

TO: BOARD OF DIRECTORS
 FROM: EDWARD KREINS *EK*
 DATE: JUNE 9, 2006



BLACKLAKE STREET LIGHTING

ITEM

Public Hearing and adoption of Blacklake Street Lighting Charges for 2005-2006

BACKGROUND

NCSD provides street lighting to Blacklake Village. In order to maintain the street lighting, an annual charge is assessed on each parcel for the service rendered. The existing Blacklake street lighting assessment is exempt from the compliance requirements of Prop. 218. Any future increases in the assessment would need voter approval of the property owners. The proposed annual charge of \$34.00 will remain the same as last year. It should be noted that the County of SLO adds \$2.00 per parcel handling fee, making the total annual fee billed to each parcel \$36.00. Below is a history of the charge per parcel:

History of per parcel assessment:

<u>Year</u>	<u>Charge</u>	<u>County Fee</u>	<u>Total</u>
1992-93	\$48.00	\$2.00	\$50.00
1993-94	\$50.00	\$2.00	\$52.00
1994-95	\$48.00	\$2.00	\$50.00
1995-96	\$40.00	\$2.00	\$42.00
1996-97	\$34.00	\$2.00	\$36.00
1997-98	\$34.00	\$2.00	\$36.00
1998-99	\$34.00	\$2.00	\$36.00
1999-00	\$34.00	\$2.00	\$36.00
2000-01	\$34.00	\$2.00	\$36.00
2001-02	\$34.00	\$2.00	\$36.00
2002-03	\$34.00	\$2.00	\$36.00
2003-04	\$34.00	\$2.00	\$36.00
2004-05	\$34.00	\$2.00	\$36.00
2005-06	\$34.00	\$2.00	\$36.00

The Street Lighting Fund budget for 2006-2007 is as follows:

REVENUES		
Street lighting charges		\$18,870
EXPENDITURES		
Insurance	\$ 500	
Public & Legal Notice	125	
Electricity	<u>21,500</u>	
Total expenditures		<u>(22,125)</u>
Revenues less Expenditures		(3,255)
Interest earnings		1,700
Net deficit from operations		<u>(1,555)</u>

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June 14, 2006

Estimated cash balance 7/1/06	\$41,500
Net deficit from operations	<u>(1,555)</u>
Estimated cash balance 6/30/07	<u>\$39,945</u>

Exhibit A to the attached proposed Resolution provides a listing of Assessor Parcel Numbers with the proposed 2006-2007 street lighting charges.

The Notice of Public Hearing was published in The Tribune on May 24 and May 31, 2006, in accordance with Section 6066 of the Government Code.

Now is the time and place for the public hearing for the Board to confirm the report for collection of the charges on the 2006-07 tax roll and to give opportunity for filing objections and for the presentation of testimony or other evidence concerning said report. The attached Resolution is presented for the Board's review, approval and adoption.

RECOMMENDATION

Approval of Resolution No. 2006- BL establishing Blacklake Street Lighting Charges

ATTACHMENT

Resolution 2006-BL

RESOLUTION NO. 2006-bl street light

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
PROVIDING FOR THE COLLECTION OF STREET LIGHT CHARGES ON
THE SAN LUIS OBISPO COUNTY TAX ROLLS FOR MAINTENANCE AND
OPERATION OF EXISTING PUBLIC STREET LIGHTS IN THE
BLACKLAKE VILLAGE**

WHEREAS, on October 15, 1992 LAFCO approved Resolution No. 92-19 "A RESOLUTION MAKING DETERMINATION APPROVING THE REORGANIZATION INVOLVING DETACHMENT OF TERRITORY FROM COUNTY SERVICE AREA NO. 1-G AND ANNEXATION NO. 7 TO THE NIPOMO COMMUNITY SERVICES DISTRICT (BLACKLAKE GOLF AND COUNTRY CLUB), and

WHEREAS, Condition 3A provides that the NCSD will provide all three services currently provided by CSA No. 1-G: water, sewer, and street lighting; and

WHEREAS, Condition 3F provides that NCSD succeed to all rights, duties and obligations of CSA No. 1-G with respect to the enforcement of performance or payment of any outstanding contracts and obligations of CSA No. 1-G; and

WHEREAS, Condition 3H authorizes the NCSD to continue to levy, fix and collect any special, extraordinary or additional taxes, assessments, service charges and rates which were levied, fixed and/or collected by CSA No. 1-G; and

WHEREAS, public notice has been given in accordance with Section 6066 of the Government Code as specified under CSA No. 1-G Assessment procedures of this public hearing concerning collection of service charges on the 2005-06 property tax bills; and

WHEREAS, written reports specifying each parcel (attached as Exhibit "A") receiving extended service and the amount of the charge for that service have been prepared and filed with the staff report; and

WHEREAS, based on the Staff Report and public testimony, the Board finds:

- A. That the proposed charges do not exceed the reasonable costs of providing the services.
- B. That the assessment district was formed pursuant to a petition signed by the owners of the Blacklake Specific Plan.
- C. The written report does not recommend an increase in the current assessment.

WHEREAS, based on the above findings, the assessments for fiscal year 2005-06 are unaffected by Proposition 218; and

WHEREAS, this is the time and place for the public hearing for the Board to confirm the reports for collection of service charges on the 2006-07 tax bills as specified in the staff reports and to give opportunity for filing objections and for presentation of testimony or other evidence concerning said report; and

WHEREAS, it is in the public interest that the owners of property in said Blacklake Development pay the cost of said service therein.

RESOLUTION 2006-bl street light

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
PROVIDING FOR THE COLLECTION OF STREET LIGHT CHARGES ON
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BLACKLAKE VILLAGE

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NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Nipomo Community Services District as follows:

- Section 1. That the recitals set forth are true, correct and valid.
- Section 2. The Board of Directors of NCSO fixes the street lighting charge at \$34.00 and a SLO County Administrative charge of \$2.00 for a total charge of \$36.00 per year.
- Section 3. That said service charges are directly proportionate to the benefit to each parcel from the services rendered.
- Section 4. That the charges as confirmed shall appear as separate items on the tax bill of each parcel of real property listed in said staff report, and such charges shall be collected at the same time and in the same manner as ordinary ad valorem taxes are collected, and are subject to the same penalties and the same procedures and sale in case of delinquency as provided for such taxes.
- Section 5. The Tax Collector of the San Luis Obispo County is hereby authorized to collect the street lighting charges on the property tax bill.
- Section 6. This resolution is adopted by a majority of all members of the Board of Directors of the District.

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

AYES:
NOES:
ABSENT:
ABSTAIN:

the foregoing resolution is hereby adopted this 14th day of June, 2006.

Lawrence Vierheilig, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary of the Board

Jon S. Seitz
General Counsel

RES2006/2006-BLSTREETLIGHT.DOC

EXHIBIT "A"
BLACKLAKE STREET LIGHTING ANNUAL ASSESSMENT 2006-2007

	APN	ASSESSMENT
1	091243001	34.00
2	091243002	34.00
3	091243003	34.00
4	091243004	34.00
5	091243005	34.00
6	091243006	34.00
7	091243007	34.00
8	091243008	34.00
9	091243009	34.00
10	091243010	34.00
11	091244001	34.00
12	091244002	34.00
13	091244003	34.00
14	091244004	34.00
15	091244005	34.00
16	091244006	34.00
17	091244007	34.00
18	091244008	34.00
19	091244009	34.00
20	091244010	34.00
21	091410001	34.00
22	091410002	34.00
23	091410003	34.00
24	091410004	34.00
25	091410005	34.00
26	091410006	34.00
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28	091410008	34.00
29	091410009	34.00
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35	091410015	34.00
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49	091410029	34.00
50	091410030	34.00

	APN	ASSESSMENT
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52	091410032	34.00
53	091410033	34.00
54	091410034	34.00
55	091410035	34.00
56	091410036	34.00
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91	091412014	34.00
92	091412015	34.00
93	091412016	34.00
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97	091412020	34.00
98	091412021	34.00
99	091413001	34.00
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	APN	ASSESSMENT
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103	091413005	34.00
104	091413006	34.00
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106	091413008	34.00
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147	091414003	34.00
148	091414004	34.00
149	091414005	34.00
150	091414006	34.00

EXHIBIT "A"
BLACKLAKE STREET LIGHTING ANNUAL ASSESSMENT 2006-2007

APN	ASSESSMENT
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APN	ASSESSMENT
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300	091444004 34.00

EXHIBIT "A"
BLACKLAKE STREET LIGHTING ANNUAL ASSESSMENT 2006-2007

APN	ASSESSMENT
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323	091419018 34.00
324	091419060 34.00
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326	091419021 34.00
327	091419022 34.00
328	091419023 34.00
329	091419028 34.00
330	091419029 34.00
331	091419030 34.00
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335	091419034 34.00
336	091419035 34.00
337	091419036 34.00
338	091419037 34.00
339	091419038 34.00
340	091419039 34.00
341	091419040 34.00
342	091419041 34.00
343	091419042 34.00
344	091419043 34.00
345	091419055 34.00
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347	091419057 34.00
348	091419058 34.00
349	091440001 34.00
350	091440002 34.00

APN	ASSESSMENT
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375	091441014 34.00
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377	091441016 34.00
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379	091441018 34.00
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387	091440014 34.00
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389	091442002 34.00
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391	091442004 34.00
392	091442005 34.00
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394	091442007 34.00
395	091442008 34.00
396	091442009 34.00
397	091442010 34.00
398	091442011 34.00
399	091442012 34.00
400	091442013 34.00

APN	ASSESSMENT
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402	091442015 34.00
403	091442016 34.00
404	091442017 34.00
405	091442018 34.00
406	091442019 34.00
407	091442020 34.00
408	091442021 34.00
409	091442022 34.00
410	091442023 34.00
411	091442024 34.00
412	091442025 34.00
413	091442026 34.00
414	091442027 34.00
415	091443001 34.00
416	091443002 34.00
417	091443003 34.00
418	091443004 34.00
419	091443005 34.00
420	091443006 34.00
421	091443007 34.00
422	091443008 34.00
423	091443009 34.00
424	091443010 34.00
425	091443011 34.00
426	091443012 34.00
427	091443013 34.00
428	091443014 34.00
429	091443015 34.00
430	091443016 34.00
431	091244011 34.00
432	091244012 34.00
433	091244013 34.00
434	091244014 34.00
435	091244015 34.00
436	091244016 34.00
437	091244017 34.00
438	091244018 34.00
439	091244019 34.00
440	091243013 34.00
441	091243014 34.00
442	091243015 34.00
443	091243016 34.00
444	091243017 34.00
445	091243018 34.00
446	091243019 34.00
447	091243020 34.00
448	091243021 34.00
449	091243022 34.00
450	091243023 34.00

EXHIBIT "A"
BLACKLAKE STREET LIGHTING ANNUAL ASSESSMENT 2006-2007

APN	ASSESSMENT
451	091243024 34.00
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453	091243026 34.00
454	091243027 34.00
455	091243028 34.00
456	091243029 34.00
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463	091243036 34.00
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466	091243039 34.00
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477	091244028 34.00
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485	091445005 34.00
486	091445006 34.00
487	091445007 34.00
488	091445008 34.00
489	091445009 34.00
490	091445010 34.00
491	091445011 34.00
492	091445012 34.00
493	091445013 34.00
494	091445014 34.00
495	091445015 34.00
496	091445016 34.00
497	091445017 34.00
498	091445018 34.00
499	091445019 34.00
500	091445020 34.00

APN	ASSESSMENT
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503	091445023 34.00
504	091445024 34.00
505	091445025 34.00
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519	091446008 34.00
520	091446009 34.00
521	091446010 34.00
522	091446011 34.00
523	091446012 34.00
524	091446013 34.00
525	091446014 34.00
526	091446015 34.00
527	091446016 34.00
528	091446017 34.00
529	091446018 34.00
530	091446019 34.00
531	091446020 34.00
532	091446021 34.00
533	091446022 34.00
534	091446023 34.00
535	091446024 34.00
536	091446025 34.00
537	091446026 34.00
538	091246003 34.00
539	091246004 34.00
540	091246005 34.00
541	091246006 34.00
542	091246007 34.00
543	091246008 34.00
544	091246009 34.00
545	091246010 34.00
546	091246011 34.00
547	091246012 34.00
548	091246013 34.00
549	091246014 34.00
550	091246015 34.00

551	091246016 34.00
552	091246017 34.00
553	091246018 34.00
554	091246019 34.00
555	091246020 34.00

TOTAL	\$18,870.00
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TO: BOARD OF DIRECTORS
FROM: EDWARD KREINS *EK*
DATE: JUNE 9, 2006



PUBLIC HEARING STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1

ITEM

Public Hearing and ordering levy and collection of assessments for the Street Landscape Maintenance District No.1 for fiscal year 2006-2007.

