



Notice of Regular Meeting Oceano Community Services District - Board of Directors Agenda

WEDNESDAY, April 24, 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 FOR ITEMS NOT ON THE AGENDA: **(NOT BEGINNING BEFORE 6:00 PM)**

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 - Field Supervisor Tony Marraccino
- ii. FCFA Operations - Chief Steve Lieberman
- iii. OCSD General Manager – Paavo Ogren
- iv. Sheriff's South Station - Commander Stuart MacDonald

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

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

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.

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.

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 March 27, 2019
- B. Review and Approval of Minutes for April 10, 2019
- C. Review and Approval of Cash Disbursements
- D. Submittal of the District's Fiscal Year 2018-19 Quarter 3 Treasurer Report
- E. Consideration of a Recommendation to Approve a Ten (10) Year Lease Renewal for the Historic Oceano Depot.

9. BUSINESS ITEMS:

Public comment Members of the public wishing to speak on public hearing 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. Presentation by the Executive Director of the San Luis Obispo County Local Agency Formation Commission on requirements if the District pursued divestiture of fire and emergency services and review of County Agenda Item #35 (April 23, 2019) regarding fire services for unincorporated communities with Board direction as deemed appropriate
- B. Presentation by District legal counsel on activities associated with ballot items.
- C. Review of a proposal from Godbe Research Inc. and approve recommendations authorizing the General Manager to issue a purchase order in an amount not to exceed \$27,900 and a corresponding budget adjustment by a 4/5ths vote increasing Fire Fund appropriations with funding from General Fund contingencies

10. HEARING ITEMS:

11. RECEIVED WRITTEN COMMUNICATIONS:

12. LATE RECEIVED WRITTEN COMMUNICATIONS:

13. FUTURE AGENDA ITEMS: District Policies Continued, Roles and Responsibilities with Related Agencies; Construction Documents (Norswing/Pershing & Highway One waterline replacement projects), Five Cities Fire Authority, District Rules and Regulations, Cienega Seabreeze Park, Inc. Continued, Deferred Infrastructure Program, Lopez Lake LRRP & Contract Amendments, Central Coast Blue, Landscape maintenance, Wastewater CIP, Recreation RFP, State Park impact to OCSD, The Place.

14. FUTURE HEARING ITEMS:

15. ADJOURNMENT:



Oceano Community Services District

Summary Minutes

Regular Meeting Wednesday, March 27, 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 Vice President White
3. **ROLL CALL:** Board members present: President Austin, Vice President White, Director Villa, Director Gibson and Director Repogle. Also present, General Manager Paavo Ogren, Business and Accounting Manager Carey Casciola, and Legal Counsel Jeff Minnery.
4. **AGENDA REVIEW:** A motion was made to moved closed session (agenda Item 5a) to after special presentations & reports (agenda item 7) by President White and a second from Director Gibson and a 5-0 roll call vote.
5. Item 5 was moved to after Item 7
6. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA (NOT BEGINNING BEFORE 6:00 PM):**
No public comment
7. **SPECIAL PRESENTATIONS & REPORTS:**
 - a. **STAFF REPORTS:**
 - i. Operations - Field Supervisor Tony Marraccino –reported on 14 USA's, 18 work orders, 6 after hour call outs, 13 customer service calls, Lake Lopez is currently 58.4% full, power failed at water yard, Fairgrove Elementary water line shut off, valve turning was completed, trash pickup with Ready311, upgraded meters, water hydrant reinstalled at 2300 Cienaga, meter reads, high's and low's, re-reads, weed abatement, confine space training, Airpark bridge opened.
 - ii. FCFA - Chief Steve Lieberman – Chief Lieberman gave update on the fleet status of the FCFA fire engines.
 - iii. OCSD General Manager – General Manager Ogren reported FCFA MOU extension has been approved, completed the grant application for IRWMA, met with Cienaga SeaBreeze, CPI water rate adjustment has been calculated and the notice will be in the next customer bills, Ready 311 App progress.
 - iv. Sheriff's South Station – Sergeant Jeff Nichols – Sergeant Nichols reported on incidents from the month of February: 7 disturbances, 186 enforcement stops, 17 arrests, 5 trespassing incidents, 1 vandalism, 9 mail thefts, 18 theft related calls, 8 burglaries, 4 juvenile incidents, 1 transit related call, 2 domestic violence.
 - b. **BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:**
 - i. Director Villa – None
 - ii. Director Gibson – reported on WRAC, Zone 3
 - iii. Vice President White – reported on FCFA
 - iv. President Austin – reported on SSLOCSD
 - v. Director Repogle – reported on OAC
 - c. **PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:**
No public Comment.

5. **CLOSED SESSION:** was entered at approximately 6:47pm. Open session was resumed at approximate 7:00pm
 No public comment

A. **Pursuant to Government Code 54956.8(a):** Conference with legal counsel regarding lease of real property by or for the local agency to grant authority to its negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease

No reportable action

President Austin made a motion to move Item 9C after closed session with a second from Director Gibson.

9C BUSINESS ITEM:	ACTION
Status update on amending the Five Cities Fire Authority Joint Powers Agreement and Board direction as deemed appropriate.	After an opportunity for public comment and Board discussion, and discussion with Chief Lieberman informal action was given to pursue services from a survey company. Public comment was received by David Lefler.
Recessed from 8:17 to 8:23	
8 CONSENT AGENDA:	
Director Replogle requested that Item 8a be pulled for separate consideration.	
8 B & C - CONSENT AGENDA:	ACTION:
b. Review and Approval of Minutes for February 27, 2019 c. 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.
8 A - CONSENT AGENDA:	ACTION:
a. Review and Approval of Minutes for February 13, 2019	After an opportunity for public comment and Board discussion, staff recommendations were approved with an addition to item 9b of the February 13 th minutes by adding the phrase "environmental justice" with a motion from Director Replogle, and a second from Vice President White and a 5-0 roll call vote. No public comment.
9A BUSINESS ITEM:	ACTION:
Consideration of a recommendation to approve edits to the District Bylaws to compensate committee alternates for attending committee meetings and to approve a related Director stipend of \$50	After an opportunity for public comment and Board discussion a motion was made to approve the two stipends of \$50 with no more stipends for alternates in the future with a motion from Director Gibson, a second from President Austin and a 5-0 roll call vote. A second motion was made to approve the edits to section 8.1 of the Districts Bylaws with the additional sentence: "an alternate will be compensated only if attendance of the alternate at a committee is required because 1) the appointed representative is unable to attend or 2) the Board has directed the alternate to attend" with a motion from Director Replogle, and a second from Vice President White and a 5-0 and a roll call vote. No public comment.

9B BUSINESS ITEM:	ACTION:
Consideration of a recommendations to include estimates in the preliminary 2019/20 budget for the cost of live streaming services for Board meetings, to obtain design-build proposals to upgrade audio visual equipment and receive an update from the social media ad-hoc committee.	After an opportunity for public comment and Board discussion, staff recommendations to include the cost for live streaming into the preliminary 2019/20 budget with a motion from Vice President White, and a second from Director Gibson and a 5-0 roll call vote. A second motion was made to approve staff recommendations to have the General Manager solicit proposals for upgrading the audio-visional equipment at a cost not to exceed \$60,000 with a motion from Director Gibson, a second from Director Villa and a 5-0 roll call vote No public comment.

9D BUSINESS ITEM:	ACTION:
Approval of Recommendations for General, Auto and other Liability Insurance Coverage for 2019 and authorize payment in an amount not to exceed \$23,727	After an opportunity for public comment and Board discussion, staff recommendations of A and B were approved with a motion from Vice President White, a second from Director Gibson and a 5-0 roll call vote. A second motion was made to approve staff recommendation C and D with a motion from vice President White and a second from Director Gibson and a 5-0 roll call vote. No public comment.

10. HEARING ITEMS: None

11. RECEIVED WRITTEN COMMUNICATIONS: None

12. LATE RECEIVED WRITTEN COMMUNICATIONS: None

13. FUTURE AGENDA ITEMS: District Policies Continued, Roles and Responsibilities with Related Agencies; Construction Documents (Norswing/Pershing & Highway One waterline replacement projects), Five Cities Fire Authority, District Rules and Regulations, Cienaga Seabreeze Mobile Home Park Continued, 2019 Goals and Priorities, 13th St/ HWY One Drainage Project, Deferred Infrastructure Program, Lopez Lake LRRP & Contract Amendments, Central Coast Blue, Landscape maintenance, Wastewater CIP, Recreation RFP, Brown Act training, Committee Appointments, Oath of Office, State Park impact to OCS&D, The Place.

14. FUTURE HEARING ITEMS: Accounts Payable Policy

15. ADJOURNMENT: at approximately 9:18pm



Oceano Community Services District

Summary Minutes

Regular Meeting Wednesday, April 10, 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 Villa, Director Gibson and Director Repogle. Also present, General Manager Paavo Ogren, Legal Counsel Jeff Minney and Board Secretary Celia Ruiz.
4. **AGENDA REVIEW:** Agenda approved as presented.
5. **CLOSED SESSION:** was entered at approximately 6:02pm. Open session was resumed at approximate 6:22pm
 - A. **Pursuant to Government Code §54957:** Public Employment – General Manager
Report out of closed session: General Manager Ogren has announced his retirement on Dec 21, 2019
No public comment
6. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA (NOT BEGINNING BEFORE 6:00 PM):**
No public comment
7. **SPECIAL PRESENTATIONS & REPORTS:**
 - a. **STAFF REPORTS:**
 - i. Operations - Field Supervisor Tony Marraccino –reported on 8 USA’s, 9 work orders, 1 after hour call outs, 7 customer service calls, Lopez currently 59.2% full, daily rounds, samples, vacuumed cleaned SSLOCSD, Ready 311 app had 38 work orders between March 1st – 21st, cleaned sewer lateral hot spots, hydrant maintenance for directional flushing, trimmed trees at old fire station, Well 8 maintenance, attended Day of the Child, no SSO’s in March.
 - ii. FCFA - Chief Steve Lieberman – None
 - iii. OCSD General Manager – General Manager Ogren reported on Zone 3 Tech meeting and Lopez contracts, FCFA Managers meeting follow up on Friday 4/12.
 - iv. Sheriff’s South Station – Commander Stuart MacDonald – None
 - b. **BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:**
 - i. Director Villa – attended Day of the Child, and Railroad Days at the Oceano Depot
 - ii. Director Gibson – reported on RWMG
 - iii. Vice President White – attended Day of the Child
 - iv. President Austin – reported on SSLOCSD, attended Day of the Child and Railroad Days at the Oceano Depot
 - v. Director Repogle – reported on RWMG, and WRAC
 - c. **PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:**
No public Comment.

Director Repogle requested that Item 8b be pulled for separate consideration.

8 CONSENT AGENDA:	ACTION:
a. 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.

8 CONSENT AGENDA:	ACTION:
b. Approval of a Recommendation to Set May 15, 2019 as the Application Deadline for Fireworks Permits	After an opportunity for public comment and Board discussion, staff recommendations were approved with a motion from Vice President White, and a second from President Austin and a 4-1 Director Replogle dissented roll call vote. No public comment.
9A BUSINESS ITEM:	ACTION:
Consideration of a recommendation to approve a purchase order for AGP Video, Inc.'s services, to include Live Streaming, for District Board Meetings	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 Villa and a 5-0 roll call vote. No public comment.
9B BUSINESS ITEM:	ACTION:
Discussion of an update on recreational services at the Oceano Community Center and provide Board direction as deemed appropriate	After an opportunity for public comment and Board discussion, informal action was given to allow organizations on groups to use OCSD's hours at the Community Center. No public comment.
9C BUSINESS ITEM:	ACTION:
Consideration of the March 2019 "Take Action Brief" prepared by the California Special Districts Association and Assembly Constitutional Amendment 1 (Aguiar-Curry) and Board direction on sending letters of support or opposition on proposed legislation	After an opportunity for public comment and Board discussion, staff recommendations were approved with a motion from Director Gibson, and a second from Director Villa and a 5-0 roll call vote. No public comment.
9D BUSINESS ITEM:	ACTION:
Discussion on timeline for amending the Five Cities Fire Authority Joint Powers Agreement and steps associated with calling for a special tax election in March 2020 with direction to staff as deemed appropriate	After an opportunity for public comment and Board discussion, no action taken. No public comment.
9E BUSINESS ITEM:	ACTION:
Review of the District's Budget Status as of March 31, 2019	After an opportunity for public comment and Board discussion, review and file. No public comment.
10 HEARING ITEM:	ACTION:
A Public Hearing to consider bids received for the District's utility relocation work required by the County of San Luis Obispo for the Oceano Drainage Project and Board approval to perform the work among options that include utilizing the County contractor(s), or by adopting a resolution to perform the work with District employees or by negotiated contract as allowed by California Public Contract Code Section 22038(c) and authorizing the General Manager to award work subject to approval by legal counsel.	After an opportunity for public comment and Board discussion, resolution was approved as modified and described by Legal Counsel with a motion from Director Gibson, and a second from Director Villa and a 4-0 roll call vote. President Austin recused herself. No public comment.

