$240 per acre foot, which would apply to both wet water allocations and drought buffer allocations and could increase annual SWP costs for the District by \$360,000. Mitigating the cost impacts of the DCP can be accomplished by reducing or eliminating the drought buffer allocation if the risks of climate change and seismic events are considered more important than average annual reliability when a decision on whether to participate in DCP implementation is made.

Annual DCP Implementation Costs \$240 per af times 1,500 afy	\$ 360,000 per year
Less: Reduced drought buffer costs by rescinding drought buffer agreement	(\$125,000) per year
Less: Reduced DCP costs by rescinding drought buffer agreement (\$240 per af times 750 afy).	(\$180,000) per year
Net mitigated costs of DCP	\$55,000 per year

Results

Considering issues associated with the State Water Project promotes water resource reliability and a well governed community.

Attachments:

- Talking Points
- PowerPoint

Addendum Materials:

- October 23, 2019 agenda material for the State Water Subcontractors Advisory Committee

Talking Points from SWSAC on Delta Conveyance Project (DCP)

Points by SWSAC for recommending District participation in Phase 1 of the DCP.

1. A DCP was part of the original State Water Project.

- A Delta conveyance facility was part of the original State Water Project (SWP) plan, as approved by voters in 1960, to address the inherent challenges with moving water through the Delta. The single-tunnel DCP will be a major step towards completing the SWP as originally envisioned.

2. The DCP will improve long-term SWP supply reliability.

- The DCP seeks to restore lost delivery capacity due to new water quality and environmental regulatory restrictions now in place to protect the long-term welfare of the Delta ecological system. With DCP, projected average allocation for participants to “effectively” increase to 67%. Non-participants average Table A allocation to be around 48%.

3. DCP mitigates risk of catastrophic failure of Delta levees and sea level rise.

- DCP is the preferred project alternative to address the risks for (1) potential levee failure due to the high probability of significant seismic activity in the region, and (2) salinity increase in south Delta water exports due to sea level rise.

4. Water portfolio diversification.

- Over the course of the 2012-2016 drought, State water proved reliable and saved us in 2016 when both local surface (Lopez) and groundwater supplies were running critically low.
- State water provides resilience to local agencies, in part, through:
 - o **Supply type diversification:** SWP is an imported surface water supply; other supply types may include local or imported surface water, groundwater, recycled water, desal.
 - o **Geographical diversification:** Often when it is dry locally, it is wet in northern California.

5. Reasonable cost-benefit.

- DCP water is relatively low-cost and provides great value compared with other options for developing new local supplies since the DCP is part of the larger State Water Project which the District has been part of since 1963.

6. Preliminary engineering costs for DCP amortized over 5 years.

- The District (subject to Board approval) is willing to amortize costs over five years to help finance the preliminary engineering, planning and environmental review costs associated with this next phase.

7. “Keeps the door open” (District can opt-out later).

- Participation in this preliminary phase keeps the option open for DCP participation. If the District does not participate, then it would be opting-out of the DCP. There’s a future “opt-out” decision point (before construction begins).

8. Consistent with approach to Nacimiento Water Project.

- A decision to participate in the preliminary phase is consistent with how the District approached evaluation of the Nacimiento Water Project (NWP) in which there was an opt-out provision for potential participants after the NWP design was presented for review. In this case, the District has to make the final decision on DCP participation, but it desires to work in partnership with the Subcontractors to determine whether to opt-in or out.



