

Pursuant to Governor Newsom's Executive Order N-29-20, members of the Board of Directors, staff and public may participate in this meeting via teleconference and/or electronically. The Oceano Community Services District Boardroom will NOT be open for accessing the meeting.



Notice of Regular Meeting
Oceano Community Services District - Board of Directors Agenda
WEDNESDAY, MARCH 24, 2021 – 6:00 P.M
Location: TELECONFERENCE – SEE BELOW

HOW TO OBSERVE THE MEETING

This meeting will be conducted using Zoom software, which requires a name/email to be entered prior to accessing the meeting. This is not a District requirement for participation. Public participants are welcome to use an anonymous name/email if preferred.

Telephone: Listen to the meeting live by dialing (669) 900-9128 or (253) 215-8782. Enter **Meeting ID# 892-6279-7188** followed by the pound (#) key. Then enter the **Password: 508435** followed by the pound (#) key. If the line is busy, additional phone numbers can be found on Zoom's website at <https://zoom.us/u/abb4GNs5xM>

Computer: With internet access use the **Password: 508435** to watch the live streaming at <https://us02web.zoom.us/j/89262797188?pwd=Q2lUeVc5THhnZk10TEtOUTItcXRiZz09> or by going to zoom.us and selecting "Join A Meeting" then entering the **Meeting ID# 892-6279-7188** followed by the **Password: 508435**

Mobile: Log in through the Zoom Mobile App on a smartphone or tablet and enter **Meeting ID#: 892-6279-7188** then enter the **Password: 508435**.

For information on Zoom's system requirements please visit: <https://support.zoom.us/hc/en-us/articles/201362023-System-Requirements-for-PC-Mac-and-Linux>

HOW TO SUBMIT PUBLIC COMMENTS

Before the Meeting: Please email your comments to carey@oceanocsd.org with "Public Comment" in the subject line. In your email please include the agenda item number and title and your comments. You may also provide public comment through the District website at: <https://oceanocsd.org/contact/>. All comments received before 12:00 p.m. the day of the meeting will be included as an agenda supplement on the District's website <https://oceanocsd.org/meeting-agendas-minutes/agenda-packets/> and provided to the Directors prior to the meeting. Comments received after the deadline, but prior to the meeting start time, will be attached to the minutes of the meeting.

Live Comments: During the meeting, the Board President or designee will announce the opportunity for public comment. Members of the public may utilize the "raise hand" feature in Zoom to be placed into the speaking queue. Each individual speaker is limited to a presentation time of THREE (3) minutes per item. Persons wishing to speak on more than one item shall limit his/her remarks to a total of SIX (6) minutes. This time may be allocated between items in one-minute increments up to three minutes. Time limits may not be yielded to or shared with other speakers.

To "Raise Hand:"

- **Telephone:** Press "* 9" to raise your hand to notify meeting host and be placed in the queue. The host will unmute and call on you when it's your time to speak.
- **Computer/Mobile Device:** Click the "raise hand" button to notify meeting host and be placed in the queue. The host will unmute and call on you when it's your time to speak. If the "raise hand" button is not displayed on the screen, please click the "participants" icon at the bottom of the screen and the "raise hand" button will appear.

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

1. CALL TO ORDER
2. ROLL CALL
3. FLAG SALUTE
4. AGENDA REVIEW
5. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

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

6. SPECIAL PRESENTATIONS & REPORTS:

A. STAFF REPORTS:

- i. Sheriff's South Station - Commander Jay Wells
- ii. FCFA Operations - Chief Steve Lieberman
- iii. Operations – Utility System Manager Tony Marraccino
- iv. OCSD General Manager – Will Clemens

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

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

C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

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

7. CONSENT AGENDA ITEMS:

Public comment Members of the public wishing to speak on consent agenda items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

- A. Review and Approval of Minutes for the Regular Meeting of March 10, 2021
- B. Review of Cash Disbursements
- C. Recommendation to Approve the General, Auto and other Liability Insurance Coverage for 2021 and authorize payment in the amount of \$31,051.
- D. Consideration of a Recommendation to Authorize the President to Approve and Execute an Extension of the Real Property Lease with the Village Group

8. BUSINESS ITEMS:

Public comment Members of the public wishing to speak on business items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

- A. Adoption of a Resolution Authorizing Entering into a Funding Agreement with the State Water Resources Control Board (SWB) and Authorizing and Designating a Representative for the Stormwater Capture and Groundwater Recharge Project

9. HEARING ITEMS:

10. RECEIVED WRITTEN COMMUNICATIONS:

11. LATE RECEIVED WRITTEN COMMUNICATIONS:

12. FUTURE AGENDA ITEMS Deferred Infrastructure Program (as needed), Lopez Water Contract Amendments (Late 2021), Wastewater CIP (Future year), The Place (As directed), Old Firehouse Art (June 2021), California Voting Rights Act (Mid to late 2021), District Flag Policy/ Pride Month (As directed), Social Media Policy/ Live Stream Board Meetings (As directed), Bill insert/ mailing policy (As directed), Letter to IWMA regarding Special District Representative/Alternate (April 2021)

13. FUTURE HEARING ITEMS:

14. CLOSED SESSION:

15. ADJOURNMENT:

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

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



Oceano Community Services District

Summary Minutes

Regular Meeting Wednesday, March 10, 2021 – 6:00 P.M.

Location: TELECONFERENCE

1. **CALL TO ORDER:** at approximately 6:00 p.m. by President Austin
2. **ROLL CALL:** Board members present: President Austin, Vice President White, Director Gibson, Director Villa and Director Replogle. Staff present: General Manager Will Clemens, Business and Accounting Manager, Carey Casciola and Jeff Minnery, Legal Counsel.
3. **FLAG SALUTE:** led by President Austin.
4. **AGENDA REVIEW:**
A motion was made by Vice President White to approve the agenda as presented with a second from Director Replogle and a 5-0 vote.
5. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:**

Lucia Casalnuovo	Announced the California Coastal Commission Special hearing on 3/18/2021 to review State Park's permit. The Oceano Beach Community Association is in support of closing Pier Ave. and phasing out access to drive on the Dunes as soon as possible. In support of the District placing this item on the agenda.
Jeff Edwards	In opposition of the Central Coast Blue project and District's participation.
Julie Tacker	Asked for additional information regarding an invoice attachment from the District legal counsel Adamski Moroski & Madden.

6. SPECIAL PRESENTATIONS & REPORTS:

A. STAFF REPORTS:

- i. **Sheriff's South Station** – Commander Jay Wells - Absent
- ii. **FCFA** - Chief Steve Lieberman - Absent
- iii. **Operations** - Utility Systems Manager - Tony Marraccino - Lopez is at 39.6% full which is 19,541 AF. Lopez delivery of 48 AF with a total Lopez water year delivery of 615 AF. Continuing with daily & weekly rounds; weekly and monthly samples; 8 work orders; 6 USAs; 5 customer service calls; 0 after hours call out; 0 SSO's. Hung door hangers. Jetter motor was repaired. Continued with trash clean up; there were 4 Ready311 tickets for the month of February. APCD compliance report completed. Repaired a service line break on 13th Street; line replacement on Security Court (meter to main); replaced a clay valve at the yard. Continuing with fire hydrant maintenance/exercising the valves.
- iv. **OCSD General Manager** – Will Clemens – Working on supplemental documents for the Prop 1 Storm Water grant and a resolution will be brought to your Board for review and consideration. The Old Fire House ad hoc committee (art mural) met to refine the RFP. Should be released by April 1 with Board approval of murals scheduled for June 2021 and in the budget for 2021-22.

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. Director Villa – 3/11/2021 Special Oceano Advisory Council (OAC) meeting.
- ii. Director Gibson – Reported on the 3/2/2021 Board of Supervisors meeting. Reported on the 3/5/2021 State Water Subcontractors Advisory Committee.
- iii. Vice President White – None
- iv. Director Replogle – Reported on the 3/10/2021 Integrated Waste Management Authority (IWMA) meeting.

- v. President Austin – Reported the 3/3/2021 South San Luis Obispo Sanitation District (SSLOCSD).

C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

Julie Tacker	Commented that the District does not have an agreement with Central Coast Blue and the banners on the test injection well wall is in violation of the County Code.
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7. CONSENT AGENDA:	ACTION:
<ul style="list-style-type: none"> a. Review and Approval of Minutes for Regular Meeting February 24, 2021. b. Review of cash disbursements. 	<p>After an opportunity for public comment, Board and staff discussion, staff recommendations were approved with a motion from Vice President White, with a second from Director Gibson and a 5-0 roll call vote.</p> <p>No Public Comment</p>

8A. BUSINESS ITEM:	ACTION:
Consideration of an appeal by Jonathan Velazquez on a water bill and provide staff direction as deemed appropriate.	<p>After an opportunity for public comment, Board and staff discussion, and comments from Mr. Velazquez, a motion to offer relief via a leak adjustment of \$76.18 which can only be requested once every 24 months was made by Director Gibson, with a second from Vice President White and a 5-0 roll call vote.</p> <p>No Public Comment</p>

9A. HEARING ITEM:	ACTION:
Public Hearing to Consider Approval of an Ordinance Repealing and Replacing District Code 15.10 – Sale of Fireworks	<p>After an opportunity for public comment, Board and staff discussion, staff recommendations were approved with a motion from Vice President White, with a second from Director Gibson and a 5-0 roll call vote. The Ordinance has been duly posted.</p> <p>No Public Comment</p>

10. RECEIVED WRITTEN COMMUNICATIONS: None

11. LATE RECEIVED WRITTEN COMMUNICATIONS: None

12. FUTURE AGENDA ITEMS: Deferred Infrastructure Program, Lopez Water Contract Amendments, Wastewater CIP, The Place, Old Firehouse Art, California Voting Rights Act, District Flag Policy/ Pride Month, Social Media Policy / Live Stream Board Meetings, Bill insert/ mailing policy.

The Board gave direction to add approximate dates to Future Agenda Items when appropriate.
 The Board gave direction to place a letter to the IWMA regarding the election of their Special District representative and alternate on Future Agenda Items.