BACKGROUND

On April 12, 2006, the Board of Directors adopted Resolution 2006-969 entitled:

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT INITIATING PROCEEDINGS FOR ANNUAL LEVY OF ASSESSMENTS FOR THE STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2006-2007 PURSUANT TO THE PROVISIONS OF PART 2 OF THE DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

and thereby initiated the process of annual levy assessment for Street Landscape Maintenance District Number 1. Michael LeBrun, General Manager and Registered Engineer, was directed to prepare the annual levy report. Pursuant to Proposition 218 and the Petition Requesting Formation of the Landscape Maintenance District, the annual levy may be increased by a percentage equal to the Consumer Price Index (CPI). While the CPI defines the maximum rate for the District may increase the levy each year, the actual amount to be assessed is based on the annual budget and may be less than the maximum rate. Property owners within the assessment district must approve any proposed assessment that exceeds the adjusted maximum rate based on the CPI.

The Board of Directors approved two resolutions on May 10, 2005 which provided for 1) the adoption of the Engineer's Report, and 2) declaration of intention to levy the annual assessment. Today's public hearing and proposed action - approval of a resolution ordering levy and collection of the assessment - completes the process of annual levy assessment.

Since inception, the annual assessments, per parcel, have been as follows:

Fiscal Year 2003-2004(first year of assessment)	\$345.00
Fiscal Year 2004-2005 (CPI increase)	\$346.96
Fiscal Year 2005-2006 (CPI increase)	\$354.94
Fiscal Year 2006-2007 (proposed)	\$365.34

RECOMMENDATION

Approval of Resolution No. 2006-LMD Approval.

ATTACHMENT

Resolution 2006-LMD Approval

RESOLUTION NO. 2006-lmd approval

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE NIPOMO COMMUNITY SERVICES DISTRICT STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2006-2007

WHEREAS, the Board of Directors of the Nipomo Community Services District ("NCSD") has by previous Resolutions initiated proceedings, declared its intention to levy assessments, and approved the Engineer's Annual Levy Report (hereinafter referred to as the "Report") that describes the assessments against parcels of land within the Nipomo Community Services District Street Landscape Maintenance Assessment District No. 1 (hereafter referred to as "Assessment District No. 1") for the Fiscal Year commencing July 1, 2006 and ending June 30, 2007 pursuant to the provisions of the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500* (hereafter referred to as the "Act") to pay the costs and expenses of operating, maintaining, and servicing the improvements located within Assessment District No. 1; and

WHEREAS, the Engineer's Report has prepared and filed with the NCSD Secretary and General Manager, and the District General Manager has presented to the NCSD Board of Directors a Report in connection with the proposed levy and collection of assessments upon eligible parcels of land within the Assessment District No. 1 and the Board did by previous Resolution approve such Report; and

WHEREAS, the improvements within Street Landscape Maintenance Assessment District No. 1 include the maintenance and operation of and the furnishing of services and materials for landscaping which include trees, shrubs, grasses and other ornamental vegetation, and appurtenant facilities, including irrigations systems (hereinafter referred to as "Improvements") within the Assessment District No. 1; and

WHEREAS, the NCSD Board of Directors desires to levy and collect assessments against parcels of land within the Assessment District No. 1 for the Fiscal Year commencing July 1, 2006 and ending June 30, 2007 to pay the costs and expenses of operating, maintaining, and servicing the Improvements; and

WHEREAS, the NCSD Board of Directors and its legal counsel have reviewed Proposition 218 and found that these assessments comply with applicable provisions of the California State Constitution; and

WHEREAS, pursuant to Section 22646 of the Act and Section 6061 of the Government Code the NCSD has given notice of the time and place of the public hearing for the levy and collection of assessments against the parcels of land within Assessment District No. 1 for fiscal year commencing July 1, 2006 and ending June 30, 2007; and

RESOLUTION NO. 2006-lmd approval

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE NIPOMO COMMUNITY SERVICES DISTRICT STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2006-2007

WHEREAS, based upon the review, and amendments as applicable, to the Report and the Staff Report and all oral and written statements, protests and communications made and filed by interested persons regarding these matters, the NCSD Board of Directors finds and determines that:

- A. The land within the Assessment District No. 1 will receive special benefit by the operation, maintenance, and servicing of the Improvements located within the boundaries of Assessment District No. 1; and
- B. The Assessment District No. 1 includes all of the lands so benefited; and
- C. The net amount to be assessed upon the lands within the Assessment District No. 1 in accordance with the Report for the Fiscal Year commencing July 1, 2006 and ending June 30, 2007 is apportioned by a formula and method established by the Petition for Formation of Assessment District No. 1, which fairly distributes the net amount among all eligible parcels in proportion to the estimated benefits to be received by each parcel from the Improvements and services.
- D. The Petition for Formation provides that the annual assessment for each fiscal year shall be increased in an amount necessary to reflect the increase in the costs of operating and maintaining the Improvements due to inflation and that the levy of assessments do not exceed the amounts authorized in the Petition for Formation of Landscape Maintenance District No. 1.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AS FOLLOWS:

Section 1. The Report and assessments as presented to the NCSD Board of Directors and on file in the Office of the General Manager are hereby confirmed as filed. (Exhibit "A")

Section 2. The maintenance, operation, and servicing of the Improvements and appurtenant facilities, in accordance with the Act are hereby ordered and approved.

Section 3. The County Auditor of the County of San Luis Obispo shall enter on the County Assessment Roll opposite each eligible parcel of land the amount of levy so apportioned by the formula and method outlined in the Report, and such levies shall be collected at the same time and in the same manner as the County taxes are collected pursuant to *Chapter 4, Article 2, Section 22646* of the Act. After collection by the County, the net amount of the levy shall be paid to the Nipomo Community Services District.

RESOLUTION NO. 2006-lmd approval

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE NIPOMO COMMUNITY SERVICES DISTRICT STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2006-2007

Section 4. The General Manager or his/her designee shall deposit all money representing assessments collected by the County for Assessment District No. 1 to the credit of a fund known as the "Nipomo Community Services District Landscape and Maintenance Assessment District No. 1" and such money shall be expended only for the maintenance, operation, and servicing of the Improvements as described in above.

Section 5. The adoption of this Resolution constitutes the Assessment District No. 1 levy for the fiscal year commencing July 1, 2006, and ending June 30, 2007.

Section 6. The General Manager or his/her designee is hereby authorized and directed to file the levy with the County Auditor upon adoption of this Resolution pursuant to *Chapter 4, Article 1, Section 22641*, of the Act.

Section 7. The above Recitals are true and correct and incorporated herein by reference.

Section 8. The NCSD Board of Directors and such employees of the NCSD as are appropriate are authorized to execute such other documents and take such further actions as shall be consistent with the adoption consistent with this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Nipomo Community Services District this 14th day of June, 2006.

AYES:
NOES:
ABSENT:
ABSTAIN:

Lawrence Vierheilig, President
Nipomo Community Services District
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson, Secretary to the
Nipomo Community Services District
Board of Directors

Jon S. Seitz, District Legal Counsel
Nipomo Community Services District

EXHIBIT "A" to RESOLUTION 2006-LMD APPROVAL
NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT STREET
LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2006-2007

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Introduction

Nipomo Community Services District ("NCS D") annually levies and collects special assessments to maintain improvements within Street Landscape Maintenance District No. 1 ("District"). The District was formed and annual assessments are established pursuant to the Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "1972 Act").

This Engineer's Annual Report ("Report") describes the District and the proposed assessments for the fiscal year 2006-2007. The assessments are based on the historical and estimated future costs to maintain the improvements that provide a direct and special benefit to properties within the District.

For the purposes of this Report, the word "parcel" refers to an individual property assigned its own Assessor Parcel Number by the San Luis Obispo County Assessor's Office. The San Luis Obispo County Auditor/Controller uses Assessor Parcel Numbers and specific Fund Numbers to identify properties assessed for special district benefit assessments on the tax roll.

Effect of Proposition 218

In November 1996, California voters approved Proposition 218 that established specific requirements for the on going imposition of taxes, assessments and fees. The provisions of the Proposition are now contained in the California Constitutional Articles XIIC and XIID.

All assessments described in this Report and approved by the Board of Directors are prepared in accordance with the 1972 Act and are in compliance with the provisions of the California Constitution Article XIID.

The assessments adopted include the District's annual inflationary adjustment to the maximum assessment rate. This annual inflationary adjustment to the maximum assessment rate is provided in this Report.

Description of the District and Services

The District (formed on April 9, 2003) provides and ensures the continued maintenance, servicing, administration and operation of landscaping located within the public rights-of-way and dedicated landscape easements in Tract 2409, a 28 lot subdivision commonly known as Vista Verde Estates, located off of West Tefft across from Dana Elementary School.

EXHIBIT "A" to RESOLUTION 2006-LMD APPROVAL
NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT STREET
LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2006-2007

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Improvements within the District include the maintenance and operation and the furnishing of services and materials for landscaping which include trees, shrubs, grasses and other ornamental vegetation, and appurtenant facilities, including irrigation systems.

Method of Apportionment

General

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

The formula used for calculating assessments of the District therefore reflect the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on the benefits to each parcel.

Benefit Analysis

The associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the California Constitution and 1972 Act. The improvements associated with the District have been identified as necessary, required and/or desired for the orderly development of the properties within the District to their full potential, consistent with the proposed development plans. As such, these improvements would be necessary and required of individual property owners for the development of such properties, and the ongoing operation, servicing and maintenance of these improvements would be the financial obligation of those properties. Therefore, the improvements and the annual costs of ensuring the maintenance and operation of the improvements are of direct and special benefit to the properties.

The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receive special benefit from the improvements provided by the District. The desirability of properties is enhanced by the presence of local improvements in close proximity to those properties.

EXHIBIT "A" to RESOLUTION 2006-LMD APPROVAL
 NIPOMO COMMUNITY SERVICES DISTRICT
 ENGINEER'S ANNUAL LEVY REPORT STREET
 LANDSCAPE MAINTENANCE DISTRICT NO. 1
 FISCAL YEAR 2006-2007

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The percentage change used is the annual change for the preceding 12 months. The annual inflation factor applied for the fiscal year 2006-2007 is based on the percentage change from February 2006 to February 2005 and has been identified as 2.93% (annual percentage change currently available).

Fiscal Year 2006-2007 District Budget

DESCRIPTION	2006-2007 BUDGET
Contract Landscape Maintenance	\$6,636
Plant attrition and normal loss	720
Water	2,244
Electricity	120
Reserve	720
Administration	600
TOTAL COST	\$11,040
COST PER PARCEL	\$394.28

MAXIMUM ALLOWABLE ASSESSMENT PER PARCEL (APPLYING INFLATIONARY ADJUSTMENT)	
2005-2006 Maximum Assessment	\$354.94
X CPI (2.93%)	\$10.40
Plus Prior Year's Maximum Assessment	\$354.94
2006-2007 Annual Assessment	\$365.34


NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2006-2007

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Lot Number	Assessor Parcel Number	Annual Assessment
1	092-512-001	\$365.34
2	092-512-002	\$365.34
3	092-512-003	\$365.34
4	092-512-004	\$365.34
5	092-512-005	\$365.34
6	092-512-006	\$365.34
7	092-512-007	\$365.34
8	092-512-008	\$365.34
9	092-512-009	\$365.34
10	092-512-010	\$365.34
11	092-512-011	\$365.34
12	092-512-012	\$365.34
13	092-512-013	\$365.34
14	092-512-014	\$365.34
15	092-512-015	\$365.34
16	092-512-016	\$365.34
17	092-512-017	\$365.34
18	092-512-018	\$365.34
19	092-512-019	\$365.34
20	092-512-020	\$365.34
21	092-512-021	\$365.34
22	092-512-022	\$365.34
23	092-512-023	\$365.34
24	092-512-024	\$365.34
25	092-512-025	\$365.34
26	092-512-026	\$365.34
27	092-512-027	\$365.34
28	092-512-028	\$365.34
	TOTAL	\$10,229.52



Michael S. LeBrun
Michael S. LeBrun
C055787

TO: BOARD OF DIRECTORS
FROM: EDWARD KREINS 
DATE: June 14, 2006

AGENDA ITEM
E-4
JUNE 14, 2006

WATERLINE INTERTIE PROJECT PRE-DESIGN AGREEMENT

ITEM

Consider authorizing execution of agreement with Boyle Engineering (Boyle) to perform pre-design services for Waterline Intertie Project [RECOMMEND APPROVAL].