11. **RECEIVED WRITTEN COMMUNICATIONS:** None
12. **LATE RECEIVED WRITTEN COMMUNICATIONS:** None
13. **FUTURE AGENDA ITEMS:** District Policies Continued, Roles and Responsibilities with Related Agencies; Construction Documents (Norswing/Pershing & Highway One waterline replacement projects), Five Cities Fire Authority, District Rules and Regulations, Cienega Seabreeze Mobile Home Park Continued, 2019 Goals and Priorities, 13th St/ HWY One Drainage Project, Deferred Infrastructure Program, Lopez Lake LRRP & Contract Amendments, Central Coast Blue, Landscape maintenance, Wastewater CIP, Recreation RFP, Brown Act training, Committee Appointments, Oath of Office, State Park impact to OCSD, The Place.
14. **FUTURE HEARING ITEMS:** None
15. **ADJOURNMENT:** at approximately 8:20pm



Oceano Community Services District

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

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

Date: April 24, 2019

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(C): 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
	57645 - 57675	
Disbursements Requiring Board Approval prior to Payment:		
Regular Payable Reister - paid 04/24/2019	57649 - 57675	\$ 76,444.93
	-	
Subtotal:		\$ 76,444.93
Reoccurring Payments for Board Review (authorized by Resolution 2018-11):		
	N/A	
Payroll Disbursements - PPE 04/13/2019	N/A	\$ 27,167.78
Reoccurring Utility Disbursements - paid 03/27/2019	57645 - 57648	\$ 1,161.16
	-	
Subtotal:		\$ 28,328.94
Grand Total:		\$ 104,773.87

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: 057649 THRU 057675

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:	-----							
1-1001-000	4/15/2019	CHECK	057649	TOLMAN & WIKER INSURANCE SERVI	23,737.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057650	PETTY CASH	5.49CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057651	CANNON	7,114.40CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057652	DIVERSIFIED PROJECT SERVICES I	587.50CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057653	DIVERSIFIED PROJECT SERVICES I	980.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057654	DIVERSIFIED PROJECT SERVICES I	140.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057655	DIVERSIFIED PROJECT SERVICES I	7,283.75CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057656	BURDINE PRINTING & GRAPHICS	2,122.10CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057657	CORIX WATER PRODUCTS (US) INC.	58.74CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057658	ARAMARK	112.98CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057659	AUSTIN, LINDA	200.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057660	CONTRACTOR'S MAINTENANCE SERVI	122.69CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057661	SHRED-IT USA JV LLC	131.87CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057662	CATEGORY FIVE PROFESSIONAL CON	20,766.38CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057663	CLINICAL LAB OF SAN BERNARDINO	360.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057664	RABOBANK VISA CARD	1,320.64CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057665	J.B. DEWAR, INC.	186.08CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057666	MINER'S ACE HARDWARE, INC.	135.32CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057667	QUILL CORPORATION	423.34CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057668	SLO AIR POLLUTION CONTROL DIST	1,355.39CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057669	SOUTH COUNTY SANITARY SERV	119.26CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057670	CARQUEST AUTO PARTS	7.53CR	OUTSTND	A	0/00/0000

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: 057649 THRU 057675

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	4/18/2019	CHECK	057671	WALLACE GROUP A CALIFORNIA COR	158.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057672	AQUA-METRIC	1,736.70CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057673	CUMMINS INC.	4,954.95CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057674	GRANITE CONSTRUCTION COMPANY	2,090.82CR	OUTSTND	A	0/00/0000
1-1001-000	4/18/2019	CHECK	057675	CARMEL & NACCASHA LLP	234.00CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	76,444.93CR		
				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:	76,444.93CR		
				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 April 24, 2019

	(*) 3/30/2019	4/13/2019
<u>Gross Wages</u>		
Regular	\$22,588.61	\$22,018.34
Overtime Wages	\$1,353.33	\$2,093.54
Stand By	\$700.00	\$700.00
	<u>\$24,641.94</u>	<u>\$24,811.88</u>
<u>Disbursements</u>		
Net Wages	\$18,607.26	\$18,649.88
State and Federal Agencies	\$4,098.77	\$4,110.52
CalPERS - Normal	\$4,336.80	\$4,250.27
SEIU - Union Fees	\$157.11	\$157.11
Total Disbursements processed with Payroll	<u>\$27,199.94</u>	<u>\$27,167.78</u>
Health (Disbursed with reoccurring bills)	\$4,739.09	\$4,739.09
Total District Payroll Related Costs	<u>\$31,939.03</u>	<u>\$31,906.87</u>

(*) 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: 057645 THRU 057648

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	4/04/2019	CHECK	057645	CHARTER COMMUNICATIONS	130.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/04/2019	CHECK	057646	DIGITAL WEST NETWORKS, INC.	623.31CR	OUTSTND	A	0/00/0000
1-1001-000	4/04/2019	CHECK	057647	VERIZON WIRELESS	184.35CR	OUTSTND	A	0/00/0000
1-1001-000	4/04/2019	CHECK	057648	ELECSYS INTERNATIONAL CORP	223.50CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	1,161.16CR		
				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:	1,161.16CR		
				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: April 24, 2019

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(D): Submittal of the District's Fiscal Year 2018-19 Quarter 3 Treasurer Report**

Recommendation

It is recommended that your Board receive and file the District's 2018-19 Quarter 3 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 thrid quarter report for fiscal year 2018/19.

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 2018-19 Quarter 3 budget review was presented at the April 10, 2019 Board meeting/ agenda packet.



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 – 2018-19 Quarter Treasurer Report

Oceano Community Services District
2018-19 Treasurer Report - Quarter 3

<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)	Jan-19	\$104.31	\$0.49	\$0.00	\$104.80	
	Feb-19	\$104.80	\$0.00	\$0.00	\$104.80	
	Mar-19	\$104.80	\$0.00	\$0.00	\$104.80	\$104.80
Oceano CSD - 41005	Jan-19	\$2,656,535.89	\$46,283.27	(\$562,141.96)	\$2,140,677.20	
	Feb-19	\$2,140,677.20	\$34,871.18	(\$1,842.00)	\$2,173,706.38	
	Mar-19	\$2,173,706.38	\$91,550.39	(\$112,284.04)	\$2,152,972.73	\$2,152,972.73
Oceano CSD - 41045 (Sanitary District Bond - Paid Off)	Jan-19	\$4.59	\$0.02	\$0.00	\$4.61	
	Feb-19	\$4.61	\$0.00	\$0.00	\$4.61	
	Mar-19	\$4.61	\$0.00	\$0.00	\$4.61	\$4.61
<u>Rabobank Accounts:</u>					County Total	\$2,153,082.14
Public Checking - 1101	Jan-19	\$523,141.55	\$107,762.98	(\$403,480.80)	\$227,423.73	
	Feb-19	\$227,423.73	\$389,797.85	(\$101,608.92)	\$515,612.66	
	Mar-19	\$515,612.66	\$87,437.91	(\$136,505.50)	\$466,545.07	\$466,545.07
Public Investment Money Market - 5783	Jan-19	\$29,404.37	\$5.00	(\$25.00)	\$29,384.37	
	Feb-19	\$29,384.37	\$4.51	(\$25.00)	\$29,363.88	
	Mar-19	\$29,363.88	\$4.66	(\$25.00)	\$29,343.54	\$29,343.54
Public Fund CD - 7655 (Water Fund Deposit)	Jan-19	\$24,130.46	\$12.47	\$0.00	\$24,142.93	
	Feb-19	\$24,142.93	\$12.07	\$0.00	\$24,155.00	
	Mar-19	\$24,155.00	\$11.68	\$0.00	\$24,166.68	\$24,166.68
Public Investment Money Market - 0161 (Public Facilities Fees)	Jan-19	\$239,926.95	\$40.76	\$0.00	\$239,967.71	
	Feb-19	\$239,967.71	\$36.82	\$0.00	\$240,004.53	
	Mar-19	\$240,004.53	\$38.13	\$0.00	\$240,042.66	\$240,042.66
Rabobank Total						\$760,097.95
Total						<u>\$2,913,180.09</u>



Oceano Community Services District

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

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

Date: April 10, 2019

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(E): Consideration of a Recommendation to Approve a Ten (10) Year Lease Renewal for the Historic Oceano Depot.**

Recommendation

It is recommended that your Board approve the attached recommendation to renew a ten (10) year lease for the historic Oceano Depot Association, Inc.

Discussion

On August 25, 1998, the District and the Oceano Depot Association, Inc. (tenant) entered into a Lease Agreement for certain real property owned by the District described as APN 62-271-06, 62,271-03, and 62-271-01. The location of said properties is more or less across Highway 1 from the District office. The properties are intended to be used as a museum / community center. The Lease Agreement requires the tenant to maintain the property, insurance, and pay the utilities. The original lease was for a ten (10) year term. The tenant has the right to extend the term of the lease for additional periods of ten years each to the maximum amount allowed by law (99 years). The tenant gave the District notice that it intends to extend the lease for another 10 years. A copy of that notice is attached.

Other Agency Involvement

The State of California has considered the Oceano Depot a point of historic interest since 1985.

Other Financial Considerations

The total rent of \$10 (\$1 per year) is payable to the District in advance.

Results

Reviewing and discussing the lease agreement for the Oceano Depot promotes a well governed community.

Attachments:

- Draft Resolution
- Oceano Depot Association, Inc. Lease Agreement
- Lease Renewal request from the Oceano Depot Association, Inc.

OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2019- __

**A RESOLUTION BY THE BOARD OF DIRECTORS OF
THE OCEANO COMMUNITY SERVICES DISTRICT
APPROVING THE RENEWAL OF OCEANO DEPOT
ASSOCIATION, INC., LEASE AGREEMENT**

WHEREAS, the Oceano Community Services District ("District") owns real property described as APN 62-271-06, 62-271-03, 62-271-01 ("Property"); and

WHEREAS, the Board of Directors of the District approved Resolution 1997-19 on October 8, 1997 approving the Lease Agreement with the Oceano Depot Association, Inc. ("Tenant"); and

WHEREAS, the Lease Agreement between the District and Tenant was for a ten-year term and the tenant had the right to extend the term of the lease for additional periods of ten years each to the maximum amount allowed by law; and

WHEREAS, the Lease Agreement was first renewed on May 14, 2008 for another ten-year term; and

WHEREAS, the Tenant has given notice that they intend to extend the lease for another ten-year term; and

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

1. The District and the Tenant will enter into the attached Lease agreement effective April 24, 2019

Upon motion of _____, seconded by _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby adopted this _____ day of _____, 2019.

President of the Board of Directors

ATTEST:

Secretary for the Board of Directors

(SEAL)

APPROVED AS TO FORM AND LEGAL EFFECT:

Jeffrey A. Minnery
District Counsel

By: _____

OCEANO DEPOT ASSOCIATION, INC. LEASE AGREEMENT

This Lease made and entered into this _____ day of _____, 2019, by and between the Oceano Community Services District, a political subdivision of the State of California, San Luis Obispo County, hereinafter called "District" and Oceano Depot Association, Inc. a nonprofit corporation herein after referred to as "Tenant" and collectively referred to as "the Parties," is made with reference to the following recitals:

RECITALS

A. The District owns certain real property located within the District described as APN 62-271-06, 62-271-03, and 62-271-01. The location of said properties is depicted in Exhibit "A" and is herein referred to as the "District Premises," the "Leased Premises," or the "Premises," depending on the context.

B. Tenant owns certain real property located within the District described as APN 62-271-05 and APN 62-271-04. The location of said property is depicted on Exhibit "A" and is herein referred to as "Tenant's Property."

C. Additionally, Tenant owns a building commonly known as the Oceana Train Depot. The Oceana Train Depot is located on Tenant's property and one parcel of the Leased Premises, as depicted on Exhibit "A." The Oceana Train Depot, Tenant's Property, and the District's Property referenced in this Recital is collectively referred to herein as the "Project Property."

D. On or about March 27, 1988, the Parties entered into a Lease With Option for the District Premises described in Recital A, above. The initial term of the 1988 Lease expires on March 26, 1998.

E. Tenant is improving the Project Property described in Recital C, above, for the purposes of developing and operating a Museum/Public Center for all District residents. The Tenant-installed improvements along with their maintenance are referred to herein as the "Project."

WITNESSETH

In consideration of each and every term, covenant and condition herein contained, District hereby leases to Tenant and Tenant hires from District, the District Premises described in Recital A, above.

District agrees to and shall on the commencement date of the term of this Lease as hereinafter set forth, place Tenant in quiet possession of the District Premises and shall secure

him in the quiet possession hereof against all persons lawfully claiming the same during the entire term and any renewals or extensions thereof.