State Water Subcontractors Advisory Committee

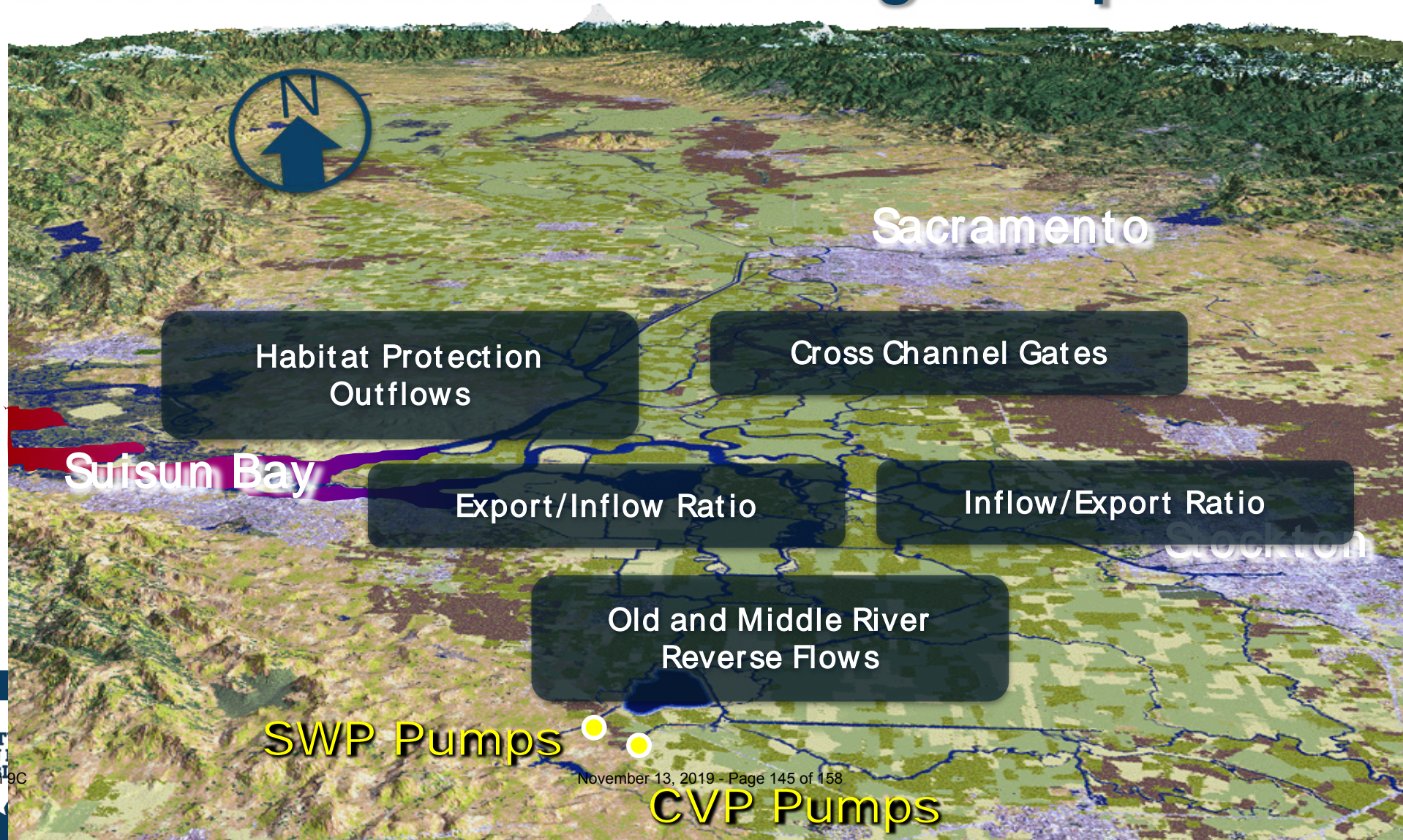
Pismo Beach City Council November 5, 2019