BACKGROUND

On May 24, 2006, your Honorable Board selected Boyle Engineering to design the Waterline Intertie Project and directed staff to negotiate an agreement with Boyle for the pre-design phase for consideration at this meeting. Attached is the draft agreement, scope of work, timeline and budget that staff negotiated with Boyle based on the larger proposal previously reviewed by the Board. As detailed in the attachments, staff has requested that Boyle focus on Hydraulics (Task 101), Water Quality Options Evaluation (Task 102), Pipeline Alignment Options Evaluation (Task 103), Tank Site Options Evaluation (Task 104), Permit Scoping and Time Sensitive Environmental Research (Task Group 2), and Property Appraisal Assistance (Task Group 3) in this phase with all research summarized in a Draft Report to be presented to the Board in October. The Board would then use the gathered information to select a project in November. Boyle would then provide a detailed description of the selected project in their Final Report due in December. Boyle's proposed budget for this Phase is \$231,811, which covers a portion of the work previously proposed in Boyle's Proposal Phase II. The draft budget also provides for intensive interaction with the District, the stakeholders, and the community to facilitate full disclosure in the project selection process.

Mike Nunley of Boyle is scheduled to present this proposed agreement to the Board at this Meeting and to answer any questions. Projects Assistant Bruce Buel will also be available.

Staff believes that the proposed scope covers the tasks necessary for the Board to select a project and that the proposed budget is fair to both parties.

RECOMMENDATION

It is recommended that your Honorable Board authorize the President to execute the attached agreement with Boyle to provide the pre-design services set forth in the attached scope.

ATTACHMENTS

1. Draft Agreement with Boyle Engineering to Provide WIP Pre-Design Services

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2006\SWP PRE-DESIGN AGREEMENT.DOC

**Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444**

AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES

- Exhibit "A"** – Scope of Services or Service including Schedule of Submittals
Exhibit "B" – Compensation for Services, Not Exceed Amount, Hourly Rates and Reimbursable Costs
Exhibit "C" - [place holder]
Exhibit "D" - [place holder]

THIS AGREEMENT (hereinafter referred to as "Agreement") is made by and between the Nipomo Community Services District, a Community Services District duly existing and operating pursuant to the provisions of Government Code Section 61000 et seq. (hereinafter referred to as "NCSD" or "District") and Boyle Engineering Corporation (herein referred to as "Consultant"), with reference to the following Recitals:

RECITALS

A. NCSD desires to retain professional engineering services to design the Waterline Intertie Project.

B. NCSD desires to engage Consultant to provide services by reason of its qualifications and experience in performing such services on the terms and in the manner set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

1. DESIGNATED REPRESENTATIVES. Bruce Buel, Projects Assistant, ("Contract Administrator") at telephone number (805) 929-1133 is the representative of NCSD and will administer this Agreement for and on behalf of NCSD. Mike Nunley at telephone number (805) 542-9840 is the authorized representative for Consultant. Changes in designated representatives shall be made only after advance written notices to the other party.

2. NOTICE. Notices required under this Agreement shall be sent to the following:

NCSD : Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444
Attn: Bruce Buel
Facsimile No. (805) 929-1932

CONSULTANT: Boyle Engineering Corporation
1194 Pacific Street
San Luis Obispo, CA 93401
Attn: Mike Nunley
Facsimile: (805) 542-9990

Notices given pursuant to this Agreement shall be deemed received as follows:

- (a) If sent by United States Mail - five (5) calendar days after deposit into the United States Mail, first class postage prepaid.
- (b) If by facsimile - upon transmission and actual receipt by the receiving party.
- (c) If by express courier service or hand delivery - on the date of receipt by the receiving party.

The addresses to notices set forth in this Section 2 may be changed upon written notice of such change to either the District or Maria Vista, as appropriate.

3. ATTACHMENTS. Attached to this Agreement are the following Exhibits that are incorporated into this Agreement by reference.

- A. **Exhibit "A"** – Scope of Services or Services, including Schedule of Submittals
- B. **Exhibit "B"** – Compensation for Services, Not Exceed Amount, Hourly Rates and Reimbursable Costs
- C. **Exhibit "C"** – [place holder]
- D. **Exhibit "D"** – [place holder]

4. SCOPE OF SERVICES. Consultant agrees to provide the Services and submit deliverables to NCSD in accordance with this Agreement.

A. Consultant agrees to provide the Services and submit deliverables to NCSD in accordance with this Agreement.

B. By executing this Agreement, Consultant represents that Consultant (a) has thoroughly investigated and considered the Scope of Services referenced in the Agreement to be performed; (b) has carefully considered how the services should be performed; (c) fully understands the difficulties and restrictions attending performance of the services under this Agreement; and (d) that the "Not to Exceed Amount" is adequate for the Services to be performed by Consultant.

5. TERM. Consultant shall commence performance within five (5) days of NCSD's Notice to Proceed and unless otherwise directed in writing by NCSD or unless earlier

terminated as provided in this Agreement, shall complete performance and make deliverables in accordance with Exhibit "A".

6. COMPENSATION OF CONSULTANT.

A. Consultant shall submit invoices no more often than monthly for Services performed and Reimbursable Expenses incurred. Each invoice shall identify the person providing the service, the services performed, the amount of time spent on performing the services. Additionally, each invoice shall reflect the percentage of completion of each Task and the remaining budget ("Not to Exceed Amount").

B. NCSD shall review each invoice submitted by Consultant to determine whether it accurately reflects the Services performed and Reimbursable Expenses incurred in compliance with the provisions of this Agreement. In the event no charges or expenses are disputed, the invoice shall be approved and paid within forty five (45) days of receipt of the invoice. In the event NCSD disputes any charge or expenses, it shall return the original invoice to Consultant for correction and resubmission, however, the undisputed amount shall be paid as indicated above. Disputed amounts shall be resolved pursuant to paragraph 21, below.

C. Consultant shall not be entitled to an adjustment in the Not To Exceed Amount of Fees or Reimbursable Expenses unless the circumstances that cause the additional fees and expenses are beyond the control of Consultant, and Consultant could not have reasonably anticipated them and District is promptly notified in writing of the circumstances that cause the additional fees and expenses. The District must pre-approve, in writing, adjustments to the Not to Exceed Amount of Fees and Reimbursable Expenses.

D. Payment to Consultant shall be full compensation for all personnel, materials, supplies, and equipment used in carrying out the Services.

E. Payment of an invoice by NCSD shall not constitute acceptance of defective Services, and NCSD's failure to discover or object to any unsatisfactory Services or billing prior to payment will not constitute a waiver of NCSD's right to:

1. Require Consultant to correct such work or billings; or
2. Seek any other legal remedy.

F. NCSD may withhold, or on account of subsequently discovered evidence nullify, the whole or a part of any payment to such extent as may be necessary to protect NCSD from loss, including costs and attorneys' fees, on account of (1) defective or deficient work product not remedied; (2) subsequently discovered errors in invoices previously paid; (3) claims filed or reasonable evidence indicating probable filing of a claim or claims; (4) failure of Consultant to make payments properly to its employees or sub-consultants; or (5) Consultant's failure to adhere to the Schedules or to achieve sufficient progress with the Services such that Consultant is unlikely to achieve timely completion.

7. STATUS OF CONSULTANT.

A. Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of NCSD. Consultant shall have no authority to bind NCSD in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against NCSD, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by NCSD.

B. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither NCSD, nor any elected or appointed boards, officers, officials, employees or agents of NCSD, shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, subcontractors, or agents are in any manner officials, officers, employees or agents of NCSD.

C. Neither Consultant, nor any of Consultant's officers, employees, subcontractors, or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to NCSD's employees. Consultant expressly waives any claim Consultant may have to any such rights.

8. PERFORMANCE STANDARDS.

A. Compliance with laws. Consultant shall (and shall cause its agents and sub-contractors), at its sole cost and expense, to comply with NCSD, County, State and Federal ordinances, regulations and statutes now in force or which may hereafter be in force with regard to the Services referenced in this Agreement, provided, however, that any change in ordinance, regulation, or statute, that occurs subsequent to the execution of the Agreement, that significantly affects the cost or schedule of the Services may be brought to the attention of NCSD as a request for extra services. If NCSD agrees that there is a significant change required in the Services on account of the change, NCSD and Consultant shall negotiate a mutually agreeable adjustment to the schedule and/or compensation. The judgment of any court of competent jurisdiction, or the admission of Consultant in any action or proceeding against Consultant, whether NCSD be a party thereto or not, that Consultant has violated any such ordinance or statute, shall be conclusive of that fact as between Consultant and NCSD. Except as provided above, any corrections to Consultant's Services which become necessary as a result of the Consultant's failure to comply with these requirements shall be made at Consultant's expense.

B. Standard of Performance. Consultant represents that it has, or will have, the skills, expertise, and licenses necessary to perform the Services required under this Agreement. Consultant shall perform all such Services in the manner and according to the standards observed by professionals experienced in providing Services identified in

the Agreement. All documents and services of whatsoever nature that Consultant delivers to NCSD pursuant to this Agreement shall conform to the standards of quality normally observed by professionals experienced in providing Services identified in the Agreement. Consultant shall promptly correct or revise any errors or omissions at NCSD's request without additional compensation. Licenses required to perform such services shall be obtained and maintained by Consultant without additional compensation throughout the term of this Agreement

C. Consultant shall examine carefully all documents, including studies, reports and materials, prepared by NCSD Staff or other NCSD consultants, (collectively "District Materials") provided by NCSD to Consultant. District Materials provided to Consultant are believed by NCSD to reflect the conditions or data contained therein; but delivery is neither intended or to be inferred that conditions or data, as shown in the District Materials, constitute a representation by NCSD that such conditions or data are true and correct. It is expressly understood and agreed by Consultant that the NCSD assumes no responsibility whatsoever with respect to the sufficiency or accuracy of the information contained in District Materials. As such, District Materials supplied to Consultant are not a basis for, or otherwise support, a claim by Consultant of NCSD or NCSD's Staff's negligence (active or passive or sole) under the indemnity provisions of this Agreement. Consultant shall satisfy itself through its own investigations as to whether or not the conditions or data contained in District Materials are true and correct. The Consultant's reliance on NCSD supplied materials will not, in any way, relieve Consultant from any risk for properly fulfilling the terms of this Agreement.

D. Professional Seal. Consultant shall have documents stamped by registered professionals, at Consultant's cost when required by prevailing law, usual and customary professional practice, by NCSD, or by any governmental agency having jurisdiction over the project to which the Scope of Services relate.

9. TAXES. Consultant shall pay all taxes, assessments and premiums under the federal Social Security Act, any applicable unemployment insurance contributions, Workers Compensation insurance premiums, sales taxes, use taxes, personal property taxes, or other taxes or assessments now or hereafter in effect and payable by reason of or in connection with the services to be performed by Consultant.

10. CONFLICT OF INTEREST. Consultant covenants that neither it, nor any officer or principal of its firm, or subcontractors retained by Consultant has, or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of NCSD or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of the Services, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the prior express written consent of the NCSD Manager. Consultant agrees to at all times avoid conflicts of interest, with the interests of the NCSD in the performance of the Services. District may require Consultant to file a Form 700 Statement of Economic Interests pursuant to the Fair Political Practices Act.

Examples of Form 700 Statements are available on the web at <http://www.fppc.ca.gov/forms>

11. RESPONSIBILITIES OF NCSD. NCSD shall provide District Materials requested by Consultant that are reasonably necessary to perform the services provided herein.

12. OWNERSHIP OF DOCUMENTS. All reports, documents, drawings, photographs, videotape, specifications, data, and other instruments of professional service, in paper and electronic form, whether in draft or final, prepared by Consultant during the performance of this Agreement (the "Documents") shall be and become the property of NCSD. Consultant shall deliver the Documents to the NCSD promptly upon completion of the Services or termination of this Agreement, for any reason, whichever shall occur first. However, Consultant shall not be liable for NCSD's use of documents and instruments of professional service if used for other than the Services referenced in Agreement. Consultant shall not release Documents to third parties without the prior written authorization of NCSD.

13. RECORDS, AUDIT AND REVIEW. Consultant and Consultant's subcontractors shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of Consultant's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. NCSD shall have the right to audit and review all such documents and records at any time during Consultant's regular business hours or upon reasonable notice.

14. INDEMNIFICATION.

A (1) Indemnification Pertaining to General Liability other than Professional Liability.