ARTICLE 1. TERM

1.1 This Lease shall be for a period of ten (10) years commencing on _____, 20____, and expiring at midnight on _____, 20____, provided however, as a condition precedent to the Lease becoming effective, Tenant shall place copies of insurance policies required by Article 7 hereof.

1.2 **HOLDING OVER:** Any holding over of tenancy by Tenant beyond the terms of this Lease, with the express or implied consent of District shall be a month to month tenancy only, unless otherwise specifically agreed upon in writing by District and Tenant.

ARTICLE 2. COMPENSATION

2.1 **RENT:** Tenant agrees to pay District the sum of ten dollars (\$10.00), payable in advance.

2.2 Tenant will make the Project Property, and all facilities contained therein, available to the District at no charge upon reasonable request for the purpose of conducting meetings and other District business. Additionally, Tenant shall make the Project Property, and all facilities contained therein, available to the District at no charge upon reasonable request for the purpose of conducting meetings and other District business, provided that the intended use does not conflict with Tenant's prior scheduled events and that the intended use by the District does not unreasonably conflict with Tenant's use of the premises as a Museum/Community Center.

2.3 **PLACE OF PAYMENTS:** All payments shall be made to the District at Post Office Box 599, Oceano, CA 93445 or payments may be delivered in person to 1655 Front St., Oceano, CA. Payments may also be made at places agreed to by both parties.

ARTICLE 3. UTILITIES

3.1 Tenant shall pay during the term hereof all charges for all water, gas, electrical, telephone and all other utilities used by the Tenant on the Leased Premises.

ARTICLE 4. USE OF PREMISES

4.1 The Premises shall be used for the purpose of developing, conducting and operating therein the Oceano Depot Association, Inc., a museum/public center open to all District residents. The Premises shall not be used for any other purpose without the prior written consent of the District.

ARTICLE 5. INDEMNIFICATION

5.1 The Tenant shall defend, indemnify and save harmless the District, its Board members, officers, agents and employees from any and all claims, demands, damages, costs, expenses, including costs for legal services, or liability occasioned by the performance of the provisions of this Lease, or in any way arising out of this Lease, including, but not limited to, inverse condemnation, equitable relief, or any wrongful act or any negligent act of omission to act on the part of the Tenant, or of agents, employees, or independent contractors directly responsible to the Tenant; providing further that the foregoing shall apply to any wrongful acts, or any actively or passively negligent acts, or omission to act, committed jointly or concurrently by Tenant, Tenant's agents, employees, or independent contractors and the District its agents, employees, or independent contractors.

ARTICLE 6. EMPLOYEES OF TENANT

6.1 All employees, agents, assignees and subleases of Tenant shall be licensed when required by law. All such employees, agents, assignees, and subleases shall be employees, agents, or assignees of Tenant only and shall not in any instance be, or be construed to be, employees, agents or assignees of District. Tenant shall provide and maintain in full force at all times, when required by law, workers' compensation insurance.

ARTICLE 7. INSURANCE

7.1 Tenant agrees to take out and keep in force during the entire life of the Lease, at Tenant's sole cost and expense, public liability and property damage insurance for the Premises in companies authorized to issue such insurance in the State of California and acceptable to District. Tenant further agrees to place copies of said insurances herein required in the hands of the District. Said insurance policies shall consist of the following:

- a. Workers' Compensation and Employer's Liability Insurance: Tenant shall maintain full workers' compensation and employer's liability insurance with limits of at least statutory requirements.
- b. Liability Insurance: Tenant shall maintain bodily injury, personal injury, and property damage insurance in an amount of at least \$500,000.00 single limit for bodily injury and property damage. This liability insurance shall include, but shall not be limited to, protection against claims arising for bodily and personal injury and damage to property which results from any act or occurrence in or about the Premises which are subject to this Agreement, or Tenant's operations.

- c. Fire Insurance: Tenant shall provide fire and extended coverage insurance on the leased Premises and on any building on Leased Premises with such insurance to be primary. Tenant shall procure an appropriate clause in, or an endorsement on, the policy for said insurance pursuant to which the insurance company waives subrogation or consents to a waiver of right of recovery against District.

7.2 ADDITIONAL PROVISIONS: Said insurance policy is to contain the following provisions and shall:

- a. Be on an occurrence basis rather than accident basis.
- b. Contain an endorsement naming the District and their officers, employee and agents as additional insured.
- c. Contain a cross-liability of severability of interest endorsement.
- d. Require the insurance carrier to give the District, in writing, thirty days' prior notice of any cancellation of such insurance, any reduction in the amount of liability or damage insured, or any other change.
- e. Provide that the insurance will operate as primary insurance and that no other insurance effected by the District will be called upon to contribute to a loss covered by the insurance as defined by the provision herein.
- f. The District holds a lease agreement with The Village Group for the use of District property commonly referred to as "the old firehouse building." The lease provides parking in the lot designated "Leased Premises." The District is to notify The Village Group to furnish the tenant with a current certificate of liability insurance annually naming the tenant as additional insured. Address for service of this notice is: Oceano Depot Association, Inc. PO Box 535, Oceano, CA 93475.

7.3 FILING: The Tenant shall file with the District certificates of insurance and policies of insurance covering all the above insurance requirements and satisfactory to the District before Tenant does any act under this Lease.

7.4 Approval of the insurance by the District shall not relieve or decrease the extent to which the Tenant may be held responsible for payment of damages resulting from its operations.

7.5 Should the Tenant fail to keep such insurance in full force and effect, the District may cancel the Lease effective immediately.

ARTICLE 8. DESTRUCTION OF DEPOT/PROJECT

8.1 If during the term of this Lease, the Depot or the Project are injured or destroyed by fire or other cause, so as to render the Project, in Tenant's judgment, unfit for occupancy, or so as to substantially prevent or impair, in Tenant's judgment, Tenant's use of the Premises, then the Tenant shall have the following options:

- a. Terminate this Agreement and promptly remove the remains of the Project from the District Premises; or
- b. Continue to pay rent and promptly commence repairs as outlined in Article 10 of this Agreement.

ARTICLE 9. SITE DEVELOPMENT

9.1 The Tenant shall, at its sole cost and expense, develop and operate a Museum/Community Center and Tenant shall have the right to remove from property any and all improvement as required by development plan. Any and all salvage value from the removal of same may be retained by Tenant with the understanding it be used to defray a portion of the site development expense.

9.2 Tenant shall be responsible for following all applicable codes and ordinances pertaining to the development site.

ARTICLE 10. REPAIRS, REMODELING, ALTERATIONS AND ADDITIONS

10.1 Upon completion of approved development, all buildings and common areas shall be under the control of Tenant. Tenant shall hereafter repair all subsequent dilapidations thereof which may render them untenable.

10.2 Tenant shall, at its expense, maintain and keep the leased Premises and every structural portion thereof in good state of repair during the lease term and any extensions or renewals thereof. If Tenant fails or neglects to repair as set forth above, within a reasonable time after District submits notice to Tenant of the need for repairs, District may repair the same and submit the bill to Tenant for payment or exercise its default remedies under Article 14 of this Agreement.

10.3 Tenant shall have the right, upon completion of development, to remodel the leased Premises and to make alterations and additions to the interior of the Leased Premises at its sole cost and expense, except that no remodeling or alterations affecting building structure shall be made until written consent of the District has been obtained.

ARTICLE 11. ADDITIONAL OBLIGATIONS OF TENANT

11.1 Tenant, at its sole cost, shall operate and maintain the Premises in a manner satisfactory to the authorized representative of the State of California and the United States. All maintenance shall be performed at regular intervals by well-trained staff as required for efficient operation of the Project.

11.2 Tenant shall keep accurate records of its operations and shall permit access to the District or its designee to all books, records and accounts, or other sources of information, as may be determined by the District or its designee to be pertinent to ascertain compliance with all notifications and directives.

11.3 Tenant shall at all times and in all respects comply with all federal, state and local laws, ordinances and regulations ("Hazardous Materials Laws") relating to industrial hygiene, environmental protection, or the use, analysis, generation, manufacture, storage, disposal or transportation of any oil, flammable explosives, asbestos, urea formaldehyde, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, any "hazardous substances," "hazardous wastes," "hazardous materials" or "toxic substances" under such laws, ordinance or regulations (collectively, Hazardous Materials").

ARTICLE 12. NON-DISCRIMINATION ASSURANCES

12.1 The Tenant for himself, his heirs, personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree, as covenant running with the land, that in the event facilities are constructed, maintained, otherwise operated on the said property described in this lease for a purpose for which a U.S. Department of Transportation program or activity is extended or for another purpose involving the provisions of similar services or benefits, the Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, District shall have the right to terminate the Lease and re-enter and repossess said land, Premises, and facilities thereon, and hold the same as if said Lease had never been made or issued.

12.2 The Tenant, for himself, his personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

- a. No person on the ground of race, color, sex, national origin, religion, age or disability, will be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities;
- b. That in the construction of any improvements on, over, or under such Land and the furnishing of service thereon, no person on the ground of race, color, sex, national origin, religion, age, or disability will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and
- c. That the Tenant shall use the Premises in compliance with the Regulations.

That in the event of the breach of any of the above nondiscrimination covenants, District shall have the right to terminate the Lease and to re-enter and repossess said land, Premises and the facilities thereon, and hold the same as if said Lease had never been made or issued.

ARTICLE 13. ASSIGNMENT

13.1 Tenant shall not assign this Lease, nor sublet the whole or any part of the Premises, without the prior written consent of District. Any attempt to do so shall be void, shall confer no rights on any party, and shall be good cause for cancellation of this lease by District at its option. This Lease shall not be assignable by operation of the law.

ARTICLE 14. DEFAULTS

14.1 MATERIAL DEFAULT: Tenant shall be in material default under this Lease if:

- a. Tenant abandons the Premises;
- b. Tenant fails to pay rent or any other charge required to be paid by Tenant, and when due, subject to the provisions contained herein;
- c. Tenant fails to perform any of Tenant's non-monetary obligations under this Lease for a period of ten days after written notice from District; provided that if more than ten days are required to complete such performance, Tenant shall not be in default if Tenant commences such performance within the ten-day period and thereafter diligently pursues its completion. However, District shall not be required to give such notice if Tenant's failure to perform constitute an incurable breach of this Lease. The notice required by this subsection is intended to satisfy any and all notice requirements imposed by law on District and is not in addition to any such requirements.
- d. Tenant makes a general assignment or general arrangement for the benefit creditors.

- e. A petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by or against Tenant and is not dismissed within thirty (30) days.
- f. A trustee or receiver is appointed to take possession of substantially all of Tenant's interest in this Lease and possession is not restored to Tenant within thirty (30) days.
- g. Substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease is subjected to attachment, execution or other judicial seizure which is not discharged within (30) days.
- h. A court of competent jurisdiction determines that any of the acts describe in this Article is not a default under this Lease, and a trustee is appointed to take possession (or if Tenant remains a debtor in possession) and such trustee or Tenant transfers Tenant's interest hereunder, then District shall receive, as additional rent, the difference between he rent (or any other consideration) paid in connection with such assignment or sublease and the rent payable by Tenant hereunder.
- i. Tenant is found to be in default with this Lease or any provision contained herein, and District, at its discretion, desires to repossess the Premises, District must give Tenant thirty (30) days written notice to quit the Premises.
- j. Fails to maintain insurance as required under Article 7 of this Lease.

ARTICLE 15. REMEDIES

15.1 Should Tenant violate any of the terms or conditions of this Agreement, District may, thirty (30) days after written notice to Tenant, terminate this Lease and re-enter the Premises and remove all persons therefrom.

15.2 If Tenant shall have abandoned the Premises, the District shall have the following options:

- a. Retaking possession of the Premises and recovering from Tenant the amount specified in the above section.
- b. Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event, District shall be entitled to enforce all of District's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

- c. Pursue any other remedy now or hereafter available to District under the laws or judicial decisions of the State of California.

15.3 CUMULATIVE REMEDIES: Districts exercise of any right or remedy shall not prevent it from exercising any other right or remedy.

15.4 In the event of breach of any covenant or condition by District herein set forth or implied, Tenant s all have the option of terminating the Lease and surrendering the Premises after thirty (30) days' written notice to District.

ARTICLE 16. COVENANTS AND CONDITIONS

16.1 Tenant's performance of each of Tenant's obligations under this Lease is a condition as well as a covenant. Tenant's right to continue in possession of the Premises is conditioned upon such performance. Time is of the essence in the performance of all covenants and conditions.

16.2 The parties hereto agree that all of the provisions hereof are to be construed as covenants and conditions as though the words importing such covenants and conditions were used in each instance, and that all of the provisions hereof shall bind and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

ARTICLE 17. RIGHT TO TERMINATE

17.1 This site has been evaluated and found acceptable for a Museum/ Community Center. Should any change occur wherein the site would no longer be-usable for the purposes intended, either party shall have the right to terminate the lease upon ninety (90) day advance written notice to either party. Upon termination of this agreement, for whatever reason, all real and personal property, used for the operation, use or maintenance of the Museum/ Community Center, ancillary facilities or any subsequently approved use shall become the property of District unless excepted by amendment to this Lease.