Delta Conveyance Project

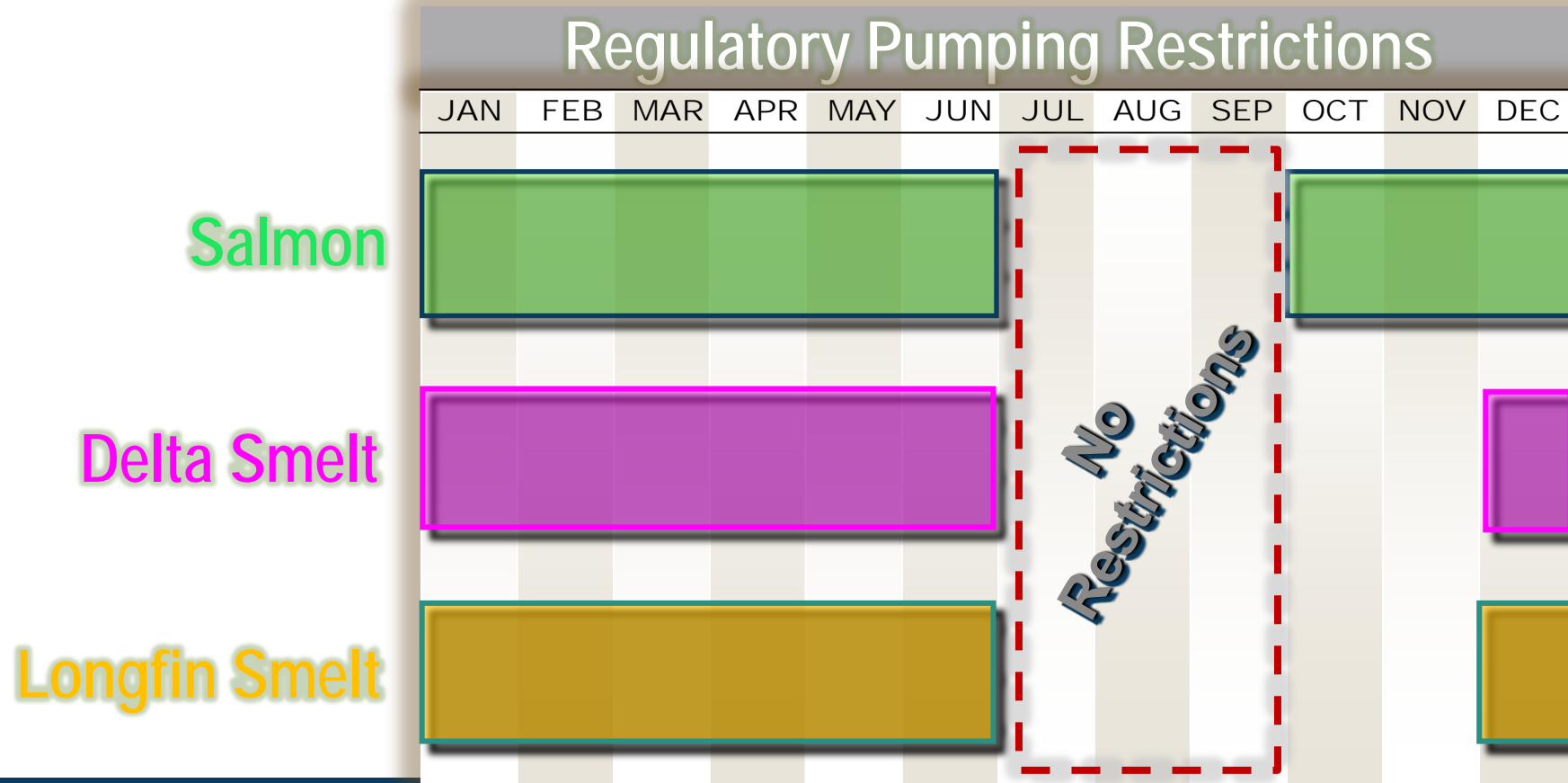
- What problems is Delta Conveyance trying to address?
- DWR/SWP Contractor Contract amendment negotiations
- Cost estimates and reliability benefits
- Participation decision by the District/Subcontractors