The following applies to general liability claims other than professional liability claims:

Consultant shall indemnify, defend, and hold harmless NCSD, the NCSD Board of Directors, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of Consultant, its officers, employees, agents, subcontractors, or vendors in performing services pursuant to this Agreement. It is further agreed, Consultant's obligations to indemnify, defend

and hold harmless will apply even in the event of concurrent negligence on the part of NCSD, the NCSD Board of Directors, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of NCSD, its officers, employees or agents. Payment by NCSD is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Consultant and NCSD, as to whether liability arises from the sole negligence of the NCSD or its officers, employees, agents, subcontractors or vendors, Consultant will be obligated to pay for NCSD' s defense until such time as a final judgment has been entered adjudicating the NCSD as solely negligent.

A (2) Indemnification Pertaining to Professional Liability (Services).

The following applies to professional liability claims where professional malpractice or breach of professional performance standards as identified in Section 8 are alleged:

Consultant shall defend, indemnify, and save harmless NCSD, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of the performance or attempted performance of this Agreement by Consultant and/or occasioned by the performance or attempted performance of the other independent contractors and consultants directly responsible to Consultant; predicated upon theories of violation of statute, ordinance, regulation, professional malpractice or professional negligence. The foregoing obligation shall apply to passive negligent acts or omissions committed jointly or concurrently by NCSD, or NCSD's agents, employees or other independent contractors of NCSD. Provided, however, nothing contained herein shall be construed to require indemnification for claims, demands, damages, costs, expenses, or judgments resulting from the active negligence, sole negligence or willful misconduct of the NCSD.

B. Nothing contained in the foregoing indemnity provisions shall be construed to require Consultant to indemnify NCSD, against any responsibility or liability in contravention of Civil Code §2782.

C. Neither termination of this Agreement or completion of the Scope of Services under this Agreement shall release Consultant from its obligations referenced in subsection A (1) and/or A (2), above, as to any claims, so long as the event upon which such claims is predicated shall have occurred prior to the effective date of any such termination or completion and arose out of or was in any way connected with performance or operations under this Agreement by Consultant, its employees, agents or consultants, or the employee, agent or consultant of any one of them.

D. Submission of insurance certificates or submission of other proof of compliance with the insurance requirements in the Agreement does not relieve Consultant from liability referenced in subsection A (1) and/or A (2), above. The obligations of this article shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

15. INSURANCE.

A. Consultant and its subconsultants shall procure and maintain insurance with companies authorized to do business in the State of California and assigned an A.M. Best's rating of no less than A-(IX), the following insurance coverage on an "occurrence basis", written on the ISO form shown below (or its equivalent) at the limits of liability specified for each:

General Liability Insurance (Including coverage for premises, products and completed operations, independent Consultants/vendors, personal injury and contractual obligations with combined single limits of coverage of at least	\$ 2 Million per occurrence. \$ 4 Million in the aggregate
(ISO Form CG001 11/85) Commercial Automobile Liability Insurance	\$ 1 Million per accident
(ISO Form CA001 12/90) Workers' Compensation Insurance	Statutory
Employer's Liability Insurance	\$ 1 Million policy limit
Professional Liability Insurance	\$ 3 Million per claim \$ 5 Million in the aggregate

B. The General and Commercial Automobile liability policies shall be endorsed to include the following:

- (1) NCSD, its officers, directors, employees and agents shall be named as Additional Insureds; and
- (2) The coverage afforded NCSD shall be primary and non-contributing with any other insurance maintained by NCSD.
- (3) If not covered separately under a business automobile liability policy, the general liability policy shall also be endorsed to include non-owned and hired automobile liability.

C. Prior to commencing work under this Agreement, Consultant shall provide NCSD with Certificates of Insurance evidencing compliance with the foregoing requirements, accompanied by copies of the required endorsements. Certificates of Insurance for commercial general liability, automobile liability, workers' compensation, employer's liability, and professional liability insurance shall specify that the insurer shall give NCSD thirty (30) days advance written notice by the insurer prior to cancellation of the policy except ten (10) days for nonpayment of premium.

D. All insurance coverage required hereunder shall be kept in full force and effect for the term of this Agreement. Professional liability insurance shall be maintained for an additional, uninterrupted period of three (3) years after termination of this Agreement, provided such insurance is commercially available at rates reasonably comparable to those currently in effect. Certificates of Insurance evidencing renewal of the required coverage shall be provided within ten (10) days of the expiration of any policy at any time during the period such policy is required to be maintained by Consultant hereunder. Any failure to comply with this requirement shall constitute a material breach of this Agreement.

16. PERSONNEL. The Consultant represents that it has, or will secure at its own expense, all personnel, sub-consultants and/or subcontractors required in performing the Services under this Agreement. All of the Services required hereunder will be performed by the Consultant or under Consultant's supervision, and all personnel engaged in the work shall be qualified to perform such Services.

17. CONTINUITY OF PERSONNEL.

A. The NCSD desires that Consultant be committed to providing the following Design Team Leader and Engineers for the duration of the Services to be performed pursuant to this Agreement Mike Nunley and Josh Reynolds (herein "Key Personnel"). The Key Personnel will work closely with NCSD and it's representatives. Consultant will not change the Key Personnel without providing the NCSD with notice and the opportunity to review the qualifications of the person proposed to replace one or more of the Key Personnel. Consultant will not appoint a Key Personnel replacement to whom NCSD has an objection.

B. In the event that Josh Reynolds ("Design Team Leader") ceases to act as the Team Leader (except for death or incapacitating illness, as determined by a licensed physician), before the completion of the Services, the Parties recognize the NCSD will suffer additional costs and delays in the Engineering Services contemplated in this Agreement and that the value of those costs and delays may be difficult to establish. Accordingly, if Josh Reynolds ceases to act as the Team Leader, except as provided above, Consultant shall pay NCSD fifty thousand dollars (\$50,000), as liquidated damages and not as a penalty.

C. The damages described in the preceding paragraph are to compensate NCSD only for costs and delays attributable to the Team Leader's departure. They do not affect any right that NCSD may have to recover other damages in connection with Consultant's performance under this Agreement. NCSD may deduct said damages referenced in the preceding paragraph from invoices submitted by Consultant for payment.

D. In the event that NCSD agrees that Consultant may replace Key Personnel, NCSD shall not be charged any fees or reimbursable expenses in connection with that transition, including the cost of having the new Key Personnel

become familiar with the Services to be performed pursuant to this Agreement, or any other related matter.

18. TEMPORARY SUSPENSION. The NCSD's Contract Administrator shall have the authority to suspend this Agreement and the services contemplated herein, wholly or in part, for such period as he/she deems necessary due to unfavorable conditions or to the failure on the part of the Consultant to perform any provision of this Agreement. Consultant will be paid for services performed through the date of temporary suspension. In the event that Consultant's services hereunder are delayed for a period in excess of six (6) months due to causes beyond Consultant's reasonable control, then the Not to Exceed Amount shall be subject to renegotiation.

19. TERMINATION.

A. If Consultant at any time refuses or neglects to perform the Services in a timely fashion or in accordance with the Schedule referenced in Scope of Work, or is adjudicated a bankrupt, or commits any act of insolvency, or makes an assignment for the benefit of creditors without NCSD's written consent, or fails to make prompt payment to persons furnishing labor, equipment, or materials, or fails in any respect to properly and diligently prosecute the Services, or otherwise fails to perform fully any and all of the Agreements herein contained, Consultant shall be in default.

B. If Consultant fails to cure the default within seven (7) days after written notice thereof, NCSD may, at its sole option, take possession of any documents, files (including CAD and other electronic files), or other materials prepared or used by Consultant in connection with the Services and (a) provide any such services, labor, or materials as may be necessary to overcome the default and deduct the cost thereof from any money then due or thereafter to become due to Consultant under this Agreement; or (b) terminate Consultant's right to proceed with the Services.

C. In the event NCSD elects to terminate this Agreement, NCSD shall have the right to immediate possession of all Documents and other work in progress prepared by or on behalf of Consultant, whether located at the District Office, at Consultant's place of business, or at the offices of a subcontractor, and may employ any other person or persons to provide the Services and provide the materials therefore. In case of such default termination, Consultant shall not be entitled to receive any further payment under this Agreement until the Services are completely finished. At that time, if the unpaid balance of the amount to be paid under this Agreement exceeds the expenses incurred by NCSD in obtaining Services, such excess shall be paid by NCSD to Consultant, but, if such expense shall exceed such unpaid balance, then Consultant shall promptly pay to NCSD the amount by which the expenses exceeds the unpaid balance. The expense referred to in the last sentence shall include expenses incurred by NCSD in obtaining the Services from others, for attorneys' fees, and for any damages sustained by NCSD by reason of Consultant's default or defective Services.

D. In addition to the foregoing right to terminate for default, NCSD reserves the absolute right to terminate the Services authorized by this Agreement without cause ("Terminate for Convenience"), upon 72-hours' written notice to Consultant. In the event of termination without cause, Consultant shall be entitled to payment in an amount not to exceed the Not to Exceed Amount referenced in the Scope of Work, which shall be calculated as follows: (1) Payment for any Services then satisfactorily completed and accepted by NCSD, plus (2) Reimbursable Costs actually incurred by Consultant; plus (3) reasonable termination costs incurred by Consultant solely on account of the termination for convenience. There shall be deducted from such sums as provided in this section the amount of any payment made to Consultant prior to the date of termination of the Services. Consultant shall not be entitled to any claim or lien against NCSD or the proposed project for any additional compensation or damages in the event of such termination and payment. In addition, the NCSD's right to hold funds pursuant to Section 6 G shall be applicable in the event of a termination for convenience.

E. If this Agreement is terminated by NCSD for default and it is later determined that the default termination was wrongful, such termination automatically shall be converted to and treated as a Termination for Convenience under Section D, above, and Consultant shall be entitled to receive only the amounts payable hereunder in the event of a Termination for Convenience.

F. Should NCSD fail to pay Consultant undisputed payments set forth in Section 6 above, Consultant may, at Consultant's option, suspend its services if such failure is not remedied by NCSD within thirty (30) days of written notice to NCSD of such late payment.

20. BREACH OF LAW. In the event the Consultant or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or Consultant; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraphs 10, 24, 25, 26 or 27 of this Agreement; or for any other cause the NCSD determines to be so serious and compelling as to affect Consultant's responsibility as a public consultant or Consultant, including but not limited to, debarment by another governmental agency, then the NCSD reserves the unilateral right to terminate this Agreement, seek indemnification and/or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper.

21. DISPUTED INVOICES Unless otherwise agreed to in writing the following sections shall apply only to disputes related to non-payment of disputed amounts as referenced in paragraph 6, above:

A. The Parties agree in good faith to attempt to resolve amicably disputed amounts. In the event that any dispute cannot be resolved through direct discussions, the Parties agree to endeavor to settle the dispute by mediation. Either Party may make a written demand for mediation, which demand shall specify the facts of the dispute. The matter shall be submitted to a mediator who shall hear the matter and provide an informal nonbinding opinion and advice in order to resolve the dispute. If the Parties are unable to agree on a mediator, then either Party can request the Presiding Judge of the San Luis Obispo County Superior Court to appoint a mediator. Said appointment shall be binding on the Parties. The mediator's fee shall be shared equally by the Parties. If the dispute is not settled by mediation, then the Parties agree to submit the dispute to binding arbitration as provided in Section B, below.

B. Either Party may demand arbitration by filing a written demand with the other Party within thirty (30) days from the date of the informal non-binding opinion of the mediator, in accordance with the prevailing provisions of the California Arbitration Act at the time of the written demand. The arbitration procedures are as follows:

(1) The parties may agree on one arbitrator. If they cannot agree on one arbitrator, there shall be three: one named in writing by each of the parties within five days after demand for arbitration is given, and a third chosen by the two appointed. Should either party refuse or neglect to join in the appointment of the arbitrator(s) or to furnish the arbitrator(s) with any papers or information demanded, the arbitrator(s) may proceed ex parte.

(2) A hearing on the matter to be arbitrated shall take place before the arbitrator(s) within the County of San Luis Obispo, state of California, at the time and place selected by the arbitrator(s). The arbitrator(s) shall select the time and place promptly and shall give each party written notice of the time and place at least sixty (60) days before the date selected. The procedures of the California Arbitration Act are incorporated herein by reference.

(3) If there is only one arbitrator, his or her decision shall be binding and conclusive on the parties, and if there are three arbitrators, the decision of the two shall be binding and conclusive. The submission of a dispute to the arbitrator(s) and the rendering of a decision by the arbitrator(s) shall be binding on the parties. A judgment confirming the award may be given by any Superior Court having jurisdiction, or that Court may vacate, modify, or correct the award in accordance with the prevailing provision of the California Arbitration Act.

(4) If three arbitrators are selected, but no two of the three are able to reach an agreement regarding the determination of the dispute, then the matter shall be decided by three new arbitrators who shall be appointed and shall proceed in the same manner, and the process shall be repeated until a decision is agreed on by two of the three arbitrators selected.