ARTICLE 18. CONDEMNATION

18.1 If the whole of the Premises shall be taken or condemned by any competent authority under power of eminent domain for a public or a quasi-public use or purpose, then the leasehold estate hereby created shall cease and terminate as of the date actual physical possession of the leased Premises is taken by the condemner. All compensation and damages awarded for such taking shall belong to and be the sole property of District, provided, however, that Tenant shall be entitled to receive any award for the taking of or damage to Tenant's equipment, fixtures, or any improvements, made by Tenant to the leased Premises which Tenant would have had, but for the condemnation, the right to remove at expiration or sooner termination of this lease. On termination of the Lease by a total taking, all rental and other charges payable by Tenant to or on

behalf of District under the provisions of this lease shall be paid up to the date on which actual physical possession of the leased Premises shall be taken by the condemner, and the parties hereto shall thereafter be released from all further liability in relation thereto.

ARTICLE 19. OPTION TO EXTEND TERM AND AT TERMINATION

19.1 From the date of the expiration of the term of this lease, Tenant shall have the option to extend the term of this Lease for an additional periods of ten (10) years each, to the maximum extent allowed by law which is currently ninety-nine years, on the same terms, covenants, and conditions provided in this lease, upon written notice given District by Tenant, at least sixty (60) days prior to the expiration of the term of this lease. Option to extend will be contingent upon Tenant's satisfactory performance and/or compliance with terms, conditions and covenants during the term of this lease.

ARTICLE 20. HOLDING OVER

20.1 In the event that Tenant shall hold over after expiration of the lease term or any extension or renewal thereof, with the consent, express or implied, of District, such holding over shall be deemed merely a tenancy from month-to-month on the terms, covenants and conditions, so far as applicable, and subject to the same exceptions and reservations as herein contained, until such tenancy is terminated in manner prescribed by law.

ARTICLE 21. NOTICES

21.1 Any notices, demands, or communication, under, or in connection with this lease, may be served by District by personal service, or by mailing the same by certified mail in the United States Post Office, postage prepaid, and directed to District at 1655 Front Street, P.O. Box 599, Oceano, CA 93445 and may likewise be served on Tenant by personal service or mailing the same addressed to Tenant at PO Box 535, Oceano CA 93475. Either District or Tenant may change such address by notifying the other party in writing as to such new address as Tenant or District may desire used which address shall continue as the address until further written notice.

ARTICLE 22. ENTRY

22.1 District and its authorized agents shall have the right to enter the Premises or the Project at all reasonable times for the purpose of inspection of same and at any time in case of an emergency. District and the utility companies shall have the right to enter the Premises or the Project for purposes of inspection, installation, and repair of utility facilities. District will give Tenant at least 24 hours prior notice, except in case of an emergency, in the event District desires to inspect the Premises or the Project. District personnel may also enter the Premises or the Project during business hours and request an inspection of Premises or the Project. If such an

occasion is inconvenient to Tenant a time may be set within 24 hours that is convenient to both parties.

ARTICLE 23. SUCCESSORS

23.1 The agreements herein made shall apply to, bind, and inure to the benefit of the successors and assigns of District, and the successors and permitted assigns of Tenant.

ARTICLE 24. SURRENDER OF POSSESSION

24.1 TENANT'S DUTY: At the expiration or earlier termination of the term of this Lease, Tenant shall surrender to District the possession of the Premises and improvements thereon, provided surrender or removal of improvements shall be as directed in the ownership of improvements provisions of this Lease. Tenant shall leave the surrendered Premises and any other property in good and clean condition, except for damage or destruction by the elements, earthquake, act of God or acts of war. All property that Tenant is required to surrender but that Tenant does abandon shall, at District' election, become District's property at termination. If Tenant fails to surrender the Premises and improvements at the expiration or sooner termination of this Lease, Tenant shall defend and indemnify District from all liability and expense resulting from the delay or failure to surrender, including, without limitation, claims made by any succeeding tenant founded on or resulting from Tenant's failure to surrender.

ARTICLE 25. MISCELLANEOUS

25.1 All the terms and conditions herein shall be binding upon and shall inure to the benefit of the successors, assigns, transferees and trustees of the respective parties of this Lease.

25.2 Time is hereby declared to be of the essence.

25.3 Any waiver by District by any failure by Tenant to comply with any terms or conditions herein shall not be construed to be a waiver by District or any similar or other failure by Tenant to comply with any term or condition herein.

25.4 Tenant understands and recognizes that this Lease may create a possessory interest subject to property taxation and that Tenant may be subject to payment of property taxes levied on such interest.

25.5 This writing contains the entire Lease between the parties, and no agent, representative, salesman or officer of District has the authority to make or has made any statement, agreement, or representation either oral or written, in connection herewith, modifying, adding or changing the terms and conditions as herein set forth.

25.6 Any modification to be effective must be in writing and signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

25.7 If any provision of this Lease shall be declared invalid or unenforceable, the remainder of the lease shall continue in full force and effect.

25.8 This Lease shall be governed by, construed and enforced in accordance with the law of the State of California.

25.9 The captions in this Lease are for convenience only, and are not part of the Lease, and do not in any way limit or amplify the terms or provisions hereof.

25.10 All provisions, whether covenants or conditions, on the part of Tenant shall be deemed to be both covenants and conditions.

25.11 Recitals A-H, above, are incorporated into this Agreement as though fully set forth herein.

25.12 ATTORNEY'S FEES: In the event that either party hereto shall commence any legal action or proceeding, including an action for declaratory relief, against the other by reason of the alleged failure of the other to perform or keep any term, covenant, or condition of this Lease by the party to be performed or kept, the party prevailing in said action or proceeding shall be entitled to recover, in addition to court costs, a reasonable attorney's fee to be fixed by the court, and such recovery shall include court costs and attorney's fee on appeal, if any. As used herein, "the party prevailing" means the party in whose favor final judgement is rendered.

IN WITNESS WHEREOF, the parties hereto set their hands the day and year first above written.

OCEANO COMMUNITY SERVICES DISTRICT

OCEANO DEPOT ASSOCIATION, INC.

OCSD General Manager

Tenant

ATTEST:

APPROVED AS TO FORM:

Board Secretary

District Counsel

JUL 02 REC'D



OCEANO DEPOT ASSOCIATION, INC.

**P.O. BOX 535
OCEANO, CA 93475
805-489-5446
www.oceanodepot.org**

July 2, 2018

Oceano Community Services District

1655 Front St.

Oceano, CA 93445

Attn: Paavo Ogren, General Manager

RE: Lease renewal

Dear Mr. Ogren:

This letter is to inform the Oceano Community Services District that we would like to renew our lease for another 10 year period (2018 to 2028) as per the terms of the agreement.

Thank you.

Sincerely,

**Linda M. Austin, President
Oceano Depot Association, Inc.**



Oceano Community Services District

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

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

Date: April 24, 2019

To: Board of Directors

From: Paavo Ogren, General Manager

Subject: **Agenda Item # 9(A):** Presentation by the Executive Director of the San Luis Obispo County Local Agency Formation Commission on requirements if the District pursued divestiture of fire and emergency services and review of County Agenda Item #35 (April 23, 2019) regarding fire services for unincorporated communities with Board direction as deemed appropriate.

Recommendation

It is recommended that your Board receive a presentation by the Executive Director of the San Luis Obispo County Local Agency Formation Commission (LAFCo) on requirements if the District pursued divestiture of fire and emergency services and review of County Agenda Item #35 (April 23, 2019) regarding fire services for unincorporated communities with Board direction as deemed appropriate.

Discussion

The Five Cities Fire Authority (FCFA) has been providing fire and emergency services to the communities of Arroyo Grande, Grover Beach and Oceano since 2010 when the cities and the district approved a Joint Powers of Authority Agreement (JPA) establishing FCFA. In September 2017, FCFA adopted a strategic plan for future services, which has led to discussions to amend the FCFA JPA as needed to implement the strategic plan. The plan, along with the JPA, budgets and other FCFA documents can be obtained at:

<http://www.fivecitiesfireauthority.org/documents>

Costs associated with implementing the strategic plan have been identified and are under review. The agencies have been working collaboratively to determine funding requirements for each of the agencies and other amendments to the JPA that will be needed to ensure the continued viability



of FCFA. Attachment “A” is a chronology of Board meetings relating to FCFA since the strategic plan was adopted.

Attachment “B” is a timeline of upcoming Board meetings that are intended to review various items relating to FCFA and future actions that your Board will need to consider for Oceano to continue to receive fire and emergency services from FCFA. The primary issue that your Board will need to consider, and which would ultimately be decided by voters, is whether a special tax should be approved to fund the cost of future services from FCFA for Oceano. Based on prior Board direction, a ballot item will need to be considered for the March 2020 election. Attachment “B” identifies upcoming agenda items that will be prepared for your Board to consider including options for a special tax election and other related issues.

If Oceano is no longer able to participate in the FCFA and receive services, your Board will need to consider alternatives for the community. One alternative would be to develop a plan for services from the County/Cal Fire. LAFCo Executive Director David Church will present requirements associated with submitting an application to “divest” fire and emergency services from the District’s services and have them provided by the County/Cal Fire. Also attached is #35 that is included on the County Board of Supervisors agenda for April 23, 2019. A verbal report will be provided at your Board meeting on the Board of Supervisors consideration of item #35, and action taken, if any.

Other Agency Involvement

The Five Cities Fire Authority; the Cities of Arroyo Grande and Grover Beach; the County of San Luis Obispo, Cal Fire.

Financial Considerations

None at this time. The cost of future services for Five Cities Fire and alternatives associated with the County/Cal Fire will be included in future agenda items.

Results

Consideration of fire and emergency services promotes a safe and well governed community.

Attachments:

- Chronology
- Board Meeting timeline
- County agenda item #35; April 23, 2019



Oceano Community Services District

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

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

CHRONOLOGY

The following table identifies the dates and agenda items that your Board has considered since the FCFA Board adopted the Strategic Plan. The table will be updated as additional District meetings occur to provide a chronology for public information.

September 22, 2017 – Five Cities Fire Authority	Five Cities Fire Authority Adopts the Five-Year Strategic Plan
November 18, 2017 – Five Cities Fire Authority	Five Cities Fire Authority Direction on phased transition of Reserve Firefighters to full time employees.
December 6, 2017	Discussion of the Five Cities Fire Authority Five-Year Strategic Plan and the November 17, 2017 agenda item on the Reserve Firefighter Program with Board direction as deemed appropriate.
January 10, 2018	Consideration of a report entitled “A Twenty Eighteen (2018) Outlook on the Fire Cities Fire Authority” and a recommendation to create an ad-hoc committee for inter-agency collaboration and related efforts.
February 13, 2018	Discussion of Five Cities Fire Authority including recent meetings with representatives of other agencies, upcoming Authority meetings, and Board direction as deemed appropriate. (No staff report)
March 28, 2018	Review, discuss and provide direction as deemed appropriate by your Board regarding the agenda item considered by the Five Cities Fire Authority at their meeting on March 16, 2018 proposing two preliminary budgets to develop the FY 2018-19 Budget.



Oceano Community Services District

Board of Directors Meeting

April 25, 2018	Consideration of a Recommendation to approve a resolution Directing Approval of the Five Cities Fire Authority Budget for Fiscal year 2018/19, and discussion of related issues.
May 23, 2018	Consideration of a Recommendation to Approve a Memorandum of Agreement Amending the Five Cities Fire Authority Joint Powers of Authority Agreement with the Cities of Arroyo Grande and Grover Beach.
September 26, 2018	Update on the Five Cities Fire Authority Joint Powers of Authority Agreement and the County/Cal Fire Strategic Plan efforts and provide Board Direction as Deemed Appropriate.
March 27, 2019	Status update on amending the Five Cities Fire Authority Joint Powers Agreement and Board direction as deemed appropriate
April 10, 2019	Discussion on timeline for amending the Five Cities Fire Authority Joint Powers Agreement and steps associated with calling for a special tax election in March 2020 with direction to staff as deemed appropriate.