Regulations Shape Current Operations

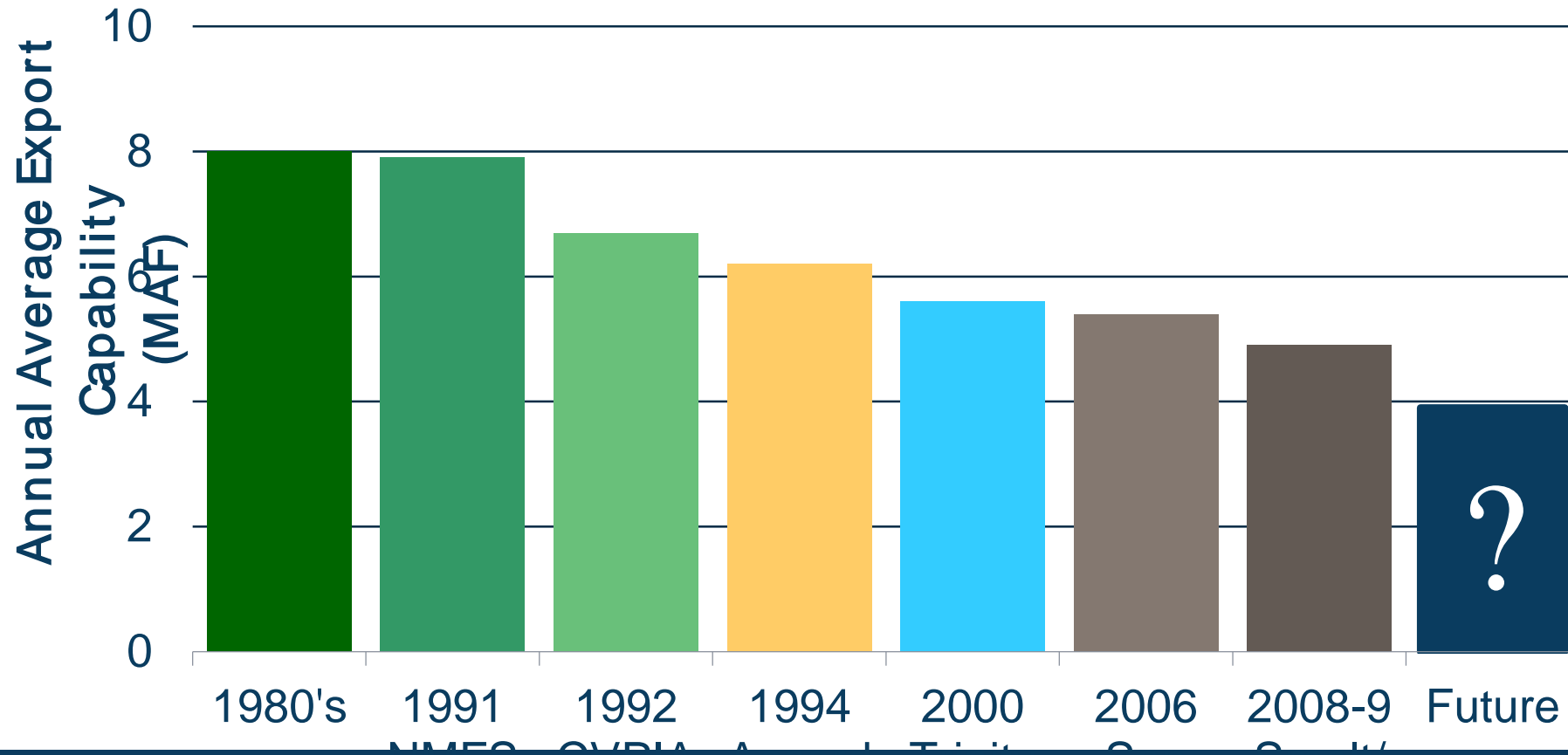
D-1641 and 2008-2009 Biological Opinions



Regulatory Approach has Reduced SWP-CVP Flexibility



SWP-CVP Export Capability Has Declined Due to Regulations



DCP: North of Delta Diversion to One Tunnel Enhanced Operational Flexibility

North Delta

- Modern intake screens allow fish to bypass without salvage
- Flexibility to divert excess flood flows & reduce fish impacts during low flow periods

South Delta

- Reduces reverse flows in river
- Less fish salvage at pumps

SWP Pumps

CVP Pumps

Future Benefits

- Climate Change
 - Sea Level Rise
 - Reduced Snowpack
 - Changing Precipitation Patterns
 - Changing Runoff Timing and Intensity
- Salty Seismic Risks - 6.5 Magnitude
 - 50 Levee breaks
 - 20 Islands flooded



Contract Amendment to Integrate DCP

- Agreement in Principle
 - Effectively the Project Description needed for CEQA, DCP design and Contract Language development
- Both Participants and Non-Participants Negotiating
 - Carryover storage allocation table preserved
 - Full utilization means more frequent spills
- “Opt-In” approach
 - Full Table A amount or opt out completely
 - **Near term decision to hold your place or it’s gone**