13. FUTURE HEARING ITEMS: None

14. CLOSED SESSION: None

15. ADJOURNMENT: at approximately 7:03 pm



Oceano Community Services District

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

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

Date: March 24, 2021

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #7(B): Recommendation to Review Cash Disbursements**

Recommendation

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

Discussion

The following is a summary of the attached cash disbursements:

Description	Check Sequence	Amounts
	58873 - 58892	
Disbursements:		
Regular Payable Reigster - paid 03/18/2021	58873 - 58886	\$ 35,445.39
Subtotal:		\$ 35,445.39
Reoccurring Payments for Board Review (authorized by Resolution 2020-06):		
Payroll Disbursements - PPE 03/13/2021	N/A	\$ 31,815.06
Mechanics Bank Visa Card Online Payment - paid 03/17/2021	N/A	\$ 503.96
Reoccurring Utility Disbursements - paid 03/18/2021	58887 - 58891	\$ 1,279.79
Reoccurring Health Disbursements - paid 03/18/2021	58892	\$ 56.21
Subtotal:		\$ 33,655.02
Grand Total:		\$ 69,100.41

Other Agency Involvement

N/A

Other Financial Considerations

Amounts are within the authorized Fund level budgets.

Results

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

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

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 058873 THRU 058886

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE	
CHECK:	-----								
1-1001-000	3/18/2021	CHECK	058873	BRISCO'S	16.65CR	OUTSTND	A	0/00/0000	PARTS
1-1001-000	3/18/2021	CHECK	058874	BURDINE PRINTING & GRAPHICS	1,230.66CR	OUTSTND	A	0/00/0000	MAILING & RETURN ENVELOPES FOR U/B
1-1001-000	3/18/2021	CHECK	058875	CALPORTLAND CONSTRUCTION	118.26CR	OUTSTND	A	0/00/0000	PAVING
1-1001-000	3/18/2021	CHECK	058876	BRENT SARKISON DBA CALTEC COMP	283.50CR	OUTSTND	A	0/00/0000	TECH SUPPORT FOR COMPUTER/PRINTER
1-1001-000	3/18/2021	CHECK	058877	CONTRACTOR'S MAINTENANCE SERVI	4,993.50CR	OUTSTND	A	0/00/0000	SEWER MAINTENANCE
1-1001-000	3/18/2021	CHECK	058878	FAMCON PIPE & SUPPLY, INC.	430.07CR	OUTSTND	A	0/00/0000	INVENTORY
1-1001-000	3/18/2021	CHECK	058879	GATOR CRUSHING & RECYCLING	20.00CR	OUTSTND	A	0/00/0000	ASPHALT RECYCLE
1-1001-000	3/18/2021	CHECK	058880	GSI WATER SOLUTIONS, INC.	3,746.90CR	OUTSTND	A	0/00/0000	NCMA 2020 ANNUAL REPORT
1-1001-000	3/18/2021	CHECK	058881	PRO-TECH LANDSCAPE MANAGEMENT,	410.00CR	OUTSTND	A	0/00/0000	LANDSCAPING
1-1001-000	3/18/2021	CHECK	058882	QUILL CORPORATION	372.41CR	OUTSTND	A	0/00/0000	OFFICE SUPPLIES
1-1001-000	3/18/2021	CHECK	058883	SAFETY NOW SOLUTIONS LLC	450.00CR	OUTSTND	A	0/00/0000	ANNUAL MAINTENANCE FOR READY311
1-1001-000	3/18/2021	CHECK	058884	SLO CO CLERK RECORDER	22,844.71CR	OUTSTND	A	0/00/0000	2020 ELECTION EXPENSES - 3/3 & 11/3
1-1001-000	3/18/2021	CHECK	058885	USA BLUEBOOK	253.73CR	OUTSTND	A	0/00/0000	FIELD SUPPLIES
1-1001-000	3/18/2021	CHECK	058886	U.S. POSTAL SERVICE	275.00CR	OUTSTND	A	0/00/0000	STAMPS
TOTALS FOR ACCOUNT 1-1001-0				CHECK TOTAL:	35,445.39CR				
				DEPOSIT TOTAL:	0.00				
				INTEREST TOTAL:	0.00				
				MISCELLANEOUS TOTAL:	0.00				
				SERVICE CHARGE TOTAL:	0.00				
				EFT TOTAL:	0.00				
				BANK-DRAFT TOTAL:	0.00				
TOTALS FOR POOLED CASH FUND				CHECK TOTAL:	35,445.39CR				
				DEPOSIT TOTAL:	0.00				
				INTEREST TOTAL:	0.00				
				MISCELLANEOUS TOTAL:	0.00				
				SERVICE CHARGE TOTAL:	0.00				
				EFT TOTAL:	0.00				
				BANK-DRAFT TOTAL:	0.00				

Payroll Summary Report
Board of Directors - Agenda Date March 24, 2021

	(*)	
Gross Wages	2/27/2021	3/13/2021
Regular	\$27,207.08	\$27,214.19
Overtime Wages	\$305.71	\$480.18
Stand By	\$450.00	\$600.00
	<u>\$27,962.79</u>	<u>\$28,294.37</u>
Cell Phone Allowance	\$75.00	\$0.00
Total Wages	<u>\$28,037.79</u>	<u>\$28,294.37</u>
Disbursements		
Net Wages	\$21,151.42	\$21,252.21
State and Federal Agencies	\$4,871.93	\$4,927.64
CalPERS - Normal	\$5,403.41	\$5,478.41
SEIU - Union Fees	\$156.80	\$156.80
Total Disbursements processed with Payroll	<u>\$31,583.56</u>	<u>\$31,815.06</u>
Health (Disbursed with reoccurring bills)	\$6,204.70	\$6,204.70
Total District Payroll Related Costs	<u>\$37,788.26</u>	<u>\$38,019.76</u>

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

Oceano Community Services District
 Mechanics Bank Visa Card

A/P Visa Card Disbursement

Date	Transaction Name	Amount	Description	GL Account #
03/02/2021	DEBIT MINIMUM INTEREST CHARGE FEE	(\$2.00)	Bank Fees	01-5-4100-193
03/01/2021	DEBIT LATE FEE - PAYMENT DUE ON 02/28	(\$19.00)	Bank Fees	01-5-4100-193
02/22/2021	DEBIT THE HOME DEPOT #1052 SAN LUIS O	(\$156.22)	Office Expense	01-5-4100-200
02/18/2021	DEBIT INT*QuickBooks Online 800-446-8	(\$40.00)	Permits, Fees Licenses	01-5-4100-248
02/11/2021	DEBIT AWWA EVENTS 303-794-7	(\$240.00)	Classes/Seminars/Training Fee	02-5-4400-285
02/03/2021	DEBIT ZOOM.US 888-799-9666 WWW.ZOOM.	(\$46.74)	Office Expense	01-5-4100-200

Total ACH - 3/17/2021 (\$503.96)

03/24/2021 Mechanics Visa Card Online Payment - paid 03/17/2021 \$503.96

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

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 058887 THRU 058891

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE	
CHECK:	-----								
1-1001-000	3/18/2021	CHECK	058887	MAP COMMUNICATIONS, INC. DBA A	230.86CR	OUTSTND	A	0/00/0000	ANSWERING SVC
1-1001-000	3/18/2021	CHECK	058888	CHARTER COMMUNICATIONS	150.00CR	OUTSTND	A	0/00/0000	INTERNET - COMMUNICATIONS
1-1001-000	3/18/2021	CHECK	058889	DIGITAL WEST NETWORKS, INC.	605.19CR	OUTSTND	A	0/00/0000	PHONE, WEBSITE, SOFTWARE LICENSE
1-1001-000	3/18/2021	CHECK	058890	SO CAL GAS	187.35CR	OUTSTND	A	0/00/0000	UTILITY
1-1001-000	3/18/2021	CHECK	058891	STANLEY CONVERGENT SECURITY SO	106.39CR	OUTSTND	A	0/00/0000	PHONE, WEBSITE, SOFTWARE LICENSE
TOTALS FOR ACCOUNT 1-1001-0				CHECK TOTAL:	1,279.79CR				
				DEPOSIT TOTAL:	0.00				
				INTEREST TOTAL:	0.00				
				MISCELLANEOUS TOTAL:	0.00				
				SERVICE CHARGE TOTAL:	0.00				
				EFT TOTAL:	0.00				
				BANK-DRAFT TOTAL:	0.00				
TOTALS FOR POOLED CASH FUND				CHECK TOTAL:	1,279.79CR				
				DEPOSIT TOTAL:	0.00				
				INTEREST TOTAL:	0.00				
				MISCELLANEOUS TOTAL:	0.00				
				SERVICE CHARGE TOTAL:	0.00				
				EFT TOTAL:	0.00				
				BANK-DRAFT TOTAL:	0.00				

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

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 058892 THRU 058892

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	3/18/2021	CHECK	058892	TASC -CLIENT INVOICES	56.21CR	OUTSTND	A	0/00/0000 FSA ADM FEE
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	56.21CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	56.21CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		



Oceano Community Services District

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

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

Date: March 24, 2021

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #7(C):** Recommendation to Approve the General, Auto and other Liability Insurance Coverage for 2021 and authorize payment in the amount of \$31,051

Recommendation

It is recommended that your Board:

- A. Approve the attached insurance proposals for the renewal of the general, auto and other liability coverage and approve the proposal from the Joint Powers Risk and Insurance Management Authority (JPRIMA) in the annual amount of \$31,051.
- B. Authorize a check disbursement of \$31,051 for insurance coverage.

Discussion

The District's liability insurance broker has been Tolman & Wiker, Insurance Services, LLC since approximately 2001. They have recently completed their review of liability insurance options for the District and have submitted cost proposals that are included in the attachments. The renewal of District's liability insurance for 2021 will total \$31,051, which is an increase of \$5,386 (21%) in comparison to the District's 2020 cost of \$25,665.

The following is a summary of liability insurance costs for each of the past twelve years, and for 2001 when Tolman & Wiker became the District's liability insurance broker. In 2017 the District saved 8.6% by moving from the WaterPlus Program to the current provider JPRIMA. The current quote is 77% of the 2013 cost of insurance, which was \$40,201.

<u>Year</u>	<u>Cost</u>	<u>Insurance Company</u>
2021	\$31,051	JPRIMA
2020	\$25,665	JPRIMA
2019	\$23,727	JPRIMA
2018	\$22,232	JPRIMA



Oceano Community Services District

Board of Directors Meeting

2017	\$20,967	JPRIMA
2016	\$22,941	Alteris
2015	\$22,307	Alteris
2014	\$22,914	Alteris
2013	\$40,201	Philadelphia
2012	\$37,456	Philadelphia
2011	\$37,427	Philadelphia
2010	\$37,325	Philadelphia
2009	\$26,079	Rural Special District (Alteris is the re-creation)

The 2021 JPRIMA quote is still under the \$44,873 quote received by the Special District Risk Management Authority (SDRMA) for the fiscal year 2020. SDRMA indicated that the current year costs estimate would be higher.