OCEANO COMMUNITY SERVICES DISTRICT BOARD MEETINGS TIMELINE

Board Meeting	Task
April 24, 2019	<ul style="list-style-type: none"> • Review of statutory requirements for divestiture of services and a presentation by the Executive Director of the San Luis Obispo County Local Agency Formation Commission (LAFCo) • A review by legal counsel with the Board on applicable legal issues relating to elections • Godbe Survey Proposal (FCFA)
May 8, 2019	<ul style="list-style-type: none"> • Review of options for special tax formulas (FCFA) • South County Sanitary Services (Intro. P. 218)
May 22, 2019	<ul style="list-style-type: none"> • Review of the County report on fire and emergency services provided by special districts • Preliminary Budget Review • Adoption of Local Hazard Mitigation Plan
June 12, 2019	<ul style="list-style-type: none"> • Updated review of the FCFA Strategic Plan • Identification of other community options for fire and emergency services.
June 26, 2019	<ul style="list-style-type: none"> • LID Presentation (No FCFA Agenda Items – Hearing to adopt 2019/20 Preliminary Budget)
July 10, 2019	<ul style="list-style-type: none"> • Target date for approving new FCFA funding formula • Multi-year updated cost estimates for the OCSD share of FCFA costs • Tax analysis • Options for South County Sanitary Rate Increase Prop 218 Hearing
July 24, 2019	<ul style="list-style-type: none"> • Review Survey re: FCFA • Options for South County Sanitary Rate Increase Prop 218 Hearing
August 14, 2019	<ul style="list-style-type: none"> • FAQ's – Initial Public Information • Central Coast Blue
August 28, 2019	(No FCFA Agenda Items – Hearing to adopt 2019/20 Final Budget)
September 11, 2019	
September 25, 2019	<ul style="list-style-type: none"> • Last regular Board meeting to approve JPA Amendments
October 9, 2019	<ul style="list-style-type: none"> • Formal actions that must be adopted by your Board to place an item on the March 2020 ballot
October 23, 2019	
November 13, 2019*	
December 11, 2019*	

* One Board Meeting in November and December due to holidays.



**COUNTY OF SAN LUIS OBISPO
BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Board of Supervisors - Ad Hoc Fire Committee / Administrative Office	(2) MEETING DATE 4/23/2019	(3) CONTACT/PHONE Wade Horton / 805-781-5011	
(4) SUBJECT Request to 1) receive and file an update from the Ad Hoc Fire Committee evaluating fire protection service by special districts in unincorporated areas of San Luis Obispo County; 2) adopt a policy regarding the funding of independent special districts; 3) approve the approach to development of any "plan for services"; and 4) approve and direct the Administrative Office to send out the attached letter requesting service level data from special districts providing fire protection; and 5) and provide direction to staff to as necessary. All Districts.			
(5) RECOMMENDED ACTION It is recommended the Board: <ol style="list-style-type: none"> 1. Receive and file an update from the Ad Hoc Fire Committee evaluating fire protection service by special districts in unincorporated areas of San Luis Obispo County; 2. Adopt a policy regarding the funding of independent special districts; 3. Approve the approach to development of any "plan for services"; 4. Approve and direct the Administrative Office to send out the attached letter requesting service level data from special districts; and 5. Provide direction to staff as necessary. 			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? yes
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input checked="" type="checkbox"/> Board Business (Time Est. <u>60 Min</u>)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? N/A	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date <u>January 15, 2018</u>	
(17) ADMINISTRATIVE OFFICE REVIEW This item was prepared in coordination with the Administrative Office.			
(18) SUPERVISOR DISTRICT(S) All Districts			



COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Administrative Office / Wade Horton / 805-781-5011

DATE: 4/23/2019

SUBJECT: Request to 1) receive and file an update from the Ad Hoc Fire Committee evaluating fire protection service by special districts in unincorporated areas of San Luis Obispo County; 2) adopt a policy regarding the funding of independent special districts; 3) approve the approach to development of any "plan for services"; and 4) approve and direct the Administrative Office to send out the attached letter requesting service level data from special districts providing fire protection; and 5) and provide direction to staff to as necessary. All Districts.

RECOMMENDATION

It is recommended the Board:

1. Receive and file an update from the Ad Hoc Fire Committee evaluating fire protection service by special districts in unincorporated areas of San Luis Obispo County;
2. Adopt a policy regarding the funding of independent special districts;
3. Approve the approach to development of any "plan for services";
4. Approve and direct the Administrative Office to send out the attached letter requesting service level data from special districts; and
5. Provide direction to staff as necessary.

DISCUSSION

Background

As previously reported to the Board, properly staffing and funding fire protection services is increasingly difficult issues faced across the State of California and throughout the United States. In California, increased training requirements for volunteers who provide fire services, coupled with changing demographics have resulted in significantly fewer people being available to provide volunteer fire service. The loss of volunteers has led to an increase in the need for career fire and paid-call fire personnel to provide this critical public safety service. While it provides a higher level of service, running a fire department with career (full-time) fire personnel is more expensive than staffing models that historically relied on volunteers. At the same time, expenses for fire departments continue

to increase as health care costs and retirement contributions for career personnel rise. For many jurisdictions, the rise in costs has exceeded revenue increases, leading to fiscal instability of fire operations. Locally, the former Cayucos Fire Protection District (CFPD) dissolution application was approved, by the San Luis Obispo County Local Agency Formation Commission (LAFCO). The reasons for dissolution as stated by the District were a lack of available volunteer staff, limited revenues to pay for services and other increasing costs. In addition, the Special Districts of Templeton Community Service District (CSD), and Oceano CSD have approached the County about ways the County could provide additional funding for their fire services.

While the County has no legal obligation to provide fire protection in the unincorporated area as it is a discretionary service policy decision, public safety is a top priority for the County and as such the Board approved a study evaluating fire protection services by special districts. On January 15, 2019, the Board received and filed the report titled, 'Special Districts Fire Protection Study'. The Study evaluates fire protection services in unincorporated communities that are provided by special districts. It covers several issues, including the status of fire protection services, challenges to sustainability, and impact to the County of San Luis Obispo and County Fire Department if one, or more, special district(s) elects to discontinue providing fire protection, as was the case for the Cayucos Fire Protection District.

The study only included Cambria CSD, Oceano CSD, San Miguel CSD, Templeton CSD, and Santa Margarita Fire Protection District (FPD), as Cayucos FPD had filed for dissolution prior to the start of the study and Avila Beach CSD and Los Osos CSD are currently served by CAL FIRE. During the Board meeting on January 15, 2019, the Board appointed Supervisors Gibson and Peschong to an Ad Hoc Fire Committee to evaluate steps moving forward and report back to the board within a few months.

Ad Hoc Fire Committee Recommendations

The Ad Hoc Fire Committee met with the County Administrative Office and County Fire to discuss possible solutions and have determined that the next steps include the Board 1) clarifying the County's position on funding for independent special districts, 2) clarifying the response to a special district's request for an organizational change for fire service, 3) requesting information from agencies on emergency response capacity, and 4) requesting a fiscal analysis be included in the fire strategic plan. The following sections outline the recommended next steps.

1. Funding for Independent Special Districts

Independent and Dependent Special Districts

State law defines a special district as "any agency of the state for the local performance of governmental or proprietary functions within limited boundaries" (Government Code §16271[d]). In plain language, a special district is a separate local government structure that delivers public services to a particular area. Special districts are often formed to deliver services the community needs or desires above and beyond current service levels. Special districts localize the costs and benefits of public services and allow local citizens to obtain the services they want.

Independent special districts are autonomous government agencies with locally elected boards of directors. They are fully independent in governance, the provision of services, and funding -- neither governed nor financed by county government. Independent special districts operate under Principal Acts, which are the state laws that govern a particular district, like a Community Services District or a Fire Protection District.

Dependent special districts are also autonomous government agencies. The significant difference is they are governed by the County Board of Supervisors, acting as the board of directors of the dependent special district.

County Service Areas (CSA) are a common dependent special district that can provide a variety of services, pursuant to the Principal Act authorizing CSAs.

Recommended Next Steps – Adopt a new Budget Policy

To clarify the County's policy on providing funding contribution for independent special districts, the Ad Hoc Fire Committee is recommending that the Board add a new budget policy to the Expenditure Policies section of the Budget Goals and Policies. As has been previously reported to the Board, Budget Goals and Policies are important because they help to institutionalize good financial management practices, clarify and crystalize strategic intent for financial management, define boundaries, support good bond ratings, promote longer-term strategic thinking, comply with established public management best practices, and meet legal obligations. Each year the Board of Supervisors adopts budget goals and policies to guide staff in the preparation of the recommended budget. The Board approved the FY 2019-20 Budget Goals and Polices on November 11, 2018 and the staff report and attachments can be found at the following link:

<http://agenda.slocounty.ca.gov/IIP/sanluisobispo/agendaitem/details/9329>

The Board of Supervisors are stewards of the public trust and have financial fiduciary responsibility and as such it is good financial management practice for the Board of Supervisors to retain governance over General Fund monies. The Ad Hoc Fire Committee is recommending that the Board adopt the following policy regarding the funding of independent special districts:

Funding for Independent Special Districts: *As independent special districts are autonomous government agencies fully independent of the County in governance, the provision of services, and funding, the County shall not subsidize an independent special district with County General Fund monies nor should any property tax exchange result in a net fiscal loss to the County.*

2. Organizational Change of Fire Service Delivery Provider

If a special district decides it is unable to continue providing fire service to its community, it can apply for an organizational change to transfer that responsibility to a “successor agency.” In the unincorporated county, the successor agency is usually expected to be the County. While as noted above, the County has no legal obligation to take over fire service, the Board has indicated that the protection of public safety is its highest priority and thus would engage discussions on this matter.

Recommended Next Steps – Clarify Approach

The Ad Hoc Fire Committee recommends that the Board clarify its approach to the development of any “plan for services” required by LAFCO as part of an organizational change application. Specifically, any plan for services would have the County determine the appropriate level of service, considering all available resources and financing options, in consultation with the affected community and County Fire. Note that the Board of Supervisors holds authority to approve the plan of services as part of any organizational change process.

The following is a primer on the organizational change process.

Any jurisdictional change for the delivery of fire protection services involves a thorough review and approval process through the San Luis Obispo Local Agency Formation Commission (LAFCO). The method is different for CSDs and FPDs. CSDs would “divest” their fire protection authority while retaining their other responsibilities. A FPD would apply

for dissolution since they provide no other services. Dissolution was the process utilized in the case of the Cayucos Fire Protection District.

The discussion below provides more information regarding the dissolution and divestiture process. Both of these processes would result in the transfer of assets, facilities, and agreed upon property taxes and other funding mechanisms to the successor agency. It should be noted that a consolidation can also occur, which is the combining of two districts into one.

Other LAFCO actions that might come into play are consolidation, forming a new district, or activating an existing district's fire authority.

Dissolution

Dissolution means the district dissolves and no longer exists; all services provided by the district would be assumed by another agency. Fire protection delivery, assets, property tax and special tax revenues of the former district will transfer to the successor agency. To dissolve the fire district board of directors must agree that relinquishing fire protection is in the best interest of the district and apply to LAFCO for dissolution. A Plan for Service must be approved by the district and submitted as part of the LAFCO application. The successor agency that will assume fire protection service in the district is also identified. The plan must include financing and tax transfers, level of service to be provided, transition plans of any personnel and assets, and timetable so no lapse of service occurs.

Divestiture

A divestiture would result in a CSD relinquishing authority to provide a service and enable a successor agency to provide said service. The Board of Directors must agree that relinquishing fire protection is in the best interest of the district. The Board of Directors can apply to LAFCO to divest their fire authority by submitting a resolution to LAFCO stating the district's intent. A Plan for Service must be approved by the district. The successor fire agency that will provide the service must agree to the plan for services. The plan must include financing and tax transfers, level of service to be provided, transition plans of any personnel and assets, a budget that includes revenues and costs, and timetable so no lapse of service occurs. LAFCO must follow a specific process and timeline within state law to consider approval or denial of a district's divestiture request. The divestiture is subject to the protest process.

Consolidation

A Consolidation is the combining of two districts into one. If the two Districts are in favor of a consolidation, LAFCO is required to approve the consolidation. The action is subject to the protest process.

District Formation

A Fire Protection District could form to provide services to a community or various communities. Some Counties have formed county-wide fire districts to provide fire services.

Activation of a Power

An application to activate a district's fire authority could be considered by LAFCO.

Municipal Service Review

LAFCO is required to update the Sphere of Influence and Municipal Service Review every five years or as necessary. An MSR is completed for each jurisdiction and focuses on all of the services provided by the jurisdiction.

Summary of the LAFCO Process

With any of these actions, a plan for services and budget would be prepared, along with a resolution of application by the local agency that is the applicant. Also, the protest process applies to these actions, giving the community the opportunity to consider an approved action. If a special district is seeking divestiture or dissolution, and the County is identified as the successor agency, the district would coordinate with the County and request that the County prepare a Plan for Services. If the County chooses to take over fire services, this document would outline the terms and conditions, and define the level of service and funding costs. The district would then follow the application process for divestiture or dissolution through LAFCO.

3. Special Fire Districts – Emergency Response Capacity

Status of Fire Protection Service

The purpose of the Special Districts Fire Protection Study, which was presented to the Board in January, was to determine the future operational and financial sustainability of the districts and did not go in to depth regarding the current service levels of each district. While the report included a status of fire protection services in terms of staffing and funding levels, it did include a review of current service level such as call response rates. What has been communicated to the County as part of the Special Districts Fire Protection Study is that all five study districts report that they do not have adequate funding to provide the baseline fire protection services they believe should exist in their communities today. A more in-depth and up-to-date analysis of actual services would be helpful to decision-makers and the public.