(5) The costs of the arbitration shall be borne by the losing party or shall be borne in such proportions as the arbitrator(s) determine(s).

22. PROGRESS AND PERFORMANCE OF SERVICES. No claim, potential claim, dispute or controversy, except non-payment by NCSD of undisputed amounts, shall interfere with the progress and performance of the Services or any changes thereto, and Consultant shall proceed as directed by the NCSD in all instances with its Services, including any disputed Services, or any changes thereto and any failure of Consultant to proceed shall be deemed a material breach of this Agreement entitling NCSD to all remedies available under Section 19 or other provision of the Agreement and/or applicable law. Except as provided elsewhere in this Agreement, NCSD shall continue to make payments in accordance with the Agreement.

23. NCSD NOT OBLIGATED TO THIRD PARTIES. NCSD shall not be obligated or liable for payment hereunder to any party other than the Consultant.

24. NON-DISCRIMINATION. Consultant shall not discriminate in any way against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition or marital status in connection with, or related to, the performance of this Agreement.

25. UNAUTHORIZED ALIENS. Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should the any liability or sanctions be imposed against NCSD for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse NCSD for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by NCSD. Consultant shall comply with all the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein.

26. PREVAILING WAGE. Consultant shall keep informed and take all measures necessary to ensure compliance with Labor Code requirements, including, but not limited to Section 1720 et seq. of the Labor Code regarding public works, limitations on use of volunteer labor (Labor Code Section 1720.4) and payment of prevailing wages to workers and professionals for work done under this Agreement, as determined by the Director of Industrial Relations of the State of California pursuant to California Labor Code Part 7, Chapter 1, Article 2. Copies of prevailing wage determinations are on file at NCSD offices or otherwise available on the Web at www.cslp.ca.gov.

27. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

A. All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other

than NCSD without prior written authorization from the District Manager, except as may be required by law.

B. Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the District Manager or unless requested by the District Legal Counsel of NCSD, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives NCSD notice of such court order or subpoena.

C. If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then NCSD shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Consultant's conduct.

D. Consultant shall promptly notify NCSD should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there-under. NCSD retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with NCSD and to provide NCSD with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by NCSD to control, direct, or rewrite said response.

28. ASSIGNMENT. The expertise and experience of Consultant are material considerations for this Agreement. NCSD has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon Consultant under this Agreement. In recognition of that interest, Consultant shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Consultant's duties or obligations under this Agreement without the prior written consent of the District Board of Directors. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling NCSD to any and all remedies at law or in equity, including summary termination of this Agreement. NCSD acknowledges, however, that Consultant, in the performance of its duties pursuant to this Agreement, may utilize subcontractors.

29. COSTS AND ATTORNEY'S FEES. Except for disputes that are resolved by non-binding mediation, the prevailing party in any action between the parties to this Agreement brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs and attorney's fees expended in connection with such an action from the other party.

30. SECTION HEADINGS. The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

31. SEVERABILITY. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

32. REMEDIES NOT EXCLUSIVE. Except for (a) disputes related solely to the payment for Services performed by Consultant and (b) the termination provisions of Section 19 (E), no remedy herein conferred upon or reserved to the Parties is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

33. NONEXCLUSIVE AGREEMENT. Consultant understands that this is not an exclusive Agreement and that NCSD shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by Consultant as the NCSD desires.

34. ASSIGNMENT. Consultant shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of NCSD and any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

35. NON-LIABILITY OF DISTRICT OFFICERS AND EMPLOYEES. No officer or employee of NCSD will be personally liable to Consultant, in the event of any default or breach by the NCSD or for any amount that may become due to Consultant.

36. INTERPRETATION OF THIS AGREEMENT. The parties acknowledge that each party and its attorney had the opportunity to review, negotiate and revise this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any document executed and delivered by any party in connection with the obligations contemplated by this Agreement.

37. TIME IS OF THE ESSENCE. Time is of the essence in this Agreement and each covenant and term is a condition herein.

38. NO WAIVER OF DEFAULT. No delay or omission of NCSD to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default of an acquiescence therein; and every power and remedy given by this Agreement to NCSD

shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of NCSD.

39. EXTRA SERVICES.

A. Should Consultant propose to provide services that NCSD considers to be beyond the Scope of Services, Consultant shall present a written request to amend the Scope of Services and a proposal for compensation for additional services to the NCSD. The NCSD Contract Administrator will make due consideration of the request to amend the Scope of Services and compensation for additional services. Consultant shall not provide additional services until Consultant has received a written amendment to this Agreement. . Should Consultant elect to proceed prior to the amendment being approved by the NCSD for additional services, the Consultant does so at Consultant's own risk and with the understanding that the NCSD will not be obligated for payment of additional compensation.

B. Should NCSD request Consultant to provide services that are beyond the Scope of Services, Consultant shall provide the NCSD with a written proposal for additional services. The NCSD will make due consideration of the proposal. Consultant shall not provide additional services until Consultant has received a written amendment to this Agreement. Should Consultant elect to proceed prior to the amendment being approved by the NCSD for additional services, the Consultant does so at Consultant's own risk and with the understanding that the NCSD will not be obligated for payment of additional compensation.

40. ENTIRE AGREEMENT AND AGREEMENT. In conjunction with the matters considered herein, this Agreement contains the entire understanding and Agreement of the parties and there have been no promises, representations, Agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral Agreements, course of conduct, waiver or estoppel.

41. SUCCESSORS AND ASSIGNS. All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

42. CALIFORNIA LAW. This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of San Luis Obispo, if in state court, or in the federal court nearest to San Luis Obispo County, if in federal court.

43. EXECUTION OF COUNTERPARTS. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

44. PRECEDENCE. In the event of a conflict between the Exhibits and this Agreement, the provisions of this Agreement shall control.

45. RECITALS. Recitals A through B are incorporated herein by reference as though set forth at length.

46. AUTHORITY TO EXECUTE. All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles, and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity (ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, Consultant hereby warrants that it shall not have breached the terms or conditions of any other contract or Agreement to which Consultant is obligated, which breach would have a material effect hereon.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by the NCSD.

CONSULTANT:

By: _____

Name: _____

Title: _____

Date: _____

NIPOMO COMMUNITY SERVICES DISTRICT:

Lawrence Vierheilig, President
Nipomo Community Service District
Board of Directors

Date: _____

ATTEST:

Donna K. Johnson, Secretary
to the Board of Directors

Date: _____

T:/Documents/Projects/Supplemental Water/SMSWP/Eng/SWP Design Agreement Final

EXHIBIT A

Task Group 1. Preliminary Engineering

Task 101. Hydraulic Analysis. Boyle will review the District's monthly water production from 2004 and 2005 and average/maximum day demands in order to estimate storage requirements under constant deliveries and under an off-peak pumping scenario.

Boyle will also obtain the Santa Maria hydraulic system model in H2Onet format (if available through District staff). We will develop and use a skeletonized Nipomo CSD hydraulic system model in order to determine the following at initial deliveries (to be determined by District), 3000 AFY (design flow), and 6300 AFY:

- Difference in pressures (max., min., and typical);
- Hydraulic "bottlenecks" in the NCSO distribution system which would restrict deliveries, to be addressed as part of this project or a future project;
- Opportunities to "defer" or phase construction of project components until future demands require increase in delivered water. For instance, only one tank or two out of three pumps may be installed initially;
- Hydraulic "bottlenecks" in the Santa Maria distribution system which would limit flow and pressure available to the Nipomo booster station.
- Potential benefits of Santa Maria's Water Master Planned improvements to the Nipomo pipeline project.
- Components to be constructed at each "phase" of these future demands

Modeling results will be confirmed through hydrant flow testing with Boyle, City and/or District staff in both the Santa Maria and Nipomo systems (if allowed)

Task 102. Water Quality / Disinfection Evaluation. Boyle will review available water quality data from the District and City and provide a comparison of various water quality parameters of concern (including total dissolved solids and fluoride). We will provide a discussion of the differences in water quality from all three sources (District groundwater, City groundwater, and CCWA water).

Boyle will review historical water quality data from CCWA and Nipomo to determine likely levels of disinfection byproducts (THMs and HAAs) and disinfection byproduct precursors. Using this information, predictions will be made of likely THM and HAA concentrations in the Nipomo distribution system if CCWA and Nipomo water are blended, and chlorine is used as a disinfectant. This will provide a basis for determining whether there is a water quality-based reason to convert the Nipomo system to chloramines or whether to continue using chlorine as the primary disinfectant. CCWA water quality will be used rather than Santa Maria average water quality since Nipomo will have no control of the blend of water delivered by Santa Maria, and CCWA water is expected to have the highest THM formation potential. It is assumed any laboratory costs will be paid by the District.

Boyle will perform an evaluation of improvements required at wellheads to convert from chlorination to chloramination, in order to allow budgetary-level cost estimates to be made. These costs will be compared to costs for facilities to eliminate chloramine from the Santa Maria water so that the Nipomo system can continue using only chlorine. This will provide a basis for determining whether there is a cost basis to continue using chlorine vs. converting to chloramine.

Boyle will also provide a discussion of the relative benefits of using chlorine or chloramine to provide a disinfectant residual in the Nipomo distribution system, in order to assist the District in selecting which method to use.

Task 103. Pipeline Alignment Study. Boyle will evaluate the three (3) basic pipeline alternatives evaluated in the May, 2006, Draft Environmental Impact Report (Directional Drilling Options A and B (Figures 4 and 5, DEIR) and Highway 101 Bridge Crossing). Our objective will be to analyze the relative costs, constraints, and advantages/disadvantages of each alternative. Significant physical challenges, which must be considered in this analysis, include the levee, Santa Maria River, and possibly Nipomo Creek. We will review two basic crossing approaches for the Santa Maria River: construction in or beneath the river bed and crossing via the Highway 101 bridge.

As a component of this analysis, we will evaluate the following pipeline construction alternatives for an underground pipeline beneath the River. Crossing the levy may require either jack and bore and HDD.

1. Use HDD, from the south river bank to top of the bluff .
2. Use open-trench construction, from the south river bank to top of the bluff
3. Use open-trench to cross the river, and HDD to scale the bluff

As part of this analysis, the Boyle team will perform the following tasks:

- Preliminary geotechnical report, including site information available from previous projects in the vicinity of the proposed pipeline.
- Preliminary alignment and profile
- Recommended pipeline size, material types, classes, and sizes
- Anticipated construction schedule
- Right-of-way or permit issues
- Utility interference risks
- Environmental and CEQA considerations
- Contract packaging alternatives and recommendations
- Risk management
- Probable project costs

We will also prepare a base map (using the District's available property information and aerial photography) and review potential property ownership or easement issues along the proposed pipeline alignment – upstream and downstream of the proposed river crossing.

Task 104. Tank Siting Study

- Development of conceptual site plans for three (3) tank sites;
- *firma* will prepare a visual impact analysis using digital photo techniques to simulate the effect of the project on the visual setting. The effect of tank placement will be depicted in a graphic photo simulation and a second simulation will be depicted graphically to mitigate impacts such as revegetation, screening, colors, etc. for each site. This study will address the visual effects of the proposed tank, landform manipulation and grading appearance from one pre-determined key public viewpoints; and
- Life cycle cost comparison of prestressed concrete and welded steel tanks.

Task 105. Project Definition Workshop. Boyle will schedule and lead a workshop with District staff and the Standing Committee to present our analyses and recommendations to the District.

Task 106. Draft Technical Memorandum. Boyle will prepare a draft Technical Memorandum to summarize the work described above. The Memorandum will include conceptual capital and operations and maintenance costs for the recommended project. A project schedule will also be prepared. Ten (10) copies will be provided to the District for review. The Technical Memorandum will include a Project Narrative. This Narrative will be used for public information and as a Project Description for use in preparing permit applications.

Task 107. Final Technical Memorandum. Boyle will prepare twenty (20) copies of the final Technical Memorandum and 100 copies of the final Project Narrative after receiving review comments from the District.

Task Group 2. Permitting

Permits may be required from California Department of Fish and Game; California Department of Health; Counties of San Luis Obispo and Santa Barbara; San Luis Obispo and Santa Barbara Air Pollution Control Districts; Regional Water Quality Control Board; United States Army Corps of Engineers; United States Fish and Wildlife Service; and NOAA Fisheries Service Section.

Task 201: Review Existing Information. Boyle and Padre will conduct appropriate literature research and contact appropriate parties to obtain all applicable information regarding the project area. Such information may include the Draft EIR, topographic maps, aerial photographs, hydrology studies, habitat studies, resource studies prepared by other entities, existing utilities in the project vicinity, and environmental documents prepared for other projects in the area (if any).