	SUBCONTRACTOR	WSA (AFY)	DB (AFY)	WSA + DB (AFY)	Subscription Percentage	Est'd Cost Share of DCP Phase 1
<i>SHANDON TURNOUT</i>	CSA 16 (Shandon)	100	0	100	0.004	\$ 10,000
	<i>Subtotal</i>	<i>100</i>	<i>0</i>	<i>100</i>		
<i>CHORRO VALLEY TURNOUT</i>	City of Morro Bay	1,313	2,290	3,603	0.14412	\$ 360,300
	CMC	400	400	800	0.032	\$ 80,000
	County Ops Center	425	425	850	0.034	\$ 85,000
	Cuesta College	200	200	400	0.016	\$ 40,000
	<i>Subtotal</i>	<i>2,338</i>	<i>3,315</i>	<i>5,653</i>		
<i>LOPEZ TURNOUT</i>	City of Pismo Beach	1,240	1,240	2,480	0.0992	\$ 248,000
	Oceano CSD	750	750	1,500	0.06	\$ 150,000
	San Miguelito MWC	275	275	550	0.022	\$ 55,000
	Avila Beach CSD	100	100	200	0.008	\$ 20,000
	Avila Valley MWC	20	20	40	0.0016	\$ 4,000
	San Luis Coastal USD	7	7	14	0.00056	\$ 1,400
	<i>Subtotal</i>	<i>2,392</i>	<i>2,392</i>	<i>4,784</i>		
	TOTAL	4,830	5,707	10,537	0.42148	\$ 1,053,700
	<i>*Contracted Delivery Capacity in Coastal Branch (AFY)</i>			<i>4,830</i>		
				<i>District's "Table A" Allocation (AFY)</i>	<i>25,000</i>	
				Total "Table A" Subcontracted (AFY)	10,537	
				<i>District's "Unsubscribed" Allocation (AFY)</i>	<i>14,463</i>	\$ 1,446,300