Other Agency Involvement

N/A

Other Financial Considerations

N/A

Results

Approval of liability insurance is necessary for District operations, and to protect the community from financial risks associated with operations and administration of District facilities and equipment.

Attachment: Insurance Proposal by JPRIMA



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

**COVERAGE PROPOSAL
Oceano Community Services District**

**COVERAGE PERIOD
4/1/2021 - 4/1/2022**

**PRESENTED BY:
Tolman & Wiker Insurance Services LLC**



**Insurance Administrator
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
CA License Number: 0L01269
National Producer Number: 17536322**



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by you or insurance broker. It may or may not contain all terms requested on the application. Coverage is provided by the JPRIMA Memorandum of Coverage (MOC) and subject to its terms, exclusions, conditions and limitations. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

PAGE	COVERAGE SECTION		PREMIUM
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment)	\$	7,110.00
8	SECTION 2. COMMERCIAL CRIME	\$	550.00
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$	7,017.00
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefits, Privacy and Network Risk)	\$	3,822.00
12	SECTION 5. BUSINESS AUTO	\$	4,503.00
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$	5,133.00
		MEMBER CONTRIBUTION	\$ 28,135.00
		JPRIMA ADMINISTRATION FEES	\$ 2,916.00
		TOTAL AMOUNT DUE*	\$ 31,051.00
*Payment is due within thirty (30) days of binding.			

NOTES:

The JPRIMA MOC has a common anniversary date of April 1, 2021.

Terrorism coverage is automatically included for Property and General Liability.

Renewal pricing includes coverage for "Volunteer Program for cleaning up of alleys & parks for the district."

COVERAGE PROPOSAL FOR MEMBER: Oceano Community Services District

EFFECTIVE DATE: 4/1/2021 - 4/1/2022

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 1. PROPERTY*

***PROPERTY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	\$4,993,708
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	\$1,000,000
Equipment Breakdown / Boiler & Machinery:	Included
Mobile Equipment (scheduled):	\$206,131
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	\$25,000
Mobile Equipment (borrowed, rented & leased):	N/A
Flood Zone X: (shaded/unshaded)	N/A

DEDUCTIBLES:

- \$1,000** Property
- \$1,000** Mobile Equipment
- \$1,000** Equipment Breakdown (aboveground & less than 50 feet belowground)
- \$2,500** Equipment Breakdown (greater than 50 feet belowground)
- N/A** Flood Zone X (per occurrence)

COVERAGE HIGHLIGHTS:

- Blanket Property Limits & Blanket Coverage Extension Limits
- No Coinsurance Penalty
- Equipment Breakdown
- Foundations as Covered Property

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

KEY EXCLUSIONS:

- Earthquake & Earth Movement
- Flood (unless coverage is designated above, such coverage would be limited to locations in Zone X only)

COVERAGE PROPOSAL FOR MEMBER: Oceano Community Services District

EFFECTIVE DATE: 4/1/2021 - 4/1/2022

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

SPECIAL COVERAGES:

- **New Locations or Newly Constructed Property:**
Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.
- **Utility Services – Direct Damage, Business Income & Expense:**
Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.
- **Pollution Remediation Expenses:**
Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the coverage period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.
- **SCADA Upgrades:**
Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.
- **Contract Penalties:**
Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.
- **Contamination:**
Pays up to \$250,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.
- **Property In Transit:**
Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.
- **Unintentional Errors:**
Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

COVERAGE PROPOSAL FOR MEMBER: Oceano Community Services District

EFFECTIVE DATE: 4/1/2021 - 4/1/2022

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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KEY DEFINITIONS

■ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock;
- Additions under construction;
- Alterations and repairs to the buildings or structures;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Foundations;
- Glass which is part of a building or structure;
- Light standards;
- Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the premises or in the open (including property inside vehicles) within 1000 feet of the premises, used for making additions, alterations or repairs to buildings or structures at the premises;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 100 feet of premises described in the Declarations;
- Underground vaults and machinery.

■ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

■ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

KEY DEFINITIONS (continued)

■ Remediation Expenses:

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

■ Outdoor Property:

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises;
- Dumpsters, concrete trash containers, or permanent recycling bins; or
- Hydrants.

■ Equipment Breakdown:

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.



PROPERTY SUBLIMITS:

Coverage			Limit		
Accounts Receivable	X	\$500,000	<input type="checkbox"/>	\$1,000,000	\$2,000,000
Valuable Papers and Records	X	\$500,000	<input type="checkbox"/>	\$1,000,000	\$2,000,000
Contamination	X	\$250,000			
Tools and Equipment Owned by Your Employees	X	\$5,000	<input type="checkbox"/>	\$10,000	\$25,000
Personal Effects and Property of Others	X	\$5,000	<input type="checkbox"/>	\$10,000	\$25,000
New Locations or Newly Constructed Property		\$1,000,000			
Business Personal Property at New Locations		\$1,000,000			
Backup/Overflow of Water from Sewer, Drain, Sump		\$250,000			
Utility Services - Direct Damage		\$250,000			
Utility Services –		\$250,000			
Business Income and Extra Expense					
Dependent Business Premises		\$250,000			
Property at Other Locations		\$250,000			
Pollution Remediation Expense (specified cause of loss)		\$250,000			
Outdoor Property (unscheduled)		\$100,000			
Contract Penalties		\$100,000			
Pollution Remediation Expense (covered cause of loss)		\$100,000			
Property in Transit		\$100,000			
SCADA Upgrades		\$100,000			
Indoor and Outdoor Signs (unscheduled)		\$50,000			
Limited Coverage for “Fungus”, Wet Rot or Dry Rot		\$50,000			
Fine Arts		\$25,000			
Fire Department Service Charge		\$25,000			
Fire Protection Devices		\$25,000			
Key and Lock Replacement Expenses		\$25,000			
Trees, Shrubs & Plants (maximum \$1,000 any one item)		\$25,000			
Arson Reward		\$10,000			
Rental Reimbursement – Mobile Equipment		\$10,000			
Cost of Inventory or Adjustment		\$5,000			
Non-Owned Detached Trailers		\$5,000			
Water Contamination Notification Expenses		\$5,000			
Patterns, Dies, Molds, Forms		\$2,500			
Debris Removal		25% of scheduled limit plus \$250,000			
Ordinance or Law Provision		100% of scheduled limit plus 25%			

NOTES:

Contribution is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Flood and Earthquake coverages are excluded.

COVERAGE PROPOSAL FOR MEMBER: Oceano Community Services District

EFFECTIVE DATE: 4/1/2021 - 4/1/2022

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 2. COMMERCIAL CRIME*

***COMMERCIAL CRIME IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

COVERAGE GROUP SELECTED	EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
X	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$500,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$1,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$2,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

DEDUCTIBLE:

\$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

COVERAGE HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Oceano Community Services District

EFFECTIVE DATE: 4/1/2021 - 4/1/2022

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 3. GENERAL LIABILITY*

***GENERAL LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Occurrence
- Defense Costs Outside the Limit
- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$ 1,000,000
General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Personal & Advertising Injury Limit	\$ 1,000,000
Damage to Premises Rented to You	\$ 1,000,000
Medical Payments	\$ 10,000

DEDUCTIBLE:

N/A

COVERAGE HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Enrolled Named Member
- Blanket Additional Enrolled Named Member
- Water & Wastewater Testing Errors & Omissions
- Expanded Pollution Liability
- Failure to Supply (no ISO limitation)
- Lead (potable water)
- Waterborne Asbestos (potable water)
- Product Recall
- Impaired Property
- Fungi & Bacteria

OPTIONAL COVERAGES:

- Hired & Non Owned Automobile Liability
- Employee Benefits Liability
- Dam, Levee & Dike Structural Failure

COVERAGE PROPOSAL FOR MEMBER: Oceano Community Services District

EFFECTIVE DATE: 4/1/2021 - 4/1/2022

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

SPECIAL COVERAGES:

- **Water & Wastewater Testing Errors & Omissions:**
Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.
- **Failure To Supply:**
Coverage is provided for bodily injury or property damage arising out of the failure of any Enrolled Named Member to adequately supply water.
- **Waterborne Asbestos:**
Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.
- **Contractual Liability - Railroads:**
Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.
- **Pollution:**
Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
 - Potable water which you supply to others;
 - Chemicals you use in your water or wastewater treatment process;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
 - Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
 - Sudden and accidental events that are neither expected nor intended by an Enrolled Named Member. However, no coverage is provided under this exception for petroleum underground storage tanks.
- **Damage to Impaired Property or Property Not Physically Injured**
Coverage is provided for bodily injury or property damage arising from your potable water, nonpotable water, or wastewater as well as any loss of use of other property arising out of sudden and accidental physical injury to “your product” or “your work” after it has been put to its intended use.
- **Fungi or Bacteria**
Coverage is provided for bodily injury or property damage arising from any “fungi” or bacteria that are, are on, or are contained in a good or product intended for consumption; or to any injury or damage arising out of or caused by your water, irrigation, or wastewater intake, outtake, reclamation, treatment and distribution processes.
- **Recall of Products, Work or Impaired Property**
Coverage applies to any injury or damage arising out of or caused by your potable water, nonpotable water, or wastewater for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of: “Your product”; “Your work”; or “Impaired property”; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

NOTES:



SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***PUBLIC OFFICIALS & MANAGEMENT LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Wrongful Acts	\$1,000,000 per act
Employment Practices (including third party discrimination)	\$1,000,000 per offense
Employee Benefit Plans	\$1,000,000 per act
Injunctive Relief	\$5,000 per act
	\$10,000,000 aggregate limit

PRIVACY LIABILITY AND NETWORK RISK¹:

Privacy & Network Security Wrongful Acts	N/A per act
Breach Consultation Services	N/A per offense
Breach Response Services	N/A per offense
Public Relations & Data Forensics	N/A per act

¹Coverage provided for Privacy Liability & Network Risk Coverage is issued on a claims made basis with defense inside the limit of liability. Privacy Retroactive Date:N/A. Privacy Deductible: None.
*\$1,000,000 maximum annual aggregate applies per Enrolled Named Member, with a \$2,000,000 coverage form aggregate applicable to all participating Enrolled Named Members.