Task 202: Initial Consultation. Padre will contact affected agencies to identify concerns and to begin to build a consensus among the agencies regarding the project goals and implementation. In addition to this informal contact, pre-application meetings will be held with agencies having direct permit authority over the project.

Task 203: Develop Project Description. Padre will assist Boyle Engineering and the NCSD in developing the Project Description, which will serve as the basis for subsequent permitting.

Task 204: Biological Resources Study - Based on a review of preliminary information provided, Padre has determined the biological resources scope of work should include the following: data review and agency correspondence, reconnaissance-level field surveys, plant community and habitat mapping, and completion of a biological survey report in accordance with Mitigation Measure D-7 from the Draft EIR (May 2006). It is assumed that the project EIR will include several measures to reduce potential impacts. Padre will review these measures and will recommend additional measures, if necessary, based on the impact analysis included within the biological survey report.

Task Group 3. Project Management

301. Kickoff Meeting. Boyle will schedule and lead a kickoff meeting with the Project Team at the District office. Attendees will include Padre, Fugro West, and Boyle team members. We will discuss progress of the District's ongoing project financing and CEQA compliance efforts; right of entry requirements for fieldwork; permitting schedule; and project milestones.

302. Monthly Progress Reports. Boyle will submit written monthly project and budget status reports to the District. Reports will be sent in time for District staff to review and submit at monthly Board meetings. Our progress reports will include updates to the project schedule.

303. Monthly Board Meetings. The Boyle Project Manager will attend monthly Board meetings and will be prepared to respond to questions and comments from the Board.

304. Meetings with District Staff. It is assumed the Boyle Project Manager will schedule and attend monthly coordination meetings with District staff, in addition to the workshops and meetings discussed in other sections.

305A. Committee Meetings. Project Team members will attend up to 4 monthly Standing Committee meetings. It is assumed the Boyle Project Manager and one other Boyle/Padre/Fugro team member will attend each monthly meeting, and the meetings will last for approximately 2 hours.

305B. Public Forums. Based on our discussions with District staff, we envision two "stages" of public workshops or forums: first stage during the Permitting/Preliminary Engineering phase and second stage after the 30% design.

For estimating purposes, we are assuming two (2) workshops/forums will require attendance by the Project Manager and one team member (staff from Firma, Padre, and/or Boyle). We assume each forum will last approximately 2 hours, and will require some preparation time from the team.

We anticipate one of these meetings will include a discussion of disinfection and/or water quality issues. This meeting will be attended by Betsy Lichti, PE, our team's water quality/public health expert. Our objective will be to educate the attendees about any differences in water quality expected from the blended water supply and the advantages/disadvantages of alternatives being explored by the District.

Ms. Lichti will also lead a presentation to District operations staff to discuss the alternatives being reviewed and address their operational concerns.

306. Miscellaneous Exhibits. Boyle will prepare copies of progress plans and/or exhibits from reports on a time and materials basis. We have established a budget of \$2,500 for miscellaneous exhibits. At this time, we cannot predict which exhibits (or type of format – mounted exhibits or half-size for handouts) will be required.

307. Coordination with District's Property Acquisition Team. Boyle will acquire preliminary title reports for up to 20 properties along the potential project alignment. We will attend up to four (4) 2-hour meetings with the property

acquisition consultant during the preliminary engineering phase of the work. It is assumed each of these meetings will acquire approximately two (2) hours of preparation. Our property map will be based on the mapping developed by Cannon, but will be updated based on our alignment study.

Schedule

Boyle anticipates the following schedule for Preliminary Engineering Services:

Draft Preliminary Engineering Technical Memorandum	110 calendar days from Notice to Proceed
Final Memorandum	14 calendar days from receipt of District's written comments (consolidated into one comment letter)

An abbreviated project schedule is attached. If Boyle is authorized to proceed on June 14, 2006, we anticipate submitting our draft memorandum on October 2, 2006.

A schedule for workshops, meetings, and forums will be established within the first 5 working days following the Kickoff Meeting.

Budget

Boyle proposes to complete the tasks described above on a time and materials basis, with a budget not to exceed \$231,811. Our breakdown of tasks and manhours is attached for your review.

Data Provided by Client

Consistent with the professional standard of care and unless specifically provided herein, Boyle shall be entitled to rely upon the accuracy of data and information provided by NCSD or others without independent review or evaluation.

Cost Opinions

Any Opinion of the Construction Cost prepared by Boyle represents its judgment as a design professional and is supplied for the general guidance of NCSD. Since Boyle has no control over the cost of labor and material, or over competitive bidding or market conditions, Boyle does not guarantee the accuracy of such opinions as compared to contractor bids or actual cost to NCSD.

Construction Contract Language

NCSD will include in the general conditions of any construction contract, language which states that the construction contractor is required to hold harmless and defend the NCSD, Boyle, and their agents, employees and consultants, from all suits and actions, including attorneys' fees, and all costs of litigation and judgments of any nature and description arising out of or incidental to the performance of the construction contract or work performed thereunder. The NCSD, Boyle, their agents, employees and consultants shall also be named as additional insureds in any construction contractor's insurance policies.

Electronic Data

Electronic data delivered to NCSD is for NCSD's convenience and shall not include the professional stamp or signature of an engineer or architect. NCSD agrees that Boyle shall not be liable for claims, liabilities or losses arising out of, or connected with the decline of accuracy or readability of electronic data due to inappropriate storage conditions or duration.

Project Budget

Engineering Services for NCSD - WIP Design (Preliminary Engineering Phase)

Nipomo CSD

Task Description	Personnel Hours							Budget				
	Principal	Senior	Associate	Assistant	Drafter	Clerical	Total Hours	Labor	Non-labor ODC	Subconsultants	Total Non-Labor	Total
Task Group 1 - Preliminary Engineering												
101 - Hydraulic analysis							-	\$ -			\$ -	\$ -
Production and demand analysis	1		8	-			9	\$ 1,065	\$ 85		\$ 85	\$ 1,150
Offpeak pumping vs. storage analysis	2		8	-			10	\$ 1,250	\$ 100		\$ 100	\$ 1,350
NCSD System modeling	4	60	-	-			64	\$ 9,740	\$ 779		\$ 779	\$ 10,519
Santa Maria model/system review	4		24	-			28	\$ 3,380	\$ 270		\$ 270	\$ 3,650
Project phasing	4		4	-			8	\$ 1,180	\$ 94		\$ 94	\$ 1,274
Hydrant/field testing	4		8	8			20	\$ 2,420	\$ 194		\$ 194	\$ 2,614
102 - Disinfection and water quality evaluation	8	8	50	36	32		134	\$ 14,820	\$ 1,186		\$ 1,186	\$ 16,006
103 - Construction alternatives and alignment study	14			8	16		38	\$ 4,910	\$ 393	\$ 3,630	\$ 4,023	\$ 8,933
Preliminary geotechnical report	2						2	\$ 370	\$ 30	\$ 14,300	\$ 14,330	\$ 14,700
River crossing construction alternative evaluation	56	96	32	80	44		308	\$ 40,460	\$ 3,237	\$ 24,000	\$ 27,237	\$ 67,697
Base map preparation	2			8	8		18	\$ 1,930	\$ 154		\$ 154	\$ 2,084
Review of property ownership	2			-	4		6	\$ 750	\$ 60		\$ 60	\$ 810
104 - Tank siting study							-	\$ -			\$ -	\$ -
Visual analysis (3 tank sites)	2		-	12	24		38	\$ 3,850	\$ 308	\$ 10,000	\$ 10,308	\$ 14,158
Life cycle cost analysis	2		-	8			10	\$ 1,170	\$ 94		\$ 94	\$ 1,264
105 - Project Definition Workshop	28	10	18				56	\$ 8,660	\$ 693		\$ 693	\$ 9,353
O/M Cost Opinions	8			16			24	\$ 3,080	\$ 308		\$ 308	\$ 3,388
Project Schedule	8			4		4	16	\$ 2,148	\$ 215		\$ 215	\$ 2,363
106 - Draft TM	12		16		8	16	52	\$ 5,812	\$ 465		\$ 465	\$ 6,277
107 - Final TM	4		4		4	4	16	\$ 1,828	\$ 146		\$ 146	\$ 1,974
Quality Control	12					4	16	\$ 2,488	\$ 199		\$ 199	\$ 2,687
Subtotal	179	174	172	180	140	28	873	\$ 111,311	\$ 9,009	\$ 51,930	\$ 60,939	\$ 172,250
Task Group 2 - Permitting												
201 - Review existing information	2						2	\$ 370	\$ 30	\$ 1,890	\$ 1,920	\$ 2,290
202 - Initial consultation							-	\$ -	\$ -	\$ 2,310	\$ 2,310	\$ 2,310
203 - Develop project description	4						4	\$ 740	\$ 59	\$ 5,560	\$ 5,619	\$ 6,359
204 - Biological resources review							-	\$ -	\$ -	\$ 6,170	\$ 6,170	\$ 6,170
205 - Meetings	2						2	\$ 370	\$ 30	\$ 820	\$ 850	\$ 1,220
Subtotal	8	-	-	-	-	-	8	\$ 1,480	\$ 118	\$ 16,750	\$ 16,868	\$ 18,348
Task Group 3 - Project Management & Meetings												
301 - Kickoff meeting	16	8	8			4	36	\$ 5,308	\$ 425		\$ 425	\$ 5,733
302 - Monthly progress reports	16				-	4	20	\$ 3,228	\$ 258		\$ 258	\$ 3,486
303 - Monthly Board Meetings	8						8	\$ 1,480	\$ 118		\$ 118	\$ 1,598
304 - Meetings with District staff	12						12	\$ 2,220	\$ 178		\$ 178	\$ 2,398
305 - Monthly Standing Committee meetings	8	8					16	\$ 2,680	\$ 214		\$ 214	\$ 2,894

Project Budget

Engineering Services for NCSD - WIP Design (Preliminary Engineering Phase)

Nipomo CSD

Task Description	Personnel Hours							Budget				
	Principal	Senior	Associate	Assistant	Drafter	Clerical	Total Hours	Labor	Non-labor ODC	Subconsultants	Total Non-Labor	Total
Forums/Workshops (assume 2 forums/workshops)	12	12			4	4	32	\$ 4,668	\$ 373		\$ 373	\$ 5,041
Informational meetings with District operations staff	2	12					14	\$ 2,170	\$ 174		\$ 174	\$ 2,344
306 - Miscellaneous Exhibits	4				12		16	\$ 1,880	\$ 620		\$ 620	\$ 2,500
307 - Coordination with District Property Acquisition Team	16			8	2	4	30	\$ 4,218	\$ 11,000		\$ 11,000	\$ 15,218
Subtotal	94	40	8	8	18	16	184	\$ 27,852	\$ 13,360	\$ -	\$ 13,360	\$ 41,212
Total	281	214	180	188	158	44	1,065	\$ 140,643	\$ 22,488	\$ 68,680	\$ 91,168	\$ 231,811

Amounts shown are fee.

<u>Personnel Category</u>	<u>\$/HR</u>
Principal	\$185.00
Senior	\$150.00
Associate	\$110.00
Assistant	\$100.00
Drafter	\$95.00
Clerical	\$67.00

ID	Task Name	Duration	Start	Finish	2007													
					M	J	J	A	S	O	N	D	J					
1	Notice to Proceed - Phase I	1 day	Wed 6/14/06	Wed 6/14/06		◆ 6/14												
2	Time Sensitive Research	86 days	Wed 6/14/06	Wed 10/11/06		[Task Bar]												
3	Land Option Evaluation	86 days	Wed 6/14/06	Wed 10/11/06		[Task Bar]												
4	Predesign Studies	86 days	Wed 6/14/06	Wed 10/11/06		[Task Bar]												
5	Draft Predesign Published	1 day	Mon 10/2/06	Mon 10/2/06						◆ 10/2								
6	Project Selection and Workshop	21 days	Wed 10/25/06	Wed 11/22/06							[Task Bar]							
7	Final Predesign Memorandum	1 day	Fri 12/22/06	Fri 12/22/06													◆ 12/22	

Project: Preliminary Engineering - NCSD Waterline Intertie Project
Date: Tue 6/6/06









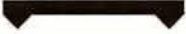
Task		Project Summary	
Split		External Tasks	
Progress		External Milestone	
Milestone		Deadline	
Summary			

EXHIBIT B

Budget

Boyle proposes to complete this work on a time and materials basis, in accordance with the attached fee schedule. Invoices will be sent monthly to request payment for our work to date.