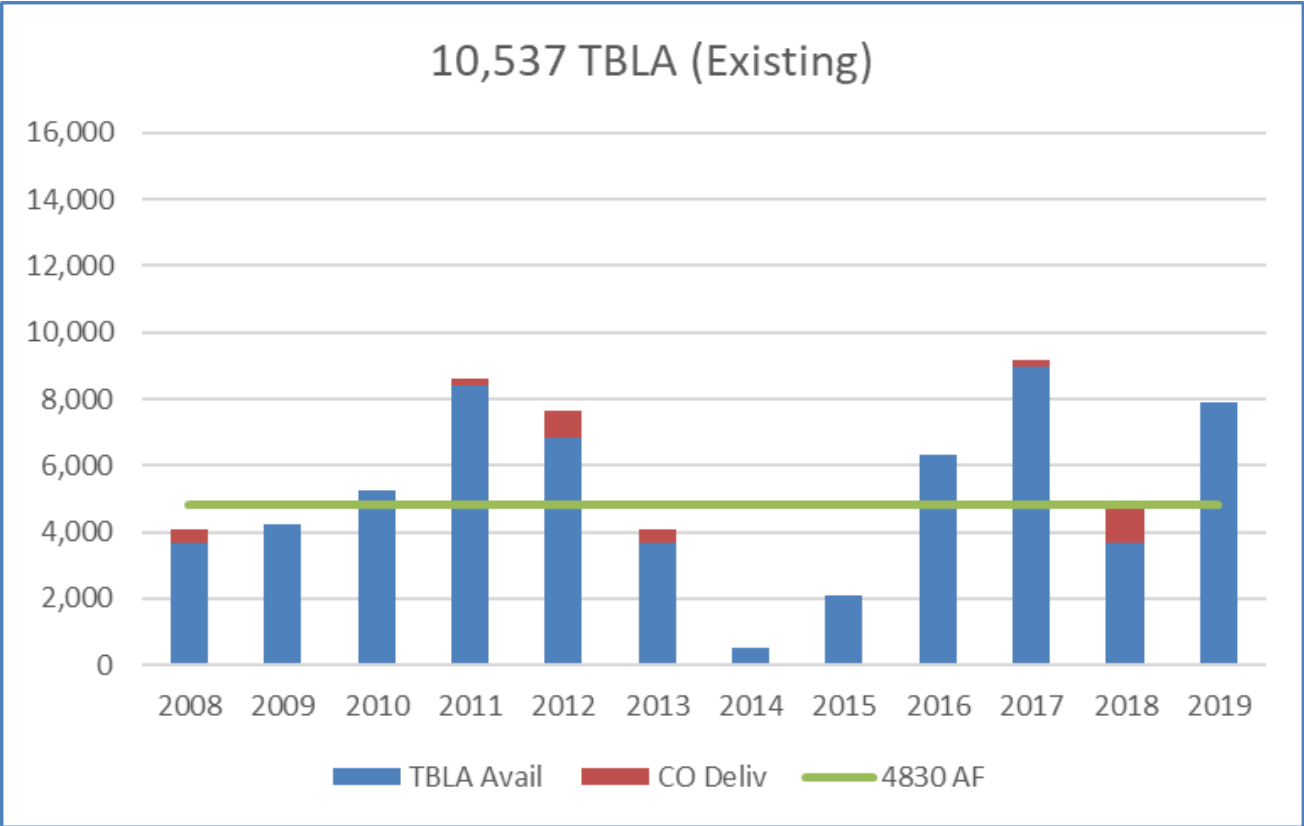
ABBREVIATIONS

AFY = Acre-Feet per Year
WSA = Water Service Amount
DB = Drought Buffer



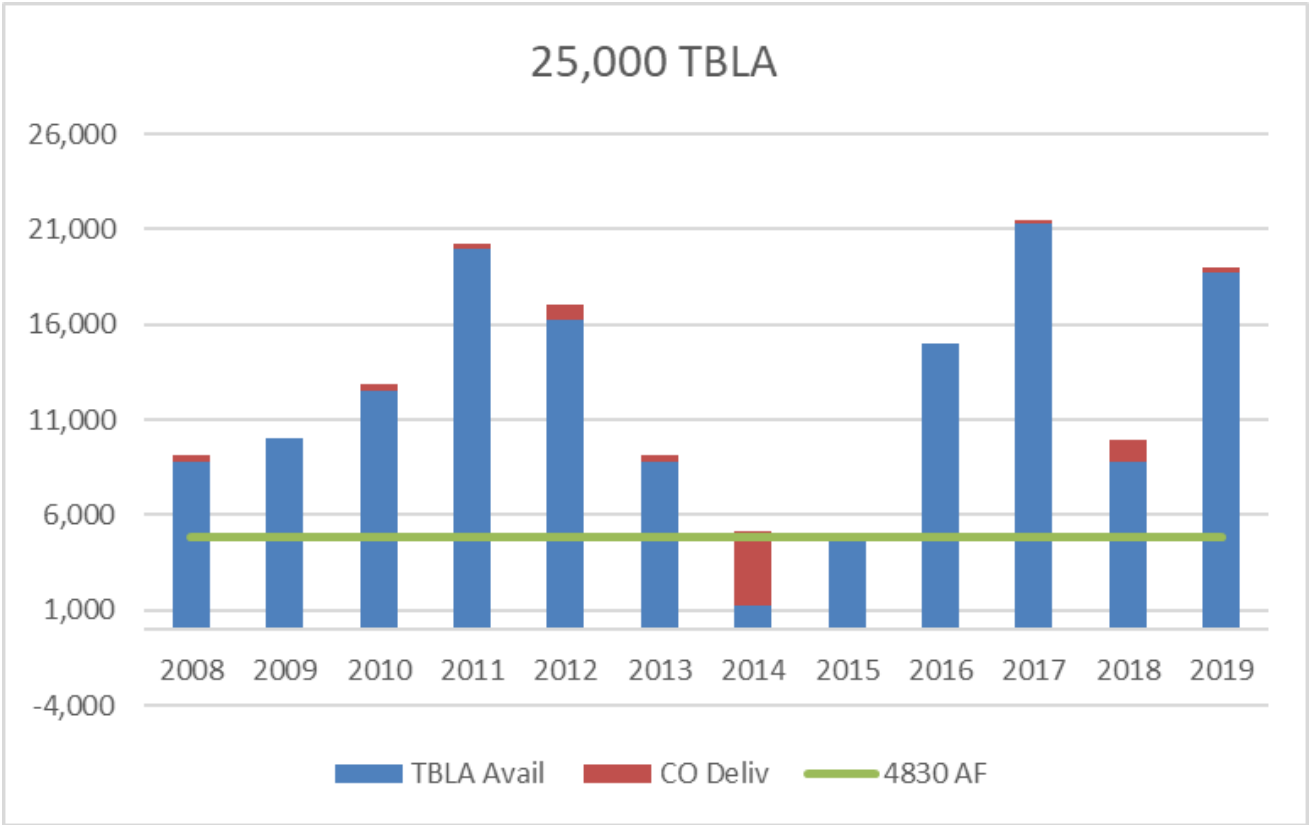