SPECIAL COVERAGE:

- Inverse Condemnation

RETROACTIVE DATE:

N/A

DEDUCTIBLE:

\$1,000 each claim including expenses

COVERAGE HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Enrolled Named Member including Past and Future Employees
- Outside Directorship

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Oceano Community Services District

EFFECTIVE DATE: 4/1/2021 - 4/1/2022

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 5. BUSINESS AUTO*

***BUSINESS AUTO IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits

PORTFOLIO:

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	1	\$1,000,000
Hired Auto Liability	8	\$1,000,000
Non-Owned Auto Liability	9	\$1,000,000
Medical Payments	2	\$5,000
Uninsured / Underinsured Motorists	2	\$1,000,000
Hired Physical Damage	8	\$100,000
Owned Physical Damage – Comprehensive	2	ACV
Owned Physical Damage – Collision	2	ACV
Towing & Rental Car Reimbursement (covered accident)		\$75 per Day up to 30 Days
Fleet Automatic		Included

DEDUCTIBLE:

Liability: None
Comprehensive: \$500
Collision: \$500

NOTES:

Please refer to auto terms provided for per unit coverage.



SECTION 6. EXCESS LIABILITY*

***EXCESS LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Following Form
- Occurrence
- Defense Costs Outside the Limits

LIMITS:

\$5,000,000/\$5,000,000

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability - Yes
 Hired and Non-Owned Auto Liability - Yes
 Owned Auto Liability - Yes
 Public Officials & Management Liability - Yes
 Wrongful Acts - Yes
 Employment Practices - Yes
 Employee Benefit Plans - Yes
 Employers' Liability: *(minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000)* - Yes
 Other:

NOTABLE EXCLUSION:

- Workers' Compensation
- Uninsured Motorists / Underinsured Motorists
- Underlying Limits < \$1,000,000 except for Employers' Liability

NOTES:

Employers' Liability subject to JPRIMA security requirements.



Oceano Community Services District

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

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

Date: March 24, 2021

To: Board of Directors

From: Will Clemens, General Manager

Subject: **Agenda Item #7(D): Consideration of a Recommendation to Authorize the President to Approve and Execute an Extension of the Real Property Lease with the Village Group**

Recommendation

It is recommended that your Board Authorize the President to Approve and Execute an Extension of the Real Property Lease with the Village Group in the amount of \$1,000 per month, for a term of five (5) years, with other terms and conditions substantially consistent with the existing lease.

Discussion

Attached is the original lease and the most current lease extension with the Village Group, which expired on February 13, 2021. The Village Group wishes to extend the lease for another five-year term and the proposed lease extension is also attached.

Other Agency Involvement

N/A

Other Financial Considerations

Annual revenues from the proposed lease extension total \$12,000 which represents a 2.6% rent increase.

Results

Extension of the existing lease agreement with the Village Group promotes a healthy community.

Attachments:

Original Lease Agreement
2016 Lease Extension Agreement
Proposed Lease Extension Agreement

FACILITY LEASE

BETWEEN

OCEANO COMMUNITY SERVICES DISTRICT

“LESSOR”

AND

THE VILLAGE GROUP OF ALCOHOLICS ANONYMOUS
a California nonprofit association

“LESSEE”

A portion of the old fire station located at 13th Street and
Front Street in Oceano, California

February 26, 2003

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EXHIBITS:

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FACILITY LEASE

1. PARTIES AND PREMISES

OCEANO COMMUNITY SERVICES DISTRICT, a community services district organized and existing pursuant to California state law ("Lessor") hereby leases to **THE VILLAGE GROUP OF ALCOHOLICS ANONYMOUS**, a California nonprofit association ("Lessee") on the terms and conditions specified herein, certain premises (the "Leased Premises") located within an existing fire station facility located at the intersection of 13th Street and Front Street, Oceano, California (the "Building") together with the right of use, in common with Lessor and Lessor's other tenants, if any, of all common areas including entryways, hallways, restrooms and parking areas. The Leased Premises are more particularly described in the attached Exhibit "A".

2. LEASE TERM

2.01 Lease Term. The term of this lease shall be for thirty-six (36) months commencing at 12:01 A.M. on ~~March 1, 2003~~ (the "Commencement Date") and ending at 12:01 A.M. on ~~March 1, 2006~~. *Feb 13, 2006*

Lessee has inspected the Leased Premises and acknowledges that they do not meet current building and safety code requirement. Lessee intends that the improvements constructed by Lessee pursuant hereto shall bring the Leased Premises up to code requirements.

2.02 Holding Over. Should Lessee hold over and continue in possession of the Leased Premises after termination of the original term of this lease or any extension of the term of this lease, Lessee's continued occupancy of the Leased Premises shall be deemed merely a tenancy from month to month at a rental amount equal to the last regular monthly rental installment amount and subject to all of the terms and conditions of this lease including the provisions for cost of living adjustments contained in Section 3.02.

2.03 Extension. Provided that Lessee is not in default hereof and provides Lessor not less than ninety (90) days notice of Lessee's desire to extend this lease, Lessor shall exercise good faith to consider a lease extension. Nothing herein shall be deemed to grant Lessee an option to extend or any other rights beyond the stated lease term.

3. RENT

3.01 Basic Rent. Lessee agrees to pay to Lessor as the Basic Rent for the Leased Premises for the lease term the total sum of TWENTY-FIVE THOUSAND TWO HUNDRED

DOLLARS (\$25,200.00). Said amount shall be payable in thirty-six (36) equal installments of SEVEN HUNDRED DOLLARS (\$700.00) each due and payable in advance on or before the first day of each and every month following the Commencement Date, except for the first such installment which shall be due on or before the Commencement Date.

Anything in this lease to the contrary notwithstanding, Lessee shall have the right to offset sums expended pursuant to Section 6.02 against said Basic Rent.

3.02 Personal/Unsecured Property Taxes. Lessee shall pay before delinquency all taxes, assessments, license fees, and public charges levied, assessed or imposed upon or measured by the value of Lessee's business operation or Lessee's furniture, fixtures, leasehold improvements, equipment and other property of Lessee at any time situated on or installed in the Leased Premises by Lessee. If at any time during the term of this lease any of the foregoing are assessed as a part of the real property of which the Leased Premises are a part, Lessee shall pay to Lessor upon demand the amount of such additional taxes as may be levied against said real property by reason thereof, as reasonably apportioned by Lessor.

3.03 Late and NSF Charges. Lessee acknowledges that late payment by Lessee to Lessor of any installments of the Basic Rent or other charges due hereunder will cause Lessor to incur costs not contemplated by this lease, and that the exact amount of such costs is extremely difficult and impractical to fix. Such costs include but are not limited to Lessor's administrative expenses for processing and accounting charges.

Therefore, Lessee agrees that if any installment of Basic Rent or any other amount due from Lessee is not received by Lessor by the tenth (10th) day after it is due, or should any check tendered in payment of such items be returned to Lessor's bank for any reason and not be redeemed by the tenth (10th) day after it became due, Lessee shall pay to Lessor as a late charge an additional sum equal to ten percent (10%) of the sum due and not paid.

The parties agree that this late charge represents a fair and reasonable estimate of the costs that Lessor will incur by reason of any late payment by Lessee. Acceptance of any late charge shall not constitute a waiver of Lessee's default with respect to the overdue amount or prevent Lessor from exercising any other rights and remedies available to Lessor. Further, waiver of any late charge shall not constitute a waiver of the right to recover any late charge upon a future default.

If any check tendered in payment of the Basic Minimum Rent or other amount due hereunder be returned by Lessor's bank for any reason, then in addition to any late charges which may be due, Lessee shall pay Lessor an NSF charge of TWENTY DOLLARS (\$20.00).

3.04 Interest on Delinquent Rent. Each installment of the Basic Minimum Rent coming due pursuant to this lease shall bear interest as provided in Section 17.10.

3.05 Place for Payment of Rent. All rent that becomes due and payable pursuant to this lease shall be paid to Lessor at the offices of Lessor at 1655 Front Street, Oceano, California 93455, or at such other location as Lessor may from time to time designate by a notice in writing

to Lessee.

3.06 No Deduction, Abatement or Offset. All sums due to Lessor shall be paid without offset or deduction notwithstanding such claims that Lessee may assert against Lessor.

All sums due to Lessor shall be due without any requirement for demand or presentment.

3.07 Utilities. Lessee shall pay for all utilities attributed to the Leased Premises as reasonably apportioned by Lessor.

4. SECURITY DEPOSIT

No Security Deposits has been accepted by Lessor in connection with this lease.

5. USE

5.01 Use. Lessee shall use the Leased Premises for a meeting room for Lessee's Alcoholics Anonymous program and directly related activities only and for no other purpose without Lessor's prior written consent. Lessor's consent shall not be unreasonably withheld.

5.02 Suitability. Lessee acknowledges that neither Lessor nor any agent of Lessor has made any representation or warranty with respect to the Leased Premises or the suitability of the Leased Premises or the Building for the conduct of Lessee's program, nor has Lessor agreed to undertake any modification, alteration or improvement to the Leased Premises except as provided in this lease.

5.03 Uses Specifically Prohibited.

A. Lessee agrees that Lessee will not use or permit any person to use the Leased Premises for any use or purpose in violation of any governmental law, authority or permit. Lessee shall at Lessee's sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations and requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating to the condition, use or occupancy of the Leased Premises, excluding structural changes not relating to or affecting the condition, use or occupancy of the Leased Premises, or not related to or afforded by Lessee's improvements or acts.

Lessee shall further comply with all applicable federal, state and local laws, regulations or ordinances pertaining to air and water quality, hazardous materials, waste disposal, air emissions and other environmental matters including but not limited to Chapter 10.4 (commencing with Section 25915) of Division 20 of the California Health and Safety Code and the Safe Drinking Water and Toxic Enforcement Act of 1986 (California Health and Safety Code Sections 25249.5 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act, and all

zoning and other land use ordinances.

The judgment of any court or the admission of Lessee in any action against Lessee, whether Lessor be a party thereto or not, that Lessee has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between Lessor and Lessee.

B. Lessee may not display or sell merchandise or allow carts, portable signs, devices or any other objects to be stored or to remain outside the defined exterior walls and permanent doorways of the Leased Premises. Lessee further agrees not to install any exterior lighting, amplifiers or similar devices, or any advertising medium which may be heard or seen outside the Leased Premises, such as flashing lights, searchlights, loudspeakers, phonographs or radio broadcasts.

C. Lessee shall not do or permit anything to be done in or about the Leased Premises, and not bring or keep anything therein, which will cause a cancellation of any insurance policy covering the Leased Premises or any of its contents, nor shall Lessee sell or permit to be kept, used or sold in or about the Leased Premises any articles which may be prohibited by a standard form policy of fire insurance.