Details of our budget are provided on the attached tables. The District can review this item-by-item breakdown and we can discuss and modify scope items, as needed, during contract negotiation.

Hourly rate increases – We anticipate that our hourly rates may increase up to \$10 per personnel classification over the next 3 years. However, we do not anticipate increasing our rates until January of 2008. Our standard fee schedules for 2004 and 2005 are attached for your review.

Selected Subconsultant Proposals

Fee proposals from Fugro, Wallace Group, Padre, and Firma are included so the District can review their basis of fee. Their budgets have already been incorporated into our project budget. The tasks for Jacobs Associates and Dave Arthurs are detailed in our main proposal.

**BOYLE ENGINEERING CORPORATION
(BAKERSFIELD AND SAN LUIS OBISPO OFFICES)**

**FEE SCHEDULE FOR PROFESSIONAL SERVICES
Effective January 1, 2006**

Engineers, Architects, Scientists:

Principal	\$185.00 per hour
Senior II	\$150.00 per hour
Senior I	\$135.00 per hour
Associate	\$115.00 per hour
Assistant	\$100.00 per hour
Construction Observer	\$100.00 per hour

Technical Support Staff:

Design/CADD Supervisor	\$105.00 per hour
Senior Designer/Design CADD Operator	\$100.00 per hour
Drafter/CADD Operator	\$95.00 per hour
Assistant CADD Operator	\$75.00 per hour
Clerical/General Office	\$72.00 per hour

General Project Expenses ⁽¹⁾ 8% of Labor

Direct Project Expenses

Other Reproduction (8-1/2 x 11/11x17 Color)	\$1.15/1.50 per page
Plan Sheet Printing – In House Bond / Mylar	\$3.00/7.00 per sheet
Subcontracted Services/Reproduction	Cost + 10%
Subcontracted or Subconsultant Services	Cost + 10%
Auto Mileage for Construction Phase Services	\$0.60 per mile
Travel & Subsistence (other than mileage)	Cost
Miscellaneous Supplies/Services	Cost + 10%

If authorized by the Client, an overtime premium multiplier of 1.5 may be applied to the billing rate of hourly personnel who work overtime in order to meet a deadline which cannot be met during normal hours.

Applicable sale taxes, if any, will be added to these rates. Invoices will be rendered monthly. Payment is due upon presentation.

Fee schedule is subject to change.

⁽¹⁾ Includes mail, telephone, fax, office photo copies, personal computers and mileage (except as noted).

***firma* Consultants Inc. Hourly Rate Schedule 2006**

Principal Landscape Architect / Planner	\$115
Associate Landscape Architect	\$90
Landscape Architect / Designer	\$85
Designer / Environmental Planner	\$60
Draftsperson/Computer Technician	\$55
Clerical Staff	\$45

firma

landscape architecture • planning • environmental studies • ecological restoration

Reproduction, Delivery Expenses

All reproduction expenses including base sheets, prints, reductions, postage and delivery expenses will be reimbursed at cost times 1.1. Reimbursement expenses for plots are as follows:

24 x 36 bond	=	\$5.00	30 x 42 bond	=	\$7.00
24 x 36 vellum	=	\$7.00	30 x 42 vellum	=	\$10.00
11x17 plot		\$2.00			

Add for color: \$10.00 each

Insurance

Professional Liability	\$1,000,000
General Liability	\$1,000,000
Auto Liability	\$1,000,000

firma

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Task	Rate/Hour (2006cc):	Principal	Associate	Senior	Project II	Staff II	Staff I/Technician	GIS/CADD Operator	Word Processor	Total Hours	Total Cost
		\$170	\$145	\$130	\$115	\$95	\$90	\$90	\$60		
Preliminary Geotechnical Report:											
Initiation		6		2		6				14	\$ 1,850
Site Visit and Data Review		2		8		8				18	\$ 2,140
Evaluation and Draft Report		4		8	4	16	2	8	4	46	\$ 4,840
Final Prel. Geotechnical Report		1		2		4		2	2	11	\$ 1,110
Subtotal:		13	0	20	4	34	2	10	6	89	\$ 9,940

Geotechnical Report:											
Coordination and Utilities		2		2		8	12			24	\$ 2,440
Field Exploration - drilling		4		8		50				62	\$ 6,470
Field Exploration - CPT		2				12				14	\$ 1,480
Laboratory Tests					Unit rates as listed below						\$ 6,895
Evaluation and Draft Report		8		8	40	16	8	16	8	104	\$ 11,160
Final Geotechnical Report		2		2		4			2	10	\$ 1,100
Review of Plans and Specifications		2			12				2	16	\$ 1,840
Subtotal Labor:		20	0	20	52	90	20	16	12	230	\$ 31,385

Laboratory Costs				Other Direct Costs			
	Rate	No.		Units	Rate	Billing Factor	ODC Costs
Moisture Content-Unit Weight	\$ 25	35	Rig Mobilization (per hour)	6	\$ 175	1.15	\$ 1,208
Atterberg Limits	\$ 130	8	Drilling and Sampling (per hour)	32	\$ 195	1.15	\$ 7,176
Sieve Analysis	\$ 90	16	Additional Drilling (per hour)	4	\$ 195	1.15	\$ 897
Sand Equivalent	\$ 85	10	Chase Truck (per day)	2	\$ 60	1.15	\$ 138
Compaction Curve, D1557 Method A	\$ 200	3	Pickup Truck (per day)	5	\$ 100	1.00	\$ 500
Direct Shear	\$ 285	2	per diem (2 person crew)	1	\$ 250	1.00	\$ 250
Sieve and Hydrometer	\$ 160	0	CPT Mobilization (each)	1	\$ 1,000	1.00	\$ 1,000
UU Triaxial	\$ 120	0	CPT Soundings (per foot)	200	\$ 8	1.00	\$ 1,600
Unconfined Compression	\$ 90	0	Traffic Control	0	\$ -	1.15	\$ -
Falling Head Permeability	\$ 275	0	PID and Gas Meter (per week)	0	\$ -	1.15	\$ -
Consolidation, 8 loads	\$ 260	2	Aerial Photography	0	\$ -	1.15	\$ -
Consolidation with Time Rate	\$ 325	0	Bob Tail Dump Truck (per hour)	0	\$ -	1.15	\$ -
Expansion Index	\$ 200	0	Concrete Cores, 10" (each)	0	\$ -	1.15	\$ -
Percent Swell	\$ 110	0	Sawing (per ft.)	0	\$ -	1.15	\$ -
R-value, Soil	\$ 240	1	Field Supplies	1	\$ 250	1.15	\$ 288
Corrosion	\$ 190	4	Shipping, Overnight, Copies, etc.	1	\$ 100	1.15	\$ 115
						Subtotal ODC:	\$ 13,171
Subtotal:							\$ 44,556

Construction Support Services											
As-requested		4			8	16			2	30	\$ 3,240
Subtotal:		4	0	0	8	16	0	0	2	30	\$ 3,300

TOTAL FOR GEOTECHNICAL SERVICES: \$ 57,800

FEE ESTIMATE FOR GEOTECHNICAL SERVICES
 Nipomo - Santa Maria Inter-tie
 Nipomo, California



660 Clarion Court, Suite A
 San Luis Obispo, California 93401
 Tel: (805) 542-0797
 Fax: (805) 542-9311

**CENTRAL COAST 2006 FEE SCHEDULE
 FOR CONSULTING SERVICES**

PROFESSIONAL STAFF	HOURLY RATE
Principal Consultant	\$ 185
Principal	170
Associate	145
Senior Professional.....	130
Project Professional II.....	115
Project Professional I.....	110
Staff II Professional.....	95
Staff I Professional.....	90

TECHNICAL AND OFFICE STAFF	
HSE Managers.....	135
Field Technician/Inspector – Non-Prevailing Wage, Straight Time.....	75
Field Technician/Inspector – Prevailing Wage, Straight Time	85
Laboratory Technician	65
GIS Technician/CADD Operator	90
Illustrator II	85
Technical Assistant/Illustrator	80
Word Processor/Clerical	60
Office Assistant.....	50

- Overtime Rates for Technical and Office Staff:*
- a. Saturday or over 8 hours/day during weekdays..... 1.3 x straight time
 - b. Sundays/holidays..... 1.5 x straight time
 - c. Swing or graveyard shift premium..... 1.3 x straight time

Fees for expert witness preparation, testimony, court appearances,
 or depositions will be billed at the rate of \$325 per hour.

OTHER DIRECT CHARGES

Subcontracted Services	Cost Plus 15%
Outside Reproduction	Cost Plus 15%
Outside Laboratory	Cost Plus 15%
Out-of-Pocket Expenses	Cost Plus 15%
Travel and Subsistence	Cost Plus 15%
Pickup Trucks and Basic Sampling Equipment	\$100/day

Report reproduction and data reporting costs per staff hourly rates
 Fee schedule is subject to revision periodically

LABORATORY AND FIELD SOIL TESTING FEESSee Separate Schedule



LABORATORY AND FIELD SOIL TESTING FEES

CLASSIFICATION TESTS

Moisture Content and Visual Classification (ASTM D2216 / D2488)	\$ 20
Total and Dry Densities (With Moisture Content ASTM D2937)	\$ 25
Plastic and Liquid (Atterberg) Limits (ASTM D4318)	\$ 130
Specific Gravity (AASHTO T100)	\$ 90
Organic Content (ASTM D2974)	\$ 75
Sieve Analysis <200 grams of Soil (ASTM D422)	\$ 90
Percent Passing #200 Sieve (ASTM D1140)	\$ 60
Particle Size Analysis:	
Sieve & Hydrometer (ASTM D422)	\$ 160
Quick Hydrometer Analysis	\$ 90

VOLUME CHANGE TESTS

Incremental Consolidation (ASTM D2435)	\$ 325
Additional Load Increment or Time Rate	\$ 50
Quick Consolidation, max 8 Loads (16 ksf max)	\$ 260
Constant Rate of Strain Consolidation, - To 16 ksf max (ASTM D4186)	\$ 375
- With Intermediate Rebound and Reload	\$ 440
Expansion Index (ASTM D4828; UBC 29-1)	\$ 200
Percent Swell (ASTM D2435)	\$ 110
Swell Pressure and Percent Swell (ASTM D4546)	\$ 250

STATIC STRENGTH TESTS

Hand Penetrometer	\$ 8
Torvane	\$ 10
Miniature Vane (ASTM D4648)	\$ 25
Miniature Vane, with Residual	\$ 35
Core Compression Test (Excludes Stress-Strain)	\$ 60
Unconfined Compression, Soil (ASTM D2166)	\$ 90
Unconfined, Rock (ASTM D2938)	\$ 110
Triaxial Unconsolidated Undrained (ASTM D2850)	\$ 120
Triaxial Consolidated Drained:	
Single-Stage	\$ 450
Multi-Stage	\$ 790
Triaxial Consolidated Undrained (w/Pore Pressure):	
Single-Stage (ASTM D4767)	\$ 450
Multi-Stage	\$ 730
Direct Shear, CU, 3 points (ASTM D3080)	\$ 285
Add for Residual Strength, per Point	\$ 50

PERMEABILITY & OTHER TESTS

Soil Chemistry for Corrosion (pH, chloride, sulfate, resistivity)	\$ 190
Constant/Falling Head Permeability	\$ 275
Permeability - Flexible Wall (ASTM D5084)	\$ 300

EARTHWORK TESTS

Standard Proctor, 4 point (ASTM D698)	
- 4-inch mold	\$ 180
- 6-inch mold	\$ 210
Modified Proctor, 4 point (ASTM D1557)	
- 4-inch mold	\$ 200
- 6-inch mold	\$ 245
California Impact Compaction (Cal 216)	\$ 240
Moisture - Density Check Point	
- 4-inch mold	\$ 75
- 6-inch mold	\$ 100
Index Density and Unit Weight (ASTM D4253)	
Maximum	\$ 275
Minimum	\$ 85
R-Value (ASTM D2844: Cal 301)	\$ 240
Treated Soil	\$ 255
Aggregate Base	\$ 285
CBR (One Point) (ASTM D1883)	\$ 300

AGGREGATE TESTS

Percent passing #200 Sieve for Aggregate (ASTM C117)	\$ 75
Unit Weight and Voids in Aggregate (ASTM C29, Cal 212)	\$ 90
Organic Impurities of Concrete Aggregates (ASTM C40)	\$ 50
Sieve Analysis of Coarse Aggregate (ASTM C136, Cal 202)	\$ 60
Sieve Analysis of Fine Aggregate (ASTM C136, Cal 202)	\$ 100
Specific Gravity & Absorption - Coarse (ASTM C127, Cal 206)	\$ 75
Specific Gravity & Absorption - Fine (ASTM C128, Cal 207)	\$ 110
Cleaness Value (ASTM C142, Cal 227)	\$ 120
Durability Index - Coarse or Fine (ASTM C3744, Cal 229)	\$ 125
Sand Equivalent of Graded Aggregate (ASTM D2419, Cal 217)	\$ 85
Percentage of Crushed Particles (ASTM D5821, Cal 205)	\$ 90