Municipal Service Reviews (MSRs) are done to inform local agencies and the community about the provision of municipal service in support of updating a Sphere of Influence. An MSR is a broad study done by LAFCO to provide information about the adequacy of governmental services being provided by the local agencies and are a prerequisite to a Sphere of Influence (SOI) determination and may also lead LAFCO to take other actions under its authority. Service reviews attempt to capture and analyze information about the governance structures and efficiencies of service providers, and to identify opportunities for greater coordination and cooperation between providers. MSRs use existing documentation and studies to analyze various services, including fire. The table below outlines LAFCO's written determination regarding service capacity for fire, the date of last update, and the schedule for updating the SOIs and MSRs for the five districts included in the Special Districts Fire Protection Study.

Special District	LAFCO Written Determinations from last MSR	Date Prepared	Next Update
Cambria CSD	The District manage resources adequately to provide services to the communities and areas.	August 2014	Begin the update process 2021
Oceano CSD	The District maintains fire facilities and adequate staff as needed to serve the residents of Oceano.	November 2012	Begin the update process 2019
San Miguel CSD	The District maintains fire facilities and adequate staff as needed to serve the residents of San Miguel.	November 2013	Begin the update process 2020
Templeton CSD	The District maintains fire facilities and adequate staff as needed to serve the residents of Templeton.	November 2013	Begin the update process 2020
Santa Margarita Fire District	The present capacity of the public facilities is adequate to provide services to the community of Santa Margarita.	November 2014	Begin the update process 2020

Recommended Next Steps – Request Current Service Level Capacity Information

The vision of the County is to provide a safe, healthy, livable, prosperous, and well governed community. As public safety is a top priority of the Board of Supervisors, the County has an interest in fully understanding the current and future of fire service delivery by special fire districts. As the table above indicates, the next updates for the Municipal Service Reviews for the five listed special districts are scheduled to begin anywhere from 2019 through 2021. As such, the Ad Hoc Fire Committee recommends that the Board direct the Administrative Office to send the attached letter to the five special districts. The letter requests information regarding current service level data so that the County can fully understand the current adequacy of governmental services being provided by the local agencies. Specifically, the attached letter requests information specific to incident, location, response by agency(s), and arrival time of each agency's resources, and how many responded by agency.

4. Inclusion of a Fiscal Analysis in the County Fire Protection Strategic Plan

Fire Protection Strategic Plan Update

In 2012, the County Fire Department developed a Service Level Analysis for the CAL FIRE/San Luis Obispo County Fire Department – Consolidated Fire Protection Strategic Plan as directed by the Board of Supervisors. The purpose of this plan was to serve as a guide for the Board of Supervisors and other partners in the CAL FIRE/San Luis Obispo County Fire consolidated fire protection program. Based on a comprehensive service level analysis of the County Fire Department, the document recommends levels of service for fire protection, makes an assessment of the delivery system and forecasts necessary changes to fire protection services. A goal of the plan was to provide a tool for making cost-effective decisions regarding changes in service levels. To achieve that goal, the plan describes and presented data regarding fire protection in the county by using community demographics, service level targets, staffing models, and governance and funding options. As previously reported to the Board, the County Fire Department is currently in the process of updating the 2012 Fire Protection Strategic Plan and Service Level Analysis through an outside consultant, retired County Fire Chief Dan Turner.

Recommended Next Steps – Fiscal Analysis

The 2012 Consolidated Fire Protection Strategic Plan includes an overview of expenditures, revenues and funding options. For the updated strategic plan, the Ad Hoc Fire Committee recommends that the Board direct staff to expand this section to include a broader fiscal analysis including an in-depth review of service models and funding options for sufficient resources to extend adequate levels of structural fire protection and emergency medical services to unserved and underserved areas of the unincorporated San Luis Obispo County.

OTHER AGENCY INVOLVEMENT/IMPACT

The initial Special Districts Fire Protection Study was conducted by Dan Turner, Fire Chief (retired), Cal Fire, San Luis Obispo and Mike McMurry, Fire Chief (retired), Scotts Valley Fire Protection District. The special districts of Cambria Community Services District, Oceano Community Services District, San Miguel Community Services District, Santa Margarita Fire Protection District, and Templeton Community Services District all participated in the study. LAFCO provided district history, district processes and organizational dynamics. The appointed members of the Ad Hoc Fire Committee, Supervisors Gibson and Peschong, coordinated with the Administrative Office and County Fire on this item.

FINANCIAL CONSIDERATIONS

The initial study was funded through the contract with Dan Turner to update the Consolidated Fire Protection Strategic Plan which includes an amount not to exceed to \$45,000 and is funded from FC 140 – County Fire. If the Board approves the recommendation to include a fiscal analysis in the strategic plan, County Fire will coordinate with Dan Turner to update the amend the scope of the contract if needed. If additional funds are determined to be needed, County Fire will coordinate with the Administrative Office and return to the board for a budget adjustment if needed.

RESULTS

This item provides an update to the Board and recommends that the next steps forward regarding fire protection services by special districts is for the Board to 1) clarify the County's position on funding for independent special districts, 2) clarify the process for a request by a special district for an organizational change for fire service, 3) request information from agencies on emergency response capacity, and 4) request a fiscal analysis be included in the fire strategic plan. This action is consistent with the countywide goal of a safe community.

ATTACHMENTS

Attachment 1 – Letter to Special Districts
Attachment 2 – Presentation



Oceano Community Services District

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

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

Date: April 24, 2019

To: Board of Directors

From: Paavo Ogren, General Manager

Subject: **Agenda Item # 9(B):** Presentation by District legal counsel on activities associated with ballot items.

Recommendation

It is recommended that your Board receive a presentation by District legal counsel on activities associated with ballot items.

Discussion

The Five Cities Fire Authority (FCFA) has been providing fire and emergency services to the communities of Arroyo Grande, Grover Beach and Oceano since 2010 when the cities and the district approved a Joint Powers of Authority Agreement (JPA) establishing FCFA. In September 2017, FCFA adopted a strategic plan for future services, which has led to discussions to amend the FCFA JPA as needed to implement the strategic plan. The cost of implementing the strategic plan is also estimated to increase costs to each of the communities, and the need for a ballot item so that voters can consider a special tax, which is anticipated for March 2020.

The purpose of legal counsel's presentation is to initiate a public review of statutory and other legal questions that are pertinent to elections and ballot items. Follow up on future agendas should be anticipated as questions from Board members and the public develop.

Other Agency Involvement

The Five Cities Fire Authority; the Cities of Arroyo Grande and Grover Beach; the County of San Luis Obispo, Cal Fire.

Financial Considerations

None at this time. The cost of future services for Five Cities Fire and alternatives will be included in future agenda items.

Results

Consideration of fire and emergency services promotes a safe and well governed community.



Oceano Community Services District

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

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

Date: April 24, 2019

To: Board of Directors

From: Paavo Ogren, General Manager

Subject: **Agenda Item # 9(C):** Review of a proposal from Godbe Research Inc. and approve recommendations authorizing the General Manager to issue a purchase order in an amount not to exceed \$27,900 and a corresponding budget adjustment by a 4/5ths vote increasing Fire Fund appropriations with funding from General Fund contingencies

Recommendation

It is recommended that your Board:

1. Review of a proposal from Godbe Research Inc. and approve a recommendation authorizing the General Manager to issue a purchase order in an amount not to exceed \$27,900.
2. Approve a budget adjustment by a 4/5ths vote increasing Fire Fund appropriations by \$27,900 with funding from General Fund contingencies.

Discussion

The Five Cities Fire Authority (FCFA) has been providing fire and emergency services to the communities of Arroyo Grande, Grover Beach and Oceano since 2010 when the cities and the district approved a Joint Powers of Authority Agreement (JPA) establishing FCFA. In September 2017, FCFA adopted a strategic plan for future services, which has led to discussions to amend the FCFA JPA as needed to implement the strategic plan.

The attached proposal has been obtained to consider professional services support in developing a community survey on fire and emergency services. Timelines and cost options are included in the attached proposal. Based on discussion with Godbe representative vice president Charles Hester, the development of "research objectives" would be accomplished by working with an ad-hoc committee of your Board, and staff of the District, FCFA and possibly Cal Fire. Interviews with all Board members is also anticipated.

Consistent with prior discussions with your Board, staff has sought a proposal based on recommendations from the City of Grover Beach. Due to their recent experience with a neighboring community and timing needed to proceed, alternative proposals were waived.



Other Agency Involvement

The Five Cities Fire Authority; the Cities of Arroyo Grande and Grover Beach; the County of San Luis Obispo, Cal Fire.

Financial Considerations

The recommended budget adjustment would be funded from General Fund contingencies of \$35,000 established in the current year budget. The cost of future services for Five Cities Fire and alternatives associated with the County/Cal Fire will be included in future agenda items. Remaining General Fund reserves that are available for fire and emergency services, equipment and facilities would be approximately \$600,000.

Results

Consideration of fire and emergency services promotes a safe and well governed community.

Attachments:

- Godbe Research Inc. Proposal



GODBE RESEARCH
Gain Insight



PROPOSAL TO CONDUCT A SURVEY
OF VOTERS AND POTENTIALLY
RESIDENTIAL PROPERTY OWNERS

Presented to the Oceano Community Services District

April 18, 2019

PROFILE AND EXPERIENCE

Godbe Research Profile

Legal Name & Corporate Address of Company

Godbe Corporation -- DBA: Godbe Research
1575 Old Bayshore Highway
Suite 102
Burlingame, CA 94010
p. 650-288-3020
f. 650-288-3003
w. www.godberesearch.com

Year Founded

Godbe Research was founded in January of 1990.

Legal Form of Company

Godbe Research is a corporation and is in good standing with the California Secretary of State. Godbe Research has never declared bankruptcy, has never been a defendant in any criminal or civil litigation or arbitration, and has never defaulted in the performance of a contract. Finally, Godbe Research is not a subsidiary of any 'parent company'.

Corporate and Project Office:

Godbe Research maintains three offices, including our corporate office in Burlingame, CA; as well as project offices in Reno, NV and Bellevue, WA. All work for Oceano Community Services District (District or OCSD) under this proposal will be performed from our corporate Burlingame office from which Bryan Godbe (President) and Charles Hester (Vice President) are based.

Number of Employees

Godbe Research has a total of six (6) employees. Four employees work from our Burlingame, CA corporate office, and we have one employee each in our Reno, NV and Bellevue, WA offices.

Services Provided

Godbe Research is a full-service voter/property owner polling and public opinion research agency. We offer expertise in all accepted quantitative (telephone, Internet, mail and Intercept) and qualitative (focus groups, one-on-one interviews, triads) research methodologies, as well as hybrid studies (more than one methodology) and research consulting.

Godbe Research does not provide political consulting, financial advisory/underwriting, bond counsel, strategic planning, or other services that are in conflict of interest with the ballot measure and assessment feasibility and other voter survey processes by having future project dollars tied to the results and recommendations from our studies.

Conflict of Interest Statement

Godbe Research has recently worked with the City of Grover Beach and San Luis Obispo Council of Governments/SLOCOG on recent survey projects; however, we are not currently engaged by these entities or any other entities that could present an actual or perceived conflict of interest in working with the District. Should any potential conflict of interest appear, we will advise the OCSD immediately.

Litigation, Arbitration & Bankruptcy Statement

Godbe Research has never filed for bankruptcy during the life of the firm and has never been a defendant in any litigation, past or current. In addition, we have never in the life of the firm had a contract terminated for cause, nor have we been subject to any arbitration regarding any project, contract, or client.

Additional Information

Formed in 1990, Godbe Research is a California Office of Small Business and DVBE Certification and Santa Clara Valley Transportation Authority (VTA) certified Small Business Enterprise (SBE) and is an equal opportunity employer.

Godbe Research Experience

Godbe Research, a State of California certified small business (SBE), was founded in January of 1990. The firm is a full-service public opinion research and elections polling agency that offers its clients extensive experience in public opinion research for ballot and revenue measure feasibility, property owner assessment feasibility, community needs assessments, resident and voter priorities, public education and outreach strategies, strategic and general planning efforts, resident and user satisfaction, public sector marketing efforts, and other customized client needs. Our offices in Burlingame, CA (Corporate/ California), Reno, NV (Southwest), and Bellevue, WA (Northwest) house a staff of highly trained and experienced researchers (all Master's or Ph.D. level), and a commitment to providing superior quality research and client services.