D. Lessee shall not use or allow the Leased Premises to be used for an unlawful or objectionable purpose, nor shall Lessee cause, maintain or permit any nuisance in, on or about the Leased Premises. Lessee shall not commit or allow to be committed any waste in or upon the Leased Premises. Lessee shall keep the Leased Premises in a clean and wholesome condition, free of any objectionable noises, odors or nuisances.

6. MAINTENANCE AND REPAIRS; IMPROVEMENTS, ALTERATIONS AND ADDITIONS; FIXTURES

6.01 Maintenance and Repairs. Lessee shall at all times keep the Leased Premises in good order, condition and repair, damage by unavoidable casualty excepted, except for structural portions of the Leased Premises, which shall be maintained by Lessor. If Lessor is required to make repairs to structural portions by reason of Lessee's negligent acts or omission to act, Lessor may add the cost of such repairs to the rent which shall thereafter become due. For the purposes of this Section 6.01, the Leased Premises shall include, but not be limited to, exterior entrances, glass and window moldings, partitions, doors, door jams, door closers, hardware, fixtures and equipment, including electrical, lighting, heating and plumbing fixtures which serve the Leased Premises.

A. If Lessee fails to maintain the Leased Premises in good order, condition and repair, Lessor shall give Lessee written notice to do such acts as are reasonably required to so maintain the Leased Premises. If Lessee fails promptly to commence such work or diligently prosecute the same to completion, Lessor may, but is not obligated to do such acts and expend such funds at the expense of Lessee as are reasonably required to perform such work.

Any amount so expended by Lessor shall be paid by Lessee upon presentation of the bill therefor, and shall bear interest as provided in Section 17.10.

Lessor shall have no liability to Lessee for any damage, inconvenience or interference with the use of the Leased Premises by Lessee as a result of performing any such work or by reason of undertaking any repairs required.

B. Upon the expiration or earlier termination of this lease, Lessee shall surrender the Leased Premises in good condition, ordinary wear and tear excepted. Lessee shall indemnify Lessor against any loss or liability resulting from delay by Lessee in surrendering the Leased Premises, including without limitation any claims made by any succeeding Lessee founded on such delay.

6.02 Finishing Improvements. Lessee agrees that promptly upon execution of this lease, Lessee shall commence and diligently carry out to completion certain leasehold improvements required to complete the Leased Premises to a finished condition ready for the conduct of Lessee's activities on the Leased Premises.

The improvements to be completed by Lessee shall be in accordance with the description and budget set forth on the attached Exhibit "B" and with conforming plans and specifications therefor submitted by Lessee with not less than thirty (30) ^{DAYS PER} after the date of this lease. Such plans and specifications shall be subject to approval by Lessor, which approval shall not be unreasonably withheld. A copy of such plans and specifications when submitted shall be initialed by both parties and attached hereto as Exhibit "B-1".

A. Lessee shall be responsible for all costs and expenses incurred in the construction of said improvements.

B. Lessor shall provide a Basic Rent credit to Lessee for all costs actually and reasonably incurred in making such improvements up to a total of FIFTEEN THOUSAND NINE HUNDRED SIXTY-SEVEN AND 65/XX DOLLARS (\$15,967.65). The Basic Rent credit shall apply at the rate of SEVEN HUNDRED DOLLARS (\$700.00) per month commencing on the Commencement Date. Lessee shall provide Lessor reasonable evidence of all costs incurred.

6.03 Alterations and Additions. Lessee shall not make any alterations or additions to the Leased Premises without Lessor's prior written consent, which consent shall not be unreasonably withheld. All alterations, additions, and improvements made by Lessee to or upon the Leased Premises, except removable trade fixtures, shall at once when made or installed be deemed to have attached to the freehold and to have become the property of Lessor. Provided that, if prior to termination of this lease or within fifteen (15) days thereafter, Lessor so directs by written notice to Lessee, Lessee shall promptly remove the additions, improvements, fixtures, trade fixtures and installations which were placed in the Leased Premises by or for Lessee and which are designated in said notice, and Lessee shall repair any damage occasioned by such removal and in default thereof, Lessor may effect said removal and repairs at Lessee's expense.

6.04 Alterations and Additions to Building. Lessor hereby reserves the right at any time to make alterations or additions to the Building. In making such alterations or additions, Lessor shall act reasonably and with consideration for Lessee's business operations. Easements for light and air are not included in the leasing of the Leased Premises to Lessee.

7. INSURANCE AND INDEMNITY

7.01 Liability Insurance. Lessee shall, at Lessee's expense, obtain and keep in force during the term of this lease a policy of comprehensive public liability insurance insuring Lessor and Lessee against any liability arising out of the ownership, use, occupancy or maintenance of the Leased Premises and all areas appurtenant thereto in a combined single limit of not less than ONE MILLION DOLLARS (\$1,000,000.00) for bodily injury, personal injury and property damage. The limits of such insurance shall not limit the liability of Lessee hereunder. Lessee may provide this insurance under a blanket policy, provided that said insurance shall have a Lessor's protective liability endorsement attached thereto.

If Lessee shall fail to procure and maintain said insurance, Lessor may, but shall not be required to, procure and maintain same, but at the expense of Lessee. Lessee shall deliver to Lessor, prior to right of entry on to the Leased Premises, copies of the policies of liability insurance required herein. No policy shall be cancelable or subject to reduction of coverage except on ten (10) days written notice to Lessor of such reduction or cancellation. All such policies shall be written as primary policies.

7.02 Fire Insurance. Lessor shall maintain such fire and extended coverage insurance during the term of this lease as it deems proper. Lessee and Lessor hereby each waive any right of subrogation against each other, their officers and employees.

7.03 Indemnification of Lessor. Lessee will indemnify Lessor and save Lessor harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Leased Premises, or the occupancy or use by Lessee of the Leased Premises or any part thereof, or occasioned wholly or in part by any act or omission of Lessee, Lessee's agents, contractors, employees, servants, sublessees, or concessionaires. In case Lessor shall be made a party to any litigation commenced by or against Lessee, then Lessee shall protect and hold Lessor free and harmless and shall pay all costs, expenses and reasonable attorney's fees incurred or paid by Lessor in connection with such litigation. Lessee shall also pay all costs, expenses, and reasonable attorney's fees that may be incurred or paid by Lessor in enforcing the covenants and agreements in this lease.

7.04 Insurance of Improvements. Lessee shall at all times maintain fire insurance with extended coverage in the name of Lessor and Lessee, in an amount adequate to cover the full cost of replacement of all alterations, decorations, additions or improvements made to the Leased Premises in the event of fire or other extended coverage loss. Prior to the Commencement Date, Lessee shall deliver to Lessor copies of such fire insurance policies. Each such policy shall contain

a clause requiring the insurer to give Lessor ten (10) days written notice of cancellation of such policies.

8. DESTRUCTION OF LEASED PREMISES

8.01 Damage by Fire or Other Covered Perils. If the event the Building of which the Leased Premises are a part is damaged by fire or other perils covered by Lessee's fire and/or extended coverage insurance, Lessor shall:

A. Upon total destruction, commence repair, reconstruction and restoration of the Building and prosecute the same diligently to completion, in which event this lease shall continue in full force and effect; or within a thirty (30) day period after such destruction, elect not to so repair, reconstruct or restore the Building, in which case this lease shall cease and terminate. All rent due shall abate until completion. If the time for reconstruction shall exceed two hundred seventy (270) days from the date of such destruction, Lessee shall have the option to terminate this lease. In either such event, Lessor shall give Lessee written notice of Lessor's intention within said thirty (30) day period.

B. Upon partial destruction, and if the damage thereto is such that the Building may be repaired, reconstructed or restored within a period of one hundred eighty (180) days from the date of such partial destruction, Lessor shall commence and proceed diligently with the work of repair, reconstruction and restoration and this lease shall continue in full force and effect. During such period of reconstruction, rent shall abate until completion, pro rata in proportion to the degree to which such destruction prevents the operation of Lessee's business. If the total time for reconstruction shall exceed one hundred eighty (180) days from the date of such destruction, Lessee shall have the option to terminate this lease. In either such event, Lessor shall give Lessee written notice of Lessor's intention within thirty (30) days of the destruction.

C. If any partial or total destruction takes place during the last twenty-four (24) months of the term of this lease, Lessor, at Lessor's option, may elect not to restore, repair or rebuild and, in such event, this lease shall terminate upon written notice given within thirty (30) days after such destruction to Lessee of Lessor's election not to so repair, rebuild or restore.

D. If any partial or total destruction takes place during the last twenty-four (24) months of the term of this lease, Lessee shall have an option to terminate this lease, provided that Lessee gives written notice of the exercise of said option to terminate before Lessor commences restoration, and in all events such written notice shall be given within thirty (30) days after such destruction.

8.02 Damage by Other Covered Perils. If the Building is damaged to any extent whatsoever, as a result of any flood, tornado, earthquake, act of war, nuclear reaction, nuclear radiation or radioactive contamination or from any casualty not referred to in Section 8.01, and if the damage thereto is such that the Building may be repaired, reconstructed or restored within a period of two hundred seventy (270) days from the date of such casualty, Lessor may, within

thirty (30) days following the date of such damage, commence repair, reconstruction or restoration of the Building and prosecute the same diligently to completion, in which event this lease shall continue in full force and effect. Alternatively, within said thirty (30) day period, Lessor may elect not to so repair, reconstruct or restore the Building, in which event this lease shall cease and terminate. In either such event Lessor shall give Lessee written notice of Lessor's intention within said thirty (30) day period. Rent shall abate during the period of Lessor's reconstruction, if any, in the same manner as provided in Section 8.01.

8.03 Extent of Reconstruction. Reconstruction by Lessor shall be only to the extent of the original construction of the Building by Lessor as set forth in the original plans and specifications.

8.04 Release. Except for items which have theretofore accrued and are then unpaid, upon termination of this lease under any of the provisions of this Article 8, the parties shall be released without further obligation to the other party coincident with the surrender of possession of the Leased Premises to Lessor.

8.05 Rental. This lease is intended, and is hereby declared, to be a "net" lease, it being the intention of the parties hereto that Lessor shall have and enjoy the rent herein reserved to Lessor without deduction therefrom. Nothing herein contained shall be construed to require Lessee to pay or to be liable for any gift, inheritance, estate, franchise, income, profit, capital or similar tax, or any other tax in lieu of any of the foregoing imposed upon Lessor, or the successor or assigns of Lessor, unless such tax shall be imposed or levied in lieu of real estate taxes upon the Leased Premises.