No Excess Allocation/No DCP

Short 5 of 12 Years



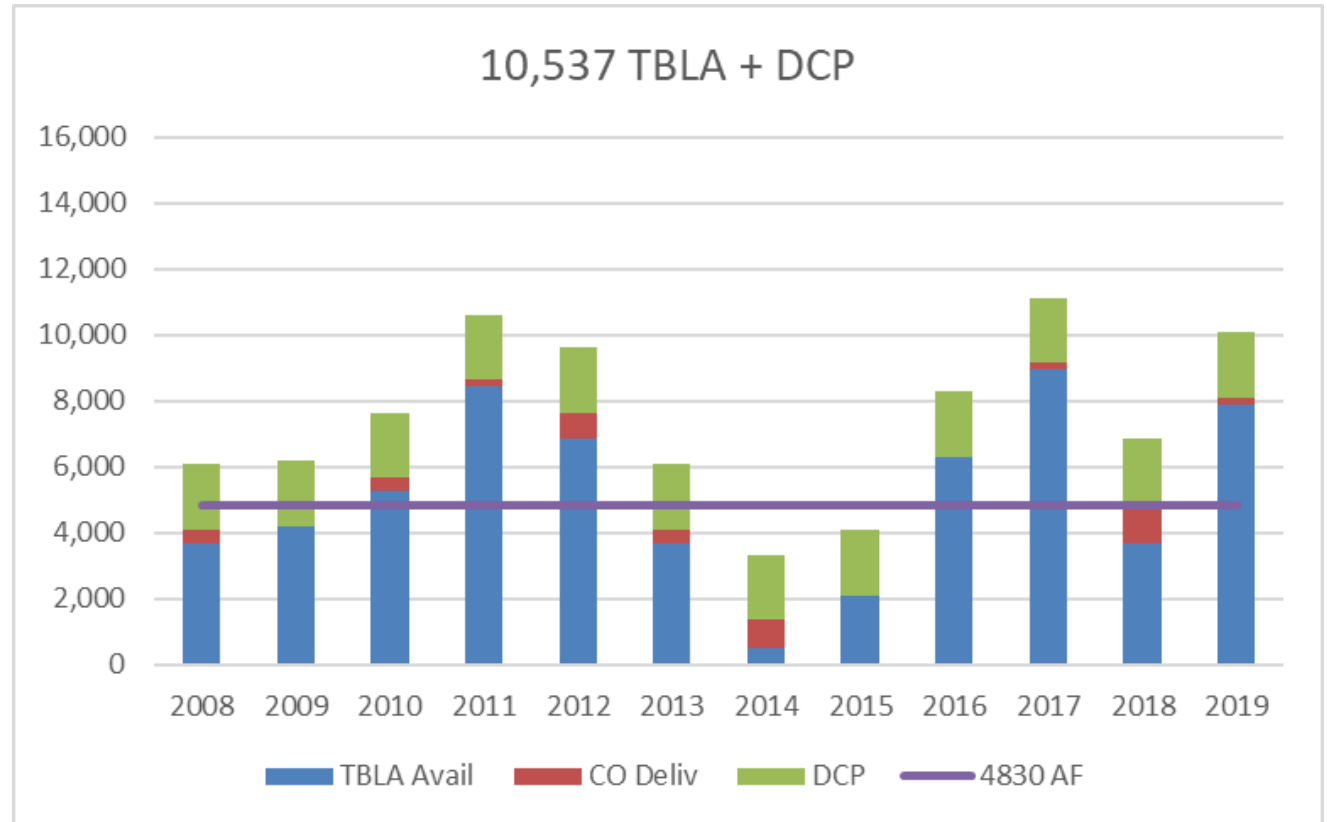
Full Allocation to Subcontractors/No DCP