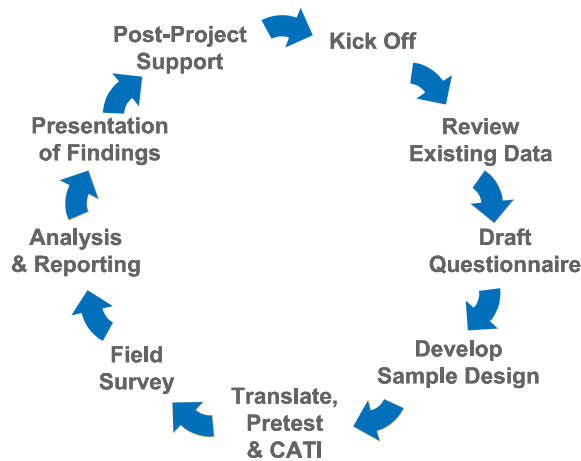
The firm has been employed by public and private sector clients, throughout the United States and internationally, and the combined expertise of the Godbe Research team spans over 50 years in the field of public opinion research. Our Team consists of the President and Principal Researcher (Bryan Godbe), Vice President (Charles Hester), and a staff of Senior Research Managers, Senior Statistical Analysts, Research Analysts, and Research Associates. Each team member has the education and experience commensurate with their position at Godbe Research, and the team regularly teaches, authors, and speaks in the field of survey research. In short, you will not find a more experienced and educated team in public opinion research.

Godbe Research has conducted more than 2,500 research projects for local government agencies since our founding in 1990. In fact, we have specific experience with voter and property owner polling for more than 400 successful California local government revenue measures and property owner assessments, as well as more than 1,000 public policy surveys for a variety of local government agencies. Some of our most recent clients include the City of Santa Maria, City of Grover Beach, City of Watsonville, City of Salinas, City of La Mirada, McKinleyville Community Services District, City of San Rafael, City of Santa Rosa, Arcata Fire Protection District, City of Concord, Pleasant Hill Recreation and Park District, El Dorado County Fire Protection District, Town of Corte Madera, City of Tracy, City of Selma, City of Palmdale, Hueneme School District, Lake Arrowhead Community Services District, City of Oakdale, City of El Cerrito, Alisal Union School District, City of Campbell, City of San Leandro, City of Union City, Windsor Fire Protection District, Marin County Fire District, City of Novato, City of Modesto, City of Lafayette, City of Stockton, City of Suisun City, City of Rancho Cordova, County of San Mateo, Kern Council of Governments, Marin Sonoma Mosquito and Vector Control District, City of Santa Cruz, and dozens of others.

As an organization, Godbe Research is a small business (less than 10 employees) and we manage our commitments wisely. This means managing our project load so that our President (Bryan Godbe) or Vice President (Charles Hester) can be directly involved in each project we conduct at the project manager level. Similarly, we do not take on so many projects that we need to move team members or remove team members from current

projects. Thus, Godbe Research is committed to allocating the team members outlined in this proposal for the duration of this voter (and potentially residential property owner) survey, including having Bryan Godbe or Charles Hester as project manager and day to day contact for the Oceano Community Services District.

Below is a diagram of the overall research process we undertake as part of our typical revenue measure and property owner assessment feasibility surveys. While each of our studies is highly customized based on our client's needs, we follow this process for each of our quantitative (and a similar process for qualitative) studies. We are here with you throughout the process and even after the survey has been completed as we understand that our research studies can feed into revenue measure or assessment strategic planning, public education and outreach, stakeholder engagement, financial review, and other activities that can take an addition six to eighteen months to culminate once the survey portion of the overall revenue measure/assessment process has been completed.



PROJECT TEAM

Reliable survey results depend on having a firm that understands the complexities and nuances of survey research design, including sampling theory of voters and property owners, questionnaire and skip pattern design, weighting schemes, and data analysis. Indeed, although it can appear easy to conduct a voter and/or property owner survey, it is in fact very difficult to design and conduct a survey where the resulting data are reliable measures of the opinions and behaviors one intends to measure, and the data can be accurately projected to the larger population of interest.

The team at Godbe Research is comprised of recognized experts in survey research design and implementation, and for the OCSD, we will assign our most experienced team members with the ability to add more should the need arise. For example, our Project Manager for this project, Bryan Godbe (President) or Charles Hester (Vice President) have designed and conducted over 200 survey research projects in the past three years alone, including numerous voter and property owner surveys, as well as surveys related to fire protection and prevention services.

Bryan or Charles will execute all stages of the survey process for the District, including sampling design and questionnaire development, overall project management, analysis, reporting, and presentations, and will be the day-to-day contact from Godbe Research. Charles or Bryan will be assisted by other Godbe Research team members, as necessary and a brief resume for Bryan has been provided below.

Bryan Godbe, M.A.
President and Principal Researcher

President and Founder of Godbe Research, Mr. Godbe has over 20 years of experience in public opinion research, public relations and government affairs. In this capacity, he has conducted public opinion and market research projects at the national, state, and local levels including projects for the Cities of Portland (Oregon), Tacoma (Washington), Henderson (Nevada), San Francisco, San Diego, Los Angeles, Sacramento, and San Jose (California).

Mr. Godbe received a Silver Anvil Award from the Public Relations Society of America for the development and implementation of an outstanding government affairs program on behalf of the Contra Costa Water District for a larger water storage infrastructure ballot measure project. This program was based on Mr. Godbe's extensive research including baseline research, focus groups and three tracking polls. In addition, Mr. Godbe has also recently worked with the City of Grover Beach, City of Santa Maria, El Dorado County Fire Protection District, City of Watsonville, City of Salinas and others on voter and property owner surveys designed to evaluate the feasibility of revenue measures and property owner assessments.

Prior to founding the firm, Mr. Godbe was Vice President of Research at a California based public relations firm. Mr. Godbe also previously served as the Senior Research Consultant at the Center for the Study of Los Angeles, at Loyola-Marymount University. He has a Master's Degree from the University of Michigan where he studied survey research methodology at the Institute for Social Research; and a B.A. degree from the University of California, Berkeley.

Charles Hester
Vice President

As the firm's Vice President, Mr. Hester has more than 20 years of experience in public opinion and market research as well as in project management, client and partner relations, data analysis, and business development. During his 19 years at Godbe Research, Mr.

Hester has been a manager, director, and most recently vice president, and has been instrumental in the success of the firm's three primary office locations in California, Nevada, and Washington State. He has also been responsible for the strategy and scoping of all of the quantitative and qualitative research studies conducted by Godbe Research for the past 10 years and has managed many of firm's highest profile research studies.

Charles recently managed the 2013 West Hollywood Community Mail and Internet Survey as part of a project team for the larger 2013 West Hollywood Community Study. The larger Community Study won Project of the Year at the 2013 International Association of Public Participation (IAP2) conference in Salt Lake City. In addition, Charles has recently managed voter and property owner research studies for clients such as the City of Davis, Windsor Fire Protection District, City of San Bruno, City of Roseville, Northstar Community Services District, San Joaquin Council of Governments, City of Santa Cruz, and others.

Prior to joining Godbe Research, Mr. Hester held similar positions at other firms and he also previously started and sold a small business in Long Beach, California. Mr. Hester received his Bachelor of Science degree in Economics from the University of California at Riverside.

PROPOSED SCOPE OF WORK

Godbe Research is a recognized leader in opinion and market research for California cities, school districts, counties, library districts, park and recreation districts, other special districts, and other local government agencies. Given our experience, we understand that each project's ultimate success depends on recognizing the individual and unique needs of our clients and then developing a customized project plan to address these specific needs. To this end, we have crafted the following general project work plan for the Oceano Community Services District to illustrate the types of considerations that go into each of our voter and property owner survey projects for our municipal clients.

Research Objectives

Before beginning any survey process, Godbe Research spends significant time reviewing the client's research objectives to choose the most appropriate research design. Based on our experience with dozens of successful revenue measure feasibility and property owner assessment surveys, Godbe Research understands that there are several potential research objectives to be addressed by this specific survey, the most important of which include evaluating the feasibility of a potential special tax measure and potentially a benefit assessment to help fund the District's obligations for the Five Cities Fire Authority, including fire prevention and protection as well as emergency services.

Methodology and Sampling Design Discussion

Given the fact that telephone-only surveys (even surveys including cell phone-only voters) are continuing seeing a steep decline in response rates in general and by certain demographic subgroups, as well as our specific experience with this phenomenon for agencies throughout San Luis Obispo and Santa Barbara Counties and California in general, it is our recommendation that the District conduct a hybrid Internet and telephone survey for this specific survey of District voters (and potentially property owners). Godbe Research pioneered this process for numerous clients over the past few years to acknowledge and counteract declining response rates for telephone surveys among certain demographic subgroups as well as to leverage technologies that are preferred among various demographic subgroups.

Moreover, we are recommending a hybrid quantitative survey approach using an Internet survey as our primary data collection method and an email and text-based recruitment strategy. We will then supplement the Internet version of the survey with a telephone survey methodology, after a review of Internet survey respondent demographics where we can identify and account for potential demographic sub-groups that might not respond adequately to the Internet version of the survey. The sample for all interviews will come directly from the State voter file and San Luis Obispo County Registrar of Voters, where we have self-reported phone numbers as well as email addresses, and we know that a given respondent lives specifically in the Oceano Community Services District. Godbe Research more than a hundred clients who have used or transitioned to the hybrid survey approach since we pioneered this process in early-2013 to evaluate ballot and revenue measure feasibility with success on Election Day. This includes clients such as the City of Campbell, City of Grover Beach, City of Santa Maria, Town of Los Gatos, City of Salinas, City of Roseville, City of Whittier, County of Kern, City of Albany, City of San Rafael, Kensington Community Services District, and almost every other Godbe Research voter and property owner survey client since we moved to this model.

Our hybrid methodological approach will cost effectively allow us to collect data from District voters (and potentially property owners) based on how potential respondents prefer to interact with various survey response technologies in order to maximize our sample size and statistical validity for the survey, not to mention accurate demographic and geographic

representation of voters (and potentially property owners) in the OCSD. Finally, for the for both portions (Internet and telephone) of the overall survey, we will also make sure to include 'cell phone only' voters (and potentially property owners), given that we can identify cell phone exchanges within the voter sample as well as conduct third party matching, which will help us with both the Internet (text to Internet) and telephone (cell phone calls) modules. Thus, given our hybrid methodology and sampling frame, we will have the most inclusive survey process possible, while still allowing only OCSD registered voters (and potentially property owners) in the election cycle(s) of interest (e.g. March 2020 or November 2020) to participate in the survey process.

Scope of Work

Below, Godbe Research has crafted a general scope of work for the District to illustrate the types of considerations that go into each of our research studies. While each of our voter and property owner survey projects is customized to the needs of a given client, there is a specific and proven process to conducting public opinion research to evaluate revenue measure and/or assessment feasibility. Accordingly, specific services for the survey project for the OCSD are thus envisioned to include:

- Conducting an in-person project kick-off meeting with the District and other project stakeholders the District wishes to include (e.g. financial advisor, outreach consultant, citizens committee, etc.), as well as additional meetings and conference calls to discuss the research objectives and other aspects of the survey in general.
- Reviewing voter, property owner, and resident demographics in the Oceano Community Services District, any related previous opinion research data, and other information such as the results of previous revenue measures or assessments that will help to inform and support this specific survey process.
- Designing and refining a survey instrument of approximately 15 to 20-minutes in length so that it addresses the research objectives of the District as it related to the feasibility of a potential future special tax measure and potentially a property owner assessment. This is done through an iterative process between Godbe Research, and the District with multiple points for input, review, and approval prior to finalizing the survey.
 - ❖ The survey will be designed to be formatted for both Internet and telephone survey modalities as a 'hybrid survey' and both versions of the survey will be identical, save for instructions specific to each modality.
 - ❖ As a final note, should the District also wish to evaluate the feasibility of a property owner assessment, we can craft the survey instrument within the same length to be able to look at both potential funding mechanisms through use of a split sample design.
- Programming, refining, and testing the Internet version of the survey instrument using our Internet survey software package. This will be done by our team of IT and programming experts.
- CATI programming the survey version of the survey instrument for efficient and accurate data collection, and training telephone interviewing personnel on the questionnaire and interviewing protocol.
 - ❖ For our telephone interviewing projects, Godbe Research uses only live interviewers who have been trained on the survey questionnaire and who are located in the western United States.