No abatement, diminution or reduction of the fixed rental or other charges payable by Lessee under this lease shall be claimed by or allowed to Lessee for any inconvenience, interruption, cessation or loss of business or otherwise caused directly or indirectly in any way whatsoever by any present or future laws, rules, requirements, orders, directions, ordinances or regulations of the United States of America, or the State, County or City government or any other municipal, governmental or lawful authority whatsoever or by priorities, rationing or curtailment of labor or materials, or by war or any matters or things resulting therefrom, or by any other cause or causes; unless otherwise specifically provided in this lease.

9. ACCESS BY LESSOR

9.01 Right of Entry. Lessee agrees, upon twenty-four (24) hours advance notice, to permit Lessor and Lessor's authorized representatives to enter the Leased Premises for the purpose of inspecting the same. Lessee also agrees at all times to provide Lessor with keys to all exterior doors, locks, burglar alarms, and security devices for the Leased Premises and to permit Lessor to enter the Leased Premises without notice for emergency inspections and repairs.

Lessee further covenants and agrees that Lessor may enter the Leased Premises and make any necessary repairs to the same and perform any work therein which may be necessary to comply

with any laws, ordinances, rules or regulations of any governmental body or that Lessor may deem necessary to prevent waste or deterioration in connection with the Leased Premises, if Lessee does not make or cause such repairs to be made or performed or cause such work to be performed promptly after receipt of written demand from Lessor. Nothing herein contained shall imply any duty on the part of Lessor to do any such work which, under any provision of this lease, Lessee may be required to do, nor shall it constitute a waiver of Lessee's default in failing to do the same. No reasonable exercise by Lessor of any right herein reserved shall entitle Lessee to any damage for any injury or inconvenience occasioned thereby nor to any abatement of rent.

9.02 Easement. Lessee hereby grants to Lessor such licenses or easements in and over the Leased Premises or any portion thereof as shall be reasonably required for the installation or maintenance of mains, conduits, pipes or other facilities to serve the Building or any part thereof.

10. EMINENT DOMAIN

10.01 Total Condemnation. If the whole of the Building shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the term of this lease shall cease and terminate as of the date of title vesting in such proceeding, all rentals shall be paid up to that date and Lessee shall have no claim against Lessor for the value of any unexpired term of this lease.

10.02 Partial Condemnation. If any part of the Building shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, and in the event that such partial taking or condemnation shall render the Leased Premises unsuitable for the business of Lessee, then the term of this lease shall terminate as of the date of title vesting in the acquiring or condemning authority, and Lessee shall have no claim against Lessor for the value of any unexpired term of this lease. In the event of a partial taking or condemnation which is not extensive enough to render the Leased Premises unsuitable for the business of Lessee, then Lessor shall, within a reasonable time after the acquisition or condemnation of the property by the acquiring or condemning authority, restore the Leased Premises to a condition comparable to its condition at the time of such event less the portion lost in the taking or condemnation, and this lease shall continue in full force and effect.

10.03 Lessor's Damages. In the event of any taking or condemnation, whether whole or partial, Lessee shall not be entitled to any part of the award as damages or otherwise for such taking or condemnation, and Lessor shall receive the full amount of such award, Lessee hereby expressly waiving any right or claim to any part thereof.

10.04 Lessee's Damages. Lessee's right to receive condemnation damages, relocation costs or any other compensation for Lessee's fixtures, personal property, Lessee improvements provided by Lessee, or lost profits from the taking or condemning authority shall not be affected in any manner hereby.

11. ASSIGNMENT AND SUBLEASE

11.01 Assignment. Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber all or any part of Lessee's interest in this lease or in the Leased Premises without Lessor's prior written consent, which consent shall not be unreasonably withheld.

11.02 Sublease. Lessee shall not sublet or license all or any part of the Leased Premises without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

11.03 Effect of Attempted Assignment/Sublease Without Consent. Any attempted assignment, transfer, mortgage, encumbrance, subletting or license without consent as provided herein shall be wholly void.

No subletting or assignment, even with the consent of Lessor, shall relieve Lessee of Lessee's obligation to pay the rent and to perform all of the other obligations to be performed by Lessee hereunder. The acceptance of rent by Lessor from any other person shall not be deemed to be a waiver by Lessor of any provision of this lease or to be a consent to any assignment, subletting or other transfer. Consent to one assignment, subletting, or other transfer shall not be deemed to constitute consent to any subsequent assignment, subletting or other transfer.

12. WAIVER OF SUBROGATION

Lessor and Lessee hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party shall apply to its insurer to obtain said waivers and shall secure any special endorsements if required by its insurer to comply with this provision.

13. SUBORDINATION, ATTORNMENT, QUIET ENJOYMENT

13.01 Subordination. Subject to the provisions of Sections 13.02 and 13.03, this lease, at Lessor's option, shall be subordinate to the lien of any mortgages or deeds of trust in any amount or amounts whatsoever now or hereafter placed on or against the land or improvements or either thereof, of which the Leased Premises are a part, or on or against Lessor's interest or estate herein, or on or against any ground or underlying leases. Lessee shall execute any further instruments as may be requested or required to evidence such subordination.

13.02 Attornment. In the event any proceedings are brought for default under any ground or underlying lease, or in the event of foreclosure or the exercise of the power of sale under any mortgage or deed of trust covering the Leased Premises, Lessee shall attorn to the master lessor under such ground or underlying lease or the purchaser upon any such foreclosure or sale and recognize such master lessor or purchaser as the Lessor under this lease.

13.03 Quiet Enjoyment. Upon Lessee paying the rent reserved herein and observing and

performing all of the provisions on Lessee's part to be observed and performed hereunder, including compliance with any Covenants, Conditions or Restrictions affecting the Leased Premises, Lessee shall have quiet possession of the Leased Premises during the entire term of this lease.

14. DEFAULT AND REMEDIES

14.01 Default. The occurrence of any of the following shall constitute a default and breach of this lease by Lessee:

A. Any failure by Lessee to pay the Basic Rent or any other monetary sums required to be paid by this lease, where such failure continues for five (5) days after written notice by Lessor to Lessee.

B. The abandonment or vacating of the Leased Premises by Lessee unless Lessee continues to make regular monthly rental payments.

C. Failure by Lessee to observe or perform any other provision of this lease to be observed or performed by Lessee, where such failure continues for thirty (30) days after written notice thereof by Lessor to Lessee; provided that if the nature of the default is such that the same cannot reasonably be cured within said thirty (30) day period, Lessee shall not be deemed to be in default if Lessee shall within such period commence such cure and thereafter diligently prosecute the same to completion;

D. The making by Lessee of any general assignment or general arrangement for the benefit of creditors; the filing by or against Lessee of a petition to have Lessee adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Leased Premises or of Lessee's interest in this lease, where possession is not restored to Lessee within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Leased Premises or of Lessee's interest in this lease, where such seizure is not discharged within thirty (30) days.

14.02 Remedies. Upon any default or breach by Lessee, Lessor may at any time thereafter, without limiting Lessor in the exercise of any right or remedy at law or in equity which Lessor may have by reason of such default or breach:

A. Maintain this lease in full force and effect and recover rent and other monetary charges as they become due, without terminating Lessee's right to possession, irrespective of whether Lessee shall have abandoned the Leased Premises. In the event Lessor elects not to terminate this lease, Lessor shall have the right to attempt to relet the Leased Premises for the benefit of Lessee at such rent and upon such terms and conditions as Lessor deems reasonable and necessary, without being deemed to have elected to terminate this lease,

including removal of all persons and property from the Leased Premises. If Lessor removes property of Lessee, such property may be stored in a public warehouse or elsewhere at the cost of, and for the account of Lessee. Notwithstanding that Lessor fails to elect to terminate this lease initially, Lessor at any time during the term of this lease, may elect to terminate this lease by virtue of such previous default of Lessee.

B. Terminate Lessee's right to possession by any lawful means, in which case this lease shall terminate and Lessee shall immediately surrender possession of the Leased Premises to Lessor. In such event, Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default, including without limitation the following:

I. The worth at the time of award of any unpaid rent which had been earned at the time of such termination.

II. The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Lessee proves could have been reasonably avoided.

III. The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such loss that Lessee proves could be reasonably avoided.

IV. Any other amount necessary to compensate Lessor for all the detriment proximately caused by Lessee's failure to perform his obligations under this lease or which in the ordinary course of events would be likely to result therefrom.

V. At Lessor's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable State law. Upon any such re-entry Lessor shall have the right to make any reasonable repairs, alterations or modifications to the Leased Premises which Lessor in Lessor's sole discretion deems reasonable and necessary.

As used in Section 14.02B above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%). The term "rent", as used in this Section 14.02, shall be deemed to be the rent to be paid pursuant to Article 3 and all other monetary sums required to be paid by Lessee pursuant to the terms of this lease.

14.03 No Waiver Upon Continuation of Lease After Default. Even though Lessee has breached this lease and so long as Lessor does not terminate Lessee's right to possession, Lessor may enforce all Lessor's rights and remedies under this lease, including the right to recover the rent as it becomes due under this lease.

The following shall not constitute a termination of Lessee's right to possession:

A. Acts of maintenance, preservation or efforts to relet the property.

B. The appointment of a receiver on initiative of Lessor to protect Lessor's interest under this lease.

C. Any efforts by Lessor to mitigate the damages caused by Lessee's breach of this lease.

Nothing in this Article shall effect the right of Lessor to indemnification for liability arising prior to the termination of this lease for personal injuries or property damage as provided in Article 7 of this lease.

15. COMMON AREAS AND PARKING

15.01 Lessor's Use of Common Areas. Lessor reserves the right to use the common areas while engaged in making additional improvements, repairs or alterations to the Building; and to do and perform such other acts in, to and with respect to the common areas as Lessor shall reasonably determine to be appropriate for the Building.

15.02 Maintenance. Lessor shall keep said parking and common areas in a neat, clean and orderly condition and shall repair any damage to the facilities thereof.

15.03 Orderly Operation. Lessee agrees to use the common and parking areas in an orderly fashion and to deposit all trash, refuse and other rubbish in the areas designated for such use.

15.04 Parking. Lessor agrees that the parking areas shall be made available for the use of Lessee and Lessee's employees and customers jointly with Lessor and all other tenants during the full term of this lease, provided that the condemnation or other taking by any public authority, or sale in lieu of condemnation, of any or all of such parking areas, shall not constitute a breach of this agreement.

Lessor reserves the right to close temporarily all or any portion of the parking area to discourage non-customer use, to make additional improvements, repairs, or alterations to the Building and to do such other acts in, to and with respect to the parking areas as Lessor shall reasonably determine to be appropriate. Lessor shall also have the full right and authority to employ all personnel and to make all rules and regulations pertaining to and necessary for the proper operation and maintenance of the parking facilities.