No shortage



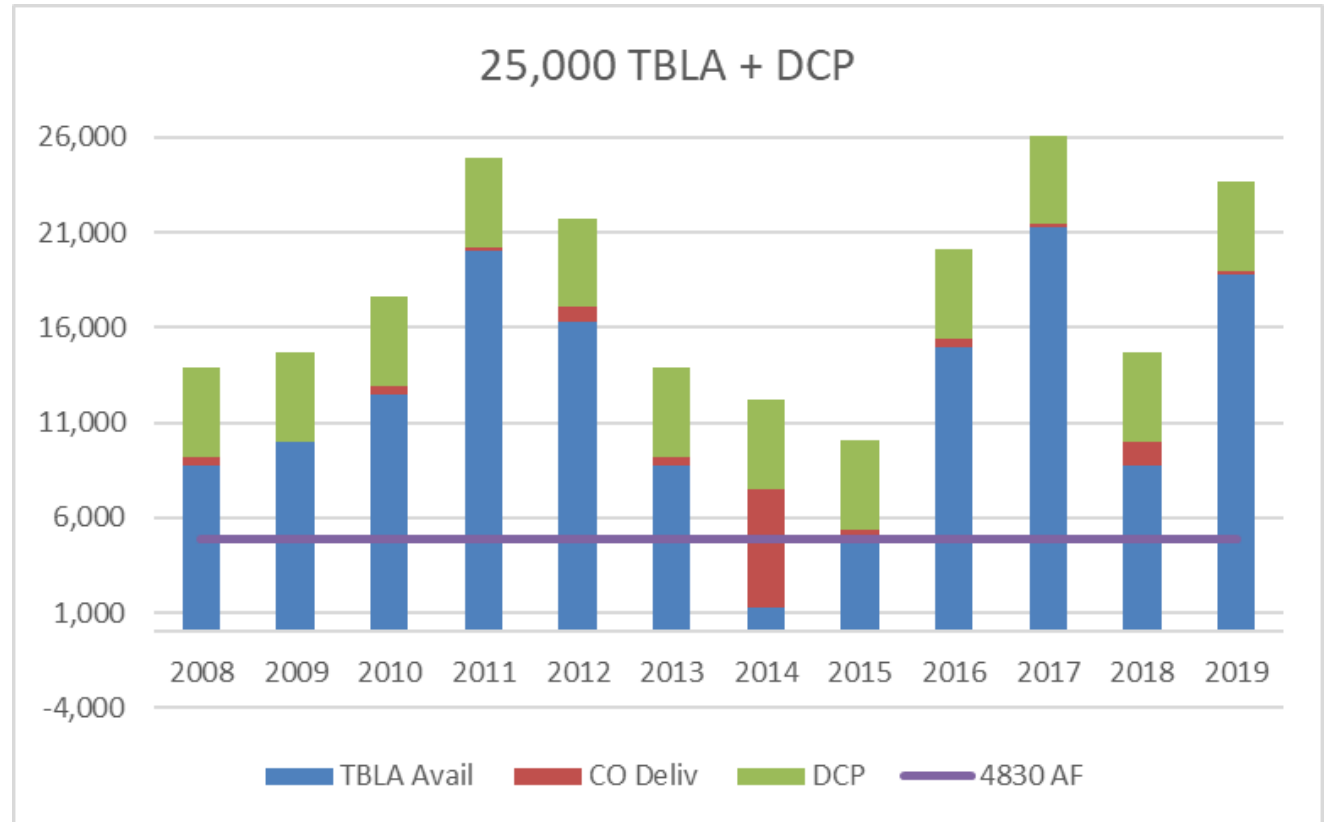
DCP/No Excess Allocation

Short 2 of 12 Years



DCP with Full Allocation to Subcontractors

No shortage



Scenarios and Cost Estimates

	Scenario	Table A AFY	Additional "Insurance" Allocation	Cost per AF	Notes
A	Subcontractor Allocation Current Drought Buffer	10,537	NA	NA	Other supplies/conservation may be needed at unknown cost
B	Subcontractor Allocation Increased Drought Buffer	25,000	14,423	\$200	Drought Buffer currently \$173/AF; assume increased costs in future
C	Subcontractor Allocation Current Drought Buffer DCP @ 10,537 Table A	10,537	1,981	\$230	\$2.4M estimated annual DCP cost
D	Subcontractor Allocation Increased Drought Buffer DCP @ 25,000 Table A	25,000	19,123	\$440	\$6M estimated annual DCP cost plus increased drought buffer cost



DCP has climate change/seismic benefits if State Water reliability is essential locally/other projects are unaffordable

District Recommended Studies

- Water Management Tools
 - Contract amendment under development
 - Replacement of Turnback Pool requirement
- South of Delta Storage
 - More Contractors will be using their storage allocation





Recommendations

- Consider supporting proceeding with studies
- Consider supporting participation in preliminary DCP efforts to “keep the door open”