- Pre-testing the survey instrument in both modalities to ensure that the questions and response codes are understandable to respondents, and to ensure that the survey length coincides with the budgeted survey length for the project.
- Training telephone interviewing personnel on the telephone survey questionnaire and interviewing protocol through an intensive training session.
- Development of a recruitment email and recruitment text for the Internet version of the survey and working with the District so that Godbe Research can send recruitment emails to voters (and potentially property owners) with known email addresses obtained directly through the voter file for which residential property ownership is a variable.
 - ❖ Finally, we can also match any internal email or other contact lists that the District has to the voter file, so that we can include additional voters (and potentially property owners) that do not have email addresses and/or cell phones on file with the voter file.
 - ❖ As a final note, the recruitment email should be signed by the District's general manager or finance director and will come from the District's recognizable @oceanocsd.org email domain.
- Development of a stratified and clustered listed sample of voters (and potentially property owners) in the Oceano Community Services District. The voters would be likely to vote in the March 2020 Presidential primary and potentially the November 2020 Presidential general election cycles. The listed sample will primarily constructed using email addresses and cell phone numbers from the voter file, as the Internet modality will be conducted first in the hybrid survey process. Once we have developed the Internet sample, the rest of the sample will be de-duplicated by matching names, addresses, and phone numbers from Internet survey respondents to those in the voter file. We will then remove any voter (and potentially property owner) from the telephone survey sample who previously completed the survey via the Internet. Further, we will ask telephone survey respondents in that sample if they have already completed the survey via the Internet and will remove those voters (and potentially property owners) from the survey process through a screening question. Finally, we can also flag the variable for residential property ownership in the voter file, so that we have adequate representation in the survey for both voters and property owners in the areas of interest should the District be interested in exploring a property owner assessment as well as a special tax.
 - ❖ For all of the 3,811 voters in the District, we have cell phone numbers for approximately 1,107 voters or 29% of the voting electorate. We also have email addresses for 1,256 District voters or one-third (33%) of the District's voting electorate. In addition, we have landline telephone numbers for approximately 1,471 District voters or 39% of the voting electorate. As a final note, approximately 1,627 District voters are also residential property owners, which is roughly 43% of voters.
- Conducting approximate 15 to 20-minute Internet and telephone interviews with up to 250 (n=250) total voters (and potentially property owners) in the Oceano Community Services District according to a strict interviewing protocol and our approved sampling design. A sample size of 250 voters/property owners would provide for a margin of error of no greater than +/-6.0% at the 95% confidence level, when looking at all voters or voters and property owners in the District.

- ❖ As a final note, should the District wish to also evaluate a property owner assessment, we would either split the sample into two groups to test the appropriate funding mechanism among the appropriate voting electorate (special tax for voters and assessment for property owners), or test a special tax with voters who are not property owners and both a special tax and assessment with voters who are residential property owners. In this second scenario, voters who are not property owners would receive a shorter survey where voters who are also residential property owners would receive a longer version of the survey to account for the two potential funding mechanisms.
- Merging the Internet and telephone data files, as well as processing and weighting the data to adjust for population distribution and strategic oversampling, as needed to reflect the voter (and potentially property owner) population in the District.
- Developing a topline report of aggregate findings District and meeting with the OCSD to review the topline/aggregate survey results. This will help our more detailed analysis and reporting to be of maximum value in future public policy decisions such as type of funding mechanism, tax/assessment rate and duration, community engagement, strategic planning, and other related activities.
- Analyzing the survey results and preparing a report of findings conclusions, and recommendations for the District in draft and final formats, which directly addresses the research objectives outlined for the survey process.
 - ❖ Our reports typically include sections for key findings and conclusions, methodology discussion, analysis of the questions and topics in narrative and graphical format, as well as a copy of the survey questionnaire and a complete set of crosstabulations for all survey questions.
- Developing a presentation of findings and presenting the results and recommendations from the survey to the District.
- Post-survey consulting on the results and recommendations from the survey process throughout the range of planning, outreach, ballot measure/assessment preparation and other potential activities based on the survey results, as need by the Oceano Community Services District (as needed/no charge).

PROJECT TIME LINE

Because of our experience in conducting resident, voter, and property owner surveys for a wide variety of clients, Godbe Research generally prefers to conduct a hybrid Internet/telephone survey process over about an eight-week time frame. However, preliminary results, such as the topline report, can be made available much sooner, if required. Below, we have provided a preliminary time line in terms of number of days to conduct the major tasks in the survey process. A formal time line will be provided to the District once we've had the project kick off meeting, and can discuss internal deadlines, meeting dates, and project team schedules. Finally, please note that OCSD meetings (e.g. project kick off meeting) and tasks (e.g. questionnaire review) have been *italicized* for easy review below.

<u>Godbe Research Tasks</u>	<u>Approx. Time</u>
<i>Project Kick-Off Meeting w/ the District</i>	<i>1 Day (1 to 2 hours)</i>
Review of Previous Surveys and Data	3 to 5 Days
Questionnaire Drafting and Refinement	12 to 15 Days
Sample Development and Matching (concurrent with questionnaire drafting)	3 to 5 Days
<i>Meeting to Review Draft Survey</i>	<i>1 Day (1 to 2 hours)</i>
Questionnaire Revisions (if needed)	3 to 5 Days
Survey Pretest	1 Day
Programming and Testing of Internet Version	3 to 5 Days
CATI Programming of Telephone Version (concurrent with Internet programming/testing)	2 to 3 Days
Data Collection / Interviewing	6 to 9 Days
Initial Data Processing	3 to 5 Days
<i>Topline Report Meeting/Discussion</i>	<i>1 Day (1 to 2 hours)</i>
Analysis and Reporting	12 to 15 Days
<i>Report/Recommendations Review</i>	<i>1 Day (1 to 2 hours)</i>
Report Changes (if needed)	3 to 5 Days
<i>Presentation of Survey Findings to the Oceano Community Services District</i>	<i>Any Time After Final Report Submittal</i>
<i>Post Survey Consulting on Results and Recommendations</i>	<i>Ongoing – As Needed</i>

CLIENT REFERENCES

Below are several client references for the Oceano Community Services District to contact demonstrating the experience of Godbe Research with similar types of public opinion research projects. Feel free to contact any of our references at your convenience or let us know if you would like us to assist in making contact.

City of San Rafael

Projects: 2017/15/13/11/09/07/05 Resident Satisfaction & Priorities Surveys
2013 Sales Tax Measure Feasibility Survey
2010 Parcel Tax Measure Feasibility Survey
2006 Parcel Tax Measure Feasibility Study
2005 Sales Tax Measure Feasibility Study

Contact: Jim Schutz, City Manager
Phone: 415-485-3070
Notes: While general taxes, two of the main features of the City's sales taxes have been firefighter and paramedic services. The City's 2010 and 2006 special parcel taxes are dedicated to fire and paramedic and emergency services within San Rafael. Many of the stand-alone paramedic and fire districts around San Rafael also use our polling to help guide the ballot language and timing for their measures.

Windsor Fire Protection District

Project: 2018 Sales Tax Measure Tracking Survey
Contact: Joe Valenti, Director of Finance
Phone: 707-892-2006
Notes: Godbe Research recently worked with the Windsor Fire Protection District on a special tax measure polling process. While results were generally positive, they District has put the process on hold while it considers consolidation with the Rincon Valley Fire Protection District, which are both managed by CSC Sonoma County.

McKinleyville Community Services District

Project: 2011 Assessment Survey of Property Owners
Contact: Jason Sehon, Parks and Recreation Director
Phone: 707-839-9003
Notes: Godbe Research was the pollster for the District's successful 2011 property owner assessment. Our primary contacts were Jason Sehon and Norman Shopay (General Manager), who may or may not still be with the District. Regardless, the polling and assessment were successful.

City of Union City

Projects: Public Safety Parcel Tax Measure Survey 2019
Revenue Measure Feasibility Survey 2018
Public Safety Revenue Measure Feasibility Survey 2015
Sales Tax Measure Feasibility Survey 2014
Sales Tax Measure Feasibility Survey 2010

Contact: Tony Acosta, City Manager
Phone: 510-675-5351
Contact: Lauren Sugayan, Public Communications Manager
Phone: 510-675-5400

Notes: Godbe Research was the pollster for the City's successful 2016 public safety-specific parcel tax measure (Measure QQ). We are now working with the City on a voter survey to ideally renew and extend that measure in 2019 or 2020. Godbe Research also the pollster for the City's 2018 BLT measure as well as general sales tax measures in 2014 and 2010.

City of Santa Maria

Projects: 2018 Sales Tax Measure Feasibility Survey
2014 Sales Tax Measure Feasibility Survey

Contact: Mark van de Kamp, Public Communications Officer

Phone: 805-925-0951 x 2372

Notes: Godbe Research was the pollster for the City's successful sales tax measure in 2014 and 2018.

Arcata Fire Protection District

Projects: 2018 Voter and Property Owner Survey

Contact: Justin McDonald, Fire Chief

Phone: 707-825-2000

Notes: Godbe Research just completed a similar voter and property owner survey project for the District who is considering a special tax or assessment to help fund fire protection and prevention services.

PROJECT COST OPTIONS

Godbe Research takes great pride in delivering reliable and practical survey projects ‘on time and on budget’. In doing so, we prefer to provide a firm, fixed fee format for our cost proposals. This is because we do not believe in assigning arbitrary hours and rarely do projects (even highly similar in nature) take the same amount of time or resources, and we prefer to price our surveys based on the two most important parameters in any survey process: sample size (number of interviews) and survey length (average length of each interview).

Based on our understanding of the needs of the Oceano Community Services District for this specific voter (and potentially property owner) survey process, Godbe Research has provided costs to conduct a 15 to 20-minute survey comprised of up to 250 (n=250) total voters or voters and property owners in the OCSD. The survey will be conducted via a hybrid Internet and telephone survey process with email and text to Internet recruitment as well as calls to landline telephone numbers and cell phone numbers for respondents that did not participate in the Internet survey version.

The prices below reflect the all-inclusive costs to complete this specific survey project -- the overall cost will not exceed those shown below, provided that the parameters (survey length, sample size, two in-person meetings, etc.) of the project conform to those outlined in this proposal. Should project parameters or District need change, we will be happy to provide amended costs prior to proceeding.

Hybrid Survey of up to 250 (n=250) Oceano CSD Voters

<u>Project Task</u>	<u>15-min.</u>	<u>18-min.</u>	<u>20-min.</u>
Listed Voter Telephone Sample	\$600.00	\$600.00	\$600.00
Email Sample Purchase	\$600.00	\$600.00	\$600.00
Additional Cell and Email Matching	\$750.00	\$750.00	\$750.00
Internet Version Programming/Testing	\$4,000.00	\$4,250.00	\$4,500.00
CATI Programming of Telephone Version	\$1,125.00	\$1,350.00	\$1,500.00
Internet Version Recruitment	\$500.00	\$500.00	\$500.00
Internet Version Hosting	\$500.00	\$500.00	\$500.00
Telephone Interviewing	\$5,400.00	\$6,600.00	\$7,800.00
Data Processing	\$800.00	\$800.00	\$800.00
Research Fee	\$7,500.00	\$7,500.00	\$7,500.00
Project Management	\$2,250.00	\$2,250.00	\$2,250.00
<u>Misc./Travel Expenses</u>	<u>\$600.00</u>	<u>\$600.00</u>	<u>\$600.00</u>
Survey Total	\$24,625.00	\$26,300.00	\$27,900.00



GODBE RESEARCH
www.godberesearch.com

California/Corporate Office
1575 Old Bayshore Highway
Suite 102
Burlingame, CA 94010

Southwest/Reno Office
59 Damonte Ranch Parkway
Suite B-309
Reno, NV 89521

Seattle/Northwest Office
601 108th Avenue NE
Suite 1900
Bellevue, WA 98004



OCEANO COMMUNITY SERVICES DISTRICT ITEM #13 - FUTURE AGENDA ITEMS

Board Meeting	Task
April 24, 2019	<ul style="list-style-type: none"> • Review of statutory requirements for divestiture of services and a presentation by the Executive Director of the San Luis Obispo County Local Agency Formation Commission (LAFCo) • A review by legal counsel with the Board on applicable legal issues relating to elections • Godbe Survey Proposal (FCFA)
May 8, 2019	<ul style="list-style-type: none"> • Review of options for special tax formulas (FCFA) • South County Sanitary Services (Intro. P. 218)
May 22, 2019	<ul style="list-style-type: none"> • Review of the County report on fire and emergency services provided by special districts • Preliminary Budget Review • Adoption of Local Hazard Mitigation Plan
June 12, 2019	<ul style="list-style-type: none"> • Updated review of the FCFA Strategic Plan • Identification of other community options for fire and emergency services.
June 26, 2019	<ul style="list-style-type: none"> • LID Presentation (No FCFA Agenda Items – Hearing to adopt 2019/20 Preliminary Budget)
July 10, 2019	<ul style="list-style-type: none"> • Target date for approving new FCFA funding formula • Multi-year updated cost estimates for the OCSD share of FCFA costs • Tax analysis • Options for South County Sanitary Rate Increase Prop 218 Hearing
July 24, 2019	<ul style="list-style-type: none"> • Review Survey re: FCFA • Options for South County Sanitary Rate Increase Prop 218 Hearing
August 14, 2019	<ul style="list-style-type: none"> • FAQ's – Initial Public Information • Central Coast Blue
August 28, 2019	(No FCFA Agenda Items – Hearing to adopt 2019/20 Final Budget)
September 11, 2019	
September 25, 2019	<ul style="list-style-type: none"> • Last regular Board meeting to approve JPA Amendments
October 9, 2019	<ul style="list-style-type: none"> • Formal actions that must be adopted by your Board to place an item on the March 2020 ballot
October 23, 2019	
November 13, 2019*	
December 11, 2019*	

* One Board Meeting in November and December due to holidays.