16. SIGNS, AWNINGS AND CANOPIES

16.01 Installation by Lessee. All fixtures installed by Lessee shall be new or completely reconditioned. Lessee shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixtures, exterior signs, exterior machinery, floor covering, interior or exterior lighting, plumbing fixtures or make any changes

to the Building front or interior hallways without first obtaining Lessor's written approval and consent. Lessee shall present to Lessor plans and specifications for such work at the time approval is sought. Lessor's approval shall not be unreasonably withheld.

16.02 Signs, Awnings and Canopies. Lessee shall not place or suffer to be placed or maintained on any interior or exterior door, wall or window of the Building, including the Leased Premises, any sign, decoration, lettering, advertising matter or other things of any kind without first obtaining Lessor's written approval. Lessor's approval shall not be unreasonably withheld.

Lessor reserves the right to require any approved sign, decoration, lettering, advertising matter or other thing of any kind to conform to a unified theme or motif, which shall be determined by Lessor. Lessee further agrees to maintain any sign, decoration, lettering, advertising matter or other thing of any kind as may be approved by Lessor in good condition and repair at all times. In no event shall Lessee place or suffer to be placed or maintained on the interior or exterior of the Building or Leased Premises any shades, awnings, canopies, or similar items. Lessor may install and maintain a directional or "reader board" in the Building.

16.03 Notice by Lessee. Lessee shall give immediate notice to Lessor in case of fire or accidents in the Leased Premises or in the Building and of defects therein or in any fixtures or equipment.

17. MISCELLANEOUS

17.01 Captions, Attachments, Defined Terms.

A. The captions of the sections of this lease are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any section of this lease.

B. Exhibits and addenda attached or affixed hereto are deemed a part of this lease and are incorporated herein by reference.

C. If there be more than one Lessee, the obligations hereunder imposed shall be joint and several; as to a Lessee which consists of husband and wife, the obligations shall extend individually to their sole and separate property as well as community property. The term "Lessor" shall mean only the owner or owners at the time in question of the fee title or a Lessee's interest in a ground lease on the Leased Premises or land underlying the Building. The obligations contained in this lease to be performed by Lessor shall be binding on Lessor's successors and assigns only during their respective periods of ownership.

17.02 Entire Agreement. This lease constitutes the entire agreement between Lessor and Lessee relative to the Leased Premises and supersedes any prior agreements, brochures or representations, whether written or oral. This lease may be altered, amended or revoked only by an instrument in writing signed by both Lessor and Lessee. This lease shall not be effective or

binding on any party until fully executed by both parties hereto.

17.03 Severability. If any provision of this lease shall be determined by a court to be invalid or unenforceable, the remainder of this lease shall not be affected thereby, and each term and provision of this lease shall be valid and enforceable to the fullest extent permitted by law.

17.04 Costs of Suit. If Lessee or Lessor shall bring any action for any relief against the other, declaratory or otherwise, arising out of this lease, including any suit by Lessor for the recovery of rent or possession of the Leased Premises, the losing party shall pay the prevailing party a reasonable sum for attorney's fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney's fees and costs incurred in enforcing such judgment.

17.05 Time. Time is of the essence of this lease and each and every provision hereof.

17.06 Choice of Law. The parties hereto agree that all the provisions of this lease are to be construed as both covenants and conditions as though the words importing such covenants and conditions were used in each separate paragraph hereof, and all rights and remedies of the parties shall be cumulative and nonexclusive of any other remedy at law or in equity. This lease shall be governed by the laws of the State of California.

17.07 Waiver. The waiver by Lessor of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this lease, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this lease shall be deemed to have been waived by Lessor, unless such waiver be in writing by Lessor.

17.8. Surrender of Premises. The voluntary or other surrender of this lease by Lessee, or a mutual cancellation thereof, shall not work a merger and shall at the option of Lessor terminate all or any existing subleases, or may, at the option of Lessor, operate as an assignment to Lessor of any or all such subleases.

17.9. Force Majeure. If either party, except as otherwise herein specifically provided, shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this lease, then performance of such act shall be excused for the period of delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this section shall not operate to excuse Lessee from the prompt payment

of the Basic Minimum Rent or any other payments required by the terms of this lease.

17.10. Interest on Past Due Obligations. Except as otherwise expressly herein provided, any amount not paid to Lessor when due shall bear interest if not paid by the tenth (10th) day after it becomes due at a rate equal to the discount rate established by the Federal Reserve Bank of San Francisco plus five percent (5%) or fifteen percent (15%) per annum, whichever is less, from the day that it becomes due until the date that it is paid by Lessee to Lessor; provided however that in no case shall the amount of interest exceed the maximum rate provided by law. Payment of such interest shall not excuse or cure any default by Lessee under this lease.

17.11. Notices.

A. Any notice by Lessee to Lessor must be served by personal delivery or by certified or registered mail, postage prepaid, addressed to Lessor at 1655 Front Street, Oceano, California 93445, or at such other address as Lessor may designate by written notice.

B. Any notice by Lessor to Lessee must be served by personal delivery or by certified or registered mail, postage prepaid, addressed to Lessee at the Leased Premises or such other address as Lessee shall designate by written notice.

17.12. Accord and Satisfaction. No payment by Lessee or receipt by Lessor of a lesser amount than the Basic Rent shall be deemed to be other than on account of the earliest accrued rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Lessor may accept such check or payment without prejudice to Lessor's right to recover the balance of such rent or pursue any other remedy in this lease provided.

17.13. Abandonment. Lessee shall not vacate or abandon the Leased Premises at any time during the term of this lease; and if Lessee shall abandon, vacate or surrender the Leased Premises or be dispossessed by process of law, or otherwise, any personal property belonging to Lessee and left on the Leased Premises shall be deemed to be abandoned, and shall be sold or otherwise disposed of in accordance with Code of Civil Procedure Section 1174.

17.14. Successors. All rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of the said parties; and if there shall be more than one Lessee, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee of Lessee unless the assignment to such assignee has been approved by Lessor in writing as provided in this lease.

[Balance of page left blank intentionally.]

IN WITNESS WHEREOF, Lessor and Lessee have executed this lease as of the date and year hereinafter written.

Executed as of February 26, 2003, at Oceano, California.


LESSOR:

LESSEE:


OCEANO COMMUNITY SERVICES
DISTRICT

THE VILLAGE GROUP OF ALCOHOLICS
ANONYMOUS


By:


Bill Senna
President

By:


Michael Thomas
Treasurer *Thompson*

ATTE


Francis M. Cooney
Secretary to the Board

**EXHIBIT "A" TO
FACILITIES LEASE**

DESCRIPTION AND DRAWING OF LEASED PREMISES

[Floor plan/schematic drawing follows on next page.]

OCEANO COMMUNITY SERVICES DISTRICT
LEASE AGREEMENT

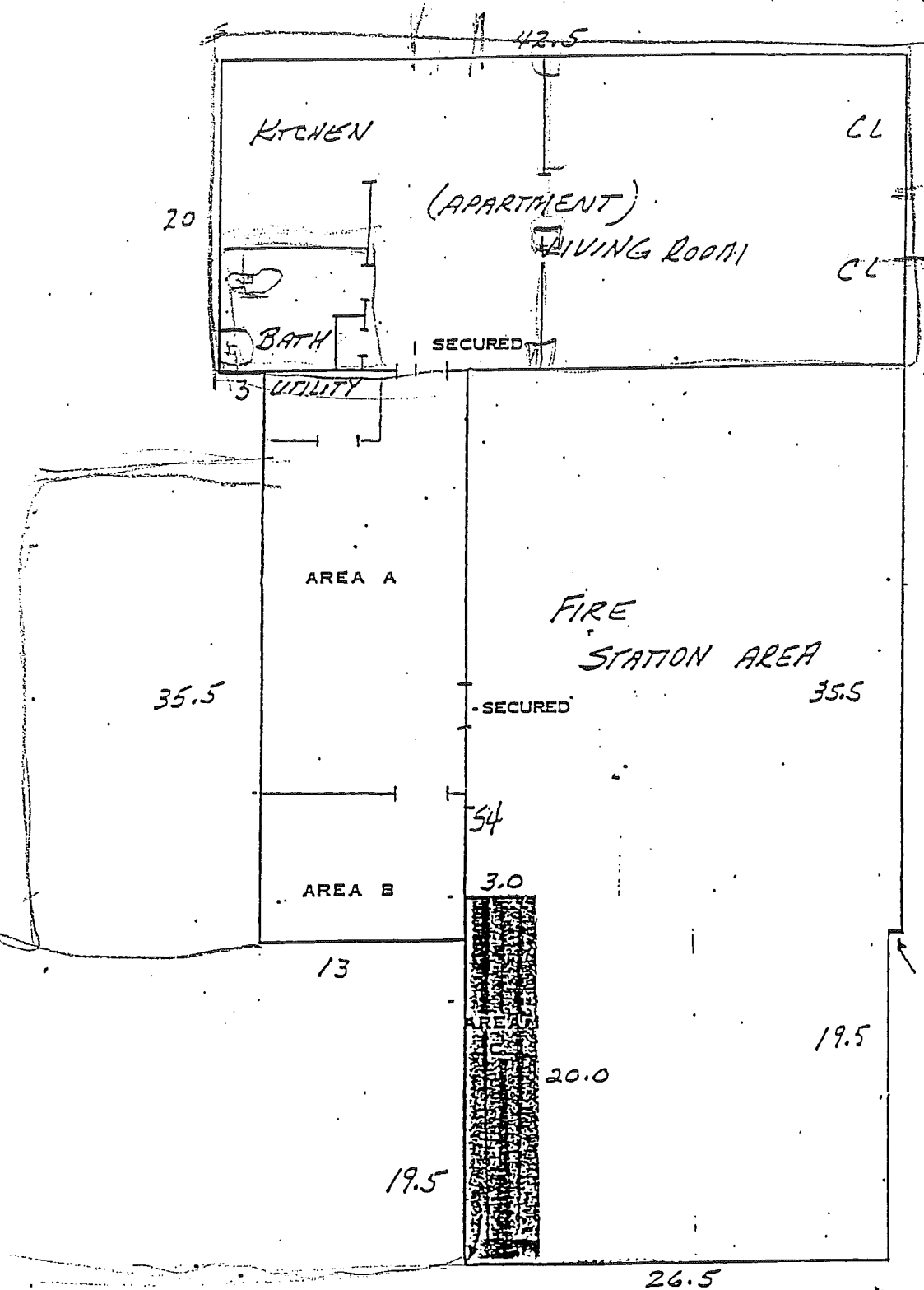


EXHIBIT "B" TO FACILITIES LEASE

PLANS AND SPECIFICATIONS

(LESSEE'S WORK)