ASPHALT CONCRETE TESTS

Stabilometer Value (ASTM D1560, Cal 366)	\$ 130
Lab Compacted Unit Weight (ASTM D1188, Cal 308A)	\$ 110
Unit Weight of Asphalt Cores or Slabs	\$ 75
Theoretical Maximum Specific Gravity and Density of Asphalt Mixtures (ASTM D2041)	\$ 125
AC Extraction and Sieve (ASTM D2172 & D5444)	\$ 300
Asphalt Content by Ignition (ASTM D6307, CT382)	\$ 150

CONCRETE, MASONRY, & STEEL TESTS

Concrete Compression:	
Set of 4 - 6 x 12 Cylinders (ASTM C39)	\$ 88
Hold or Additional Test	\$ 22
Cylinder Molds with Lids	\$ 5
Compression of Cored Concrete or Masonry Specimen Including End Preparation (ASTM C42) ..	\$ 65
Unit Weight of Concrete Cylinders - Air Dry	\$ 30
Unit Weight of Concrete Cylinders - Oven Dry	\$ 40
Shotcrete Panel, Core & Testing 3 cores (ASTM C42) ..	\$ 300
Grout Prism Compression - each (ASTM C39)	\$ 35
Mortar Cylinder Compression - each (ASTM C39)	\$ 30

MISCELLANEOUS LABORATORY CHARGES

Special Processing or Preparation	Hourly Rates
Extrude Tube Sample and Visual Classification	\$ 60
Sample Tube Cutting, each cut	\$ 25
Addition of Soil Admixtures and/or Curing	\$ 85
FerroScan Rebar Locator - per half day	\$ 100
Photograph of Sample	\$ 50
Additional Copies of Photographs	Cost + 15%

NOTES:

- 1) Rates for other tests and test variations can be furnished on request.
- 2) Rates for Asphalt Concrete, Lime/Cement Admixture, and Portland Cement Concrete mix designs can be furnished upon request.
- 3) Rush assignments are subject to a 25% surcharge.
- 5) Testing for contaminated samples (EPA Level C & D) will be invoiced at 1.5 times listed rates.
- 6) Sample shipment or other outside costs at Cost + 15%.
- 7) Samples will be discarded 30 days after completion of testing unless otherwise specified.

Note: Our laboratories are inspected by CCRL and accredited by the US Army Corps of Engineers, AASHTO, and Caltrans.



Table 2 – Cost Estimate.

Work Item	Time (Hours)	Cost	BBRC	Senior Professional \$120	Project Professional \$100	Staff Professional \$85	Senior Technician \$75	Technician \$70	Graphics \$55
Review Existing Information	19	\$1,715		2	2	15			
Initial Consultation	24	\$2,100			4	20			
Feasibility Study	38	\$3,295		2	4	30			1
Develop Project Description	55	\$5,015		3	20	30			1
Permitting Requirements Identification	30	\$2,635		2	10	10	4	2	1
Biological Resources									
Field Reconnaissance (Biological)	28	\$2,260				20		8	
Survey Report (Biological)	40	\$3,250				35			5
Cultural Resources									
Historical Assessment	4	\$1,900	\$1,600				4		
Permit Applications	40	\$3,310		2	4	20	8	3	2
Application Submittal	78	\$6,760		2	20	40	10	3	2
Permit Conditions	88	\$7,310		2	20	20	40	3	2
Subtotal	444	\$39,550							
Meetings	16	\$1,480			8	8			
Public Hearings	16	\$1,480			8	8			
Response to Comments	16	\$1,300		2	4	4			4
Padre Staff Hours	476	\$42,330	1600	15	84	240	66	19	14

Supplies, Travel, and Communications	\$1,500
Printing	
Draft - 30 copies	\$1,000
Final - 10 Copies	\$500
General Administrative	\$690.00
Subtotal Direct Charges	\$3,690
Total Cost	\$46,020

Optional Tasks:

Biological Resources - CRLF Protocol-level Surveys	\$5,300
Revegetation Plan	TBD
Wetlands Mitigation and Monitoring Plan	TBD
HDD Frac-Out Monitoring, Response and Clean-Up Plan	TBD
Wildlife Contingency Plan	TBD
Cultural Resources - Subsurface Testing	\$22,000
Construction Monitoring	
Cultural Resources - Archaeological Workshop	\$3,850

Mr. Mike Nunley
Boyle Engineering
April 13, 2006
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April 13, 2006

Mr. Michael Nunley, P.E.
Boyle Engineering
1194 Pacific Street, # 204
San Luis Obispo, California 93401

Subject: Surveying Services Proposal for Nipomo Community Services District Waterline to Santa Maria

Dear Mr. Nunley:

Wallace Group is pleased to submit this proposal to provide surveying services for the above referenced project. Based on our discussion and review of the documents provided to us, our firm will provide survey services for your project.

The following Scope of Work was prepared for your review and consideration:

SCOPE OF WORK

1. Record Property lines, Right of Ways and Easement Re-establishment and Mapping

Wallace Group estimated fee 32 hrs @ \$120/hr = \$3,840

Wallace Group estimated fee 24 hrs @ \$215/hr = \$5,160

Wallace Group will re-establish and map portions of Orchard Avenue, Blosser Road, Santa Barbara County Flood Control easement, and several private property lines along or near the approximate pipeline route. These lines will be **approximate only**. We will locate sufficient monuments in order to calculate a "record" location for these lines. These "record" boundary lines will be based upon filed maps in the County Clerk Recorder's Office of both San Luis Obispo and Santa Barbara Counties. The APN's along the route will be shown based upon information available in our office. Once the route is better defined, an additional field survey may be required to re-establish the critical boundary lines for the preparation of easement documents. This information will be shown on the Base Map. We assume that sufficient monuments shown on the record maps will be available and that no material discrepancy will occur.

The route is very approximate at this time. It appears that five to seven properties will be crossed in both San Luis Obispo and Santa Barbara Counties. Once we are provided preliminary title reports on the property in which the pipeline is planned along with the documents listing easements over these properties we will be able to provide you an estimate to plot any easements on the private properties.

2. Aerial Mapping (1 inch = 40 feet) for 100' wide strip over 5,200 feet long

C & C fixed fee = \$6,070

The Aerial Mapping will be subcontracted to Central Coast Aerial Mapping, Inc., (C & C). The mapping will show all visible major features such as pavement, overhead utility lines, buildings, fences, and tree canopies. A 1 foot contour interval will be shown. 9" x 9" Color contact photos, color digital orthophotos, and an AutoCAD (.dwg) format will be provided. The Digital Terrain Model (DTM) data shall consist of Digital 3D Breaklines and Points. The aerial mapping will be compiled to the Base Map.



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3. Ground Survey for Aerial Control and Base Map (1 inch = 40 feet)

Wallace Group estimated fee 10 hrs @ \$215/hr = \$2,150

Wallace Group estimated fee 20 hrs @ \$120/hr = \$2,400

Wallace Group will set the aerial panels and provide C & C with the ground control information. Horizontal control will be based upon the WGS 1984 using CORS information, vertical control will be based upon NAVD 1988. The aerial target locations along with the right of way and private property line information will be compiled and referenced to the aerial mapping to form the Base Map.

4. Ground Densification Survey Mapping (1 inch = 40 feet)

Wallace Group estimated fee 8 hrs @ \$215/hr = \$1,720

Wallace Group estimated fee 8 hrs @ \$120/hr = \$960

Wallace Group will work one day in the field and one day in the office as directed by the Engineer to gather information such as utility vaults, borehole locations, underground paint marks, and other items typical to a project of this type. This information will be compiled to the Base Map.

5. Booster Station Survey & Map

Wallace Group estimated fee = \$3000

Wallace Group will provide a ground survey for a .25 acre site as directed by the Engineer. This may not be necessary if the site is contained within the 100 foot strip of the aerial mapping or modified if ground densification is necessary. This mapping would be compiled to the Base Map. Once the location has been determined, a PTR and any easement documents affecting the site have been provided, a better estimate may be provided.

6. Water Tank Site Survey & Map

Wallace Group estimated fee = \$4000/site

Wallace Group will provide a ground survey for a water tank site as directed by the Engineer. This mapping would be compiled to the Base Map. Once the location has been determined, PTR's and any easement documents affecting the site, a better estimate may be provided. It is unknown how many tank sites may be required.

7. Legal Descriptions & Exhibits for 5,200 foot long route

Wallace Group estimated fee = \$2000

Wallace Group will assume seven properties will be crossed. We assume that the PTR's have been provided and that approximate boundary lines already plotted will be sufficient. The legal description would be the same for each parcel, the caption of the legal description would limit the strip to the appropriate parcel. This is a common technique used for long routes crossing property lines which aren't determined by more extensive surveys. That portion of the parcel to be encumbered by the strip and an approximate area would be shown on the Exhibit that is attached to each legal description. These areas could be compiled to the Base Map.

8. Legal Description & Exhibit for one tank site

Wallace Group estimated fee = \$1000/site

Wallace Group assumes that the PTR have been provided and that boundary/easement lines will have been established as described above or provided by the Engineer. This area could be compiled to the Base Map but will likely not fall within the 100 foot wide strip.

9. Record Underground Utility Mapping

Wallace Group estimated fee 16 hrs @ \$120/hr = \$1,920

Wallace Group will map the horizontal location of the underground utilities based upon the visible surface structures on the aerial mapping according to the provided Atlas Maps and As-Built Improvement Plans. The above is a rough estimate, once the maps/plans are provided we will be able to provide the client with a better estimate. We assume that C & C will be able to map certain structures but any obscured by ground or vegetation would require a field survey if required. The field survey is not included in the estimate, but could be provided after we receive the aerial mapping and the record information. This mapping will be compiled to the Base Map.

ITEMS NOT INCLUDED IN THE SCOPE OF WORK

Neither coordinating and underground utility mark ups by others, setting survey markers, preparing Record of Survey map, archaeological/sensitive area support surveys, densification in areas of heavy brush, edge of pavement locations, potholing of utility lines below ground, additional right of way procurement, conversion to metric units, easement plotting other than described above, potholing, locate utilities exposed by potholing, creek cross sections for Flood Study, engineering, alerting private property owners to our presence, gaining permission to access private properties, nor construction surveys are a part of this proposal.

ITEMS TO BE PROVIDED

A copy of the correspondence in which permission has been granted to access the route prior to commencement of field survey work, Atlas Maps and As-Built Improvement Plans, PTR's other than described above, and precise site locations.

DELIVERABLES

The Base Map along with an electronic file in AutoCAD LDT 2006 will be provided.

PROJECT FEES

Wallace Group will perform the services denoted in the proposed Scope of Work in accordance with the attached Schedule of Fees (Exhibit A). Our services will be invoiced monthly on an accrued cost basis, and our total fees (exclusive of direct expense reimbursable) will not exceed our estimated fee of \$34,220 without receiving written authorization from the client. The estimate will increase if multiple sites are required.

We have provided an itemized list so that some items may be eliminated if you do not believe they are necessary. Some items cannot be eliminated because they are interdependent, care should be used when eliminating an item.

We believe this will be a prevailing wage job and have estimated accordingly.

At the request of the client, additional services to the above Scope of Work will be performed by Wallace Group following the signature of our Contract Adjustment (change to original contract form) or the initiation of a new contract. Additional services will be invoiced on a time and materials basis using the Schedule of Fees currently in use at Wallace Group.

PROJECT SCHEDULE

The Wallace Group survey department can schedule the work for the beginning of May provided we receive a signed agreement within one week of the date of this proposal based upon our present workload and subject to inclement weather delays. Our office work could commence within a few days of receiving a signed contract.



TERMS AND CONDITIONS

In order to insure a clear understanding of all matters related to our mutual responsibilities regarding this proposal, the attached Standard Terms and Conditions (Exhibit B) are considered a part of our proposal agreement. If this proposal meets with your approval, please sign where indicated and return one original to our office, which will serve as our notice-to-proceed.

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

Sincerely,

WALLACE GROUP, a California Corporation TERMS AND CONDITIONS ACCEPTED:

Joseph T. Morris, P.L.S. 6192
Director of Land Surveying

jm: P006-????, 52-SLO,
Attachments

Exhibit A
Exhibit B

Signature

Printed Name

Title

Date

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