[Description of special tenant improvements to be constructed by Lessee follows on next page]

**OCSD Firehall / Village Group Meeting Hall
Construction Materials List**

Item	Size	Material	No.	Cost Each	Total Cost
Exterior door & frame	36" x 80"	solid core	2	\$120.00	\$240.00
bathroom door & frame	36" x 80"		1	\$60.00	\$60.00
Exterior door handle			2	\$40.00	\$80.00
Exterior door deadbolt			2	\$30.00	\$60.00
Exterior door threshold			2	\$10.00	\$20.00
bathroom door handle			1	\$15.00	\$15.00
bathroom grab bars			2	\$30.00	\$60.00
water closet			1	\$150.00	\$150.00
lavatory			1	\$100.00	\$100.00
lavatory faucet			1	\$100.00	\$100.00
lavatory faucet plumbing			1	\$50.00	\$50.00
urinal			1	\$100.00	\$100.00
toilet tissue dispenser			1	\$10.00	\$10.00
Towel dispenser			1	\$10.00	\$10.00
Bathroom window	24 x 36	W x H	1	\$150.00	\$150.00
Kitchen Window	36 x 36	W x H	1	\$200.00	\$200.00
Kitchen Window	36 x 48	W x H	1	\$225.00	\$225.00
North Wall	36 x 54	W x H	2	\$250.00	\$500.00
North Wall	36 x 48	W x H	1	\$225.00	\$225.00
Bathroom fan			1	\$50.00	\$50.00
Framing lumber	2 x 4 x 8'		40	\$2.75	\$110.00
Framing lumber	2 x 6 x 8'		2	\$5.00	\$10.00
Sheet Rock	5/8" 4 x 8		10	\$6.00	\$60.00
Nails			1	\$30.00	\$30.00
Sheet Rock Screws			1	\$30.00	\$30.00
Sheet Rock Tape			1	\$20.00	\$20.00
Sheet Rock mastic			1	\$70.00	\$70.00
Exterior sheeting	4 x 8		2	\$20.00	\$40.00
Lighting - meeting hall			1	\$200.00	\$200.00
Lighting - bathroom			1	\$100.00	\$100.00
Heat			1	\$1,500.00	\$1,500.00
Electrical supplies			1	\$100.00	\$100.00
Ceiling Fan			2	\$120.00	\$240.00
Flooring	700 sq ft		700	\$3.75	\$2,625.00
Privacy Fence	8' section	redwood	2	\$80.00	\$160.00
Privacy Fence Posts	4 x 4 4 10'	redwood	3	\$12.00	\$36.00
Concrete slab @ entrance	5' x 5'	1/3 cu yd	1	\$100.00	\$100.00
Paint		gal	15	\$15.00	\$225.00
Rain gutter			1	\$120.00	\$120.00
Contingency	25.00%				\$2,045.25
Total Materials					\$10,226.25
Sales Tax	7.25%				\$741.40
Contractors					\$5,000.00
Total					\$15,967.65
15967/700 = 22.8 months to amortize					



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475
(805) 481-6730 FAX (805) 481-6836

LEASE EXTENSION AGREEMENT

THIS LEASE EXTENSION AGREEMENT (the "Agreement") is made and entered into as of February 13, 2016, by and between **OCEANO COMMUNITY SERVICES DISTRICT**, a community services district organized and existing pursuant to California state law ("Lessor") and **THE VILLAGE GROUP OF ALCOHOLICS ANONYMOUS**, a California nonprofit association ("Lessee"), with reference to the following facts:

- A. Lessor and Lessee are the same parties as those named as Lessor and Lessee in that certain Facility Lease (the "Original Lease") executed as of February 26, 2003, with reference to certain real property located within an existing fire station facility located at the intersection of 13th Street and Front Street, Oceano, California.
- B. The parties wish to extend the term and otherwise modify the Original Lease on the terms and conditions specified herein.

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

1. **TRUTH OF RECITALS.** All of the matters specified in Recitals A, and B above are true and correct as the date of this Agreement.
2. **TERM EXTENSION.** Subject to the limiting conditions and modification specified herein, the term of the Original Lease is hereby extended for sixty (60) months commencing on February 13, 2016 and ending on 12:01 a.m. on February 13, 2021 (the "Extended Lease Term").
3. **BASIC RENT.** Sections 3.01, of the Original Lease is hereby modified to add the following regarding the Basic Rent for the Extended Lease Term:

"Lessee agrees to pay Lessor as the Basic Rent for the Lease Premise for the Extended Lease Term the total sum of FIFTY EIGHT THOUSAND FIVE HUNDRED DOLLARS (\$58,500.00). Said amount shall be payable in sixty (60) equal installments of NINE HUNDRED SEVENTY FIVE DOLLARS (\$975.00), each due and payable in advance on or before the first day of each and every month following the start of the Extended Lease Term "



Oceano Community Services District

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

4. **UTILITIES.** The parties acknowledge intermittent and inconsistent utility invoicing and reaffirm the original lease terms as noted in Section 3.07 of the February 26, 2003 Lease Agreement.
5. **BUILDING AND SAFETY CODE COMPLIANCE.** Lessee reaffirms its obligation ensure the Leased Premises meets current building and safety code compliance. Lessee independently covenants and agrees to ensure the Leased Premises is in compliance with the Americans with Disabilities Act and any and all California Accessibility Laws, rules, and regulations.
6. **NO OTHER MODIFICATIONS.** Except as modified herein, the Lease shall remain in full force and effect according to its terms.
7. **HEIRS AND SUCCESSORS.** This agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF the parties have executed his instrument at Oceano, California as of the day and year above first written.

LESSOR:
OCEANO COMMUNITY SERVICES
DISTRICT

By:

Mary Lucey
President

LESSEE:
THE VILLAGE GROUP OF

Allan Mackenzie
Its: Treasurer

ATTEST:

Paavo Ogren
General Manager



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475
(805) 481-6730 FAX (805) 481-6836

LEASE EXTENSION AGREEMENT

THIS LEASE EXTENSION AGREEMENT (the "Agreement") is made and entered into as of March 24, 2021, by and between **OCEANO COMMUNITY SERVICES DISTRICT**, a community services district organized and existing pursuant to California state law ("Lessor") and **THE VILLAGE GROUP OF ALCOHOLICS ANONYMOUS**, a California nonprofit association ("Lessee"), with reference to the following facts:

- A. Lessor and Lessee are the same parties as those named as Lessor and Lessee in that certain Facility Lease (the "Original Lease") executed as of February 26, 2003 and Lease Extension Agreement executed as of February 16, 2016 (together the "Lease Agreements"), with reference to certain real property located within an existing fire station facility located at the intersection of 13th Street and Front Street, Oceano, California.
- B. The parties wish to extend the term and otherwise modify the Lease Agreements on the terms and conditions specified herein.

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

1. **TRUTH OF RECITALS.** All of the matters specified in Recitals A, and B above are true and correct as the date of this Agreement.
2. **TERM EXTENSION.** Subject to the limiting conditions and modification specified herein, the term of the Lease Agreements is hereby extended for sixty (60) months commencing on March 24, 2021 and ending on 12:01 a.m. on March 24, 2026 (the "Extended Lease Term").
3. **BASIC RENT.** Sections 3.01, of the Original Lease is hereby modified to add the following regarding the Basic Rent for the Extended Lease Term:

"Lessee agrees to pay Lessor as the Basic Rent for the Lease Premise for the Extended Lease Term the total sum of SIXTY THOUSAND DOLLARS (\$60,000.00). Said amount shall be payable in sixty (60) equal installments of ONE THOUSAND DOLLARS (\$1,000.00), each due and payable in advance on or before the first day of each and every month following the start of the Extended Lease Term "



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475
(805) 481-6730 FAX (805) 481-6836

4. **BUILDING AND SAFETY CODE COMPLIANCE.** Lessee reaffirms its obligation ensure the Leased Premises meets current building and safety code compliance. Lessee independently covenants and agrees to ensure the Leased Premises is in compliance with the Americans with Disabilities Act and any and all California Accessibility Laws, rules, and regulations.
5. **NO OTHER MODIFICATIONS.** Except as modified herein, the Lease shall remain in full force and effect according to its terms.
6. **HEIRS AND SUCCESSORS.** This agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF the parties have executed his instrument at Oceano, California as of the day and year above first written.

LESSOR:
OCEANO COMMUNITY SERVICES
DISTRICT

LESSEE:
THE VILLAGE GROUP OF
ALCOHOLICS ANONYMOUS

By: _____
Linda Austin
President

By: _____
Allan Mackenzie
Treasurer

ATTEST:

Will Clemens
General Manager



Oceano Community Services District

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

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

Date: March 24, 2021

To: Board of Directors

From: Will Clemens, General Manger

Subject: Agenda Item #8(A): Adoption of a Resolution Authorizing Entering into a Funding Agreement with the State Water Resources Control Board (SWB) and Authorizing and Designating a Representative for the Stormwater Capture and Groundwater Recharge Project.

Recommendation

It is recommended that the Board adopt the attached Resolution Authorizing Entering into a Funding Agreement with the State Water Resources Control Board and Authorizing and Designating a Representative for the Stormwater Capture and Groundwater Recharge Project.

Discussion

The District was awarded funding under the State Water Board's (SWB) Technical Assistance (TA) program for preliminary design efforts and development of a grant application for funds from Proposition 1, a water bond approved by California voters in 2014. The TA work is directly funded by the SWB and the District does not incur costs, nor is it required to meet compliance requirements that are customary with grants.

On July 10, 2019, your Board approved a grant application for a stormwater capture and groundwater recharge project (Project) at Oceano Elementary School and on 19th Street between Beach and Paso Robles streets. The grant application was submitted in July 2020. The current design concept is attached as the project map. The District recently received the attached notification of award letter from the SWB. The District has 60 days to submit supplemental documentation, including this Resolution, to establish eligibility.

The "Oceano Low Impact Development Plan Final Feasibility Study," dated February 13, 2019, and funded from Proposition 84 can be reviewed at: [Oceano LID Feasibility Study 2019](#). The Project was identified in this feasibility study.

Other Agency Involvement

The State Water Board's TA program directly funds the costs of organizations and consultants for project development, which are not incurred by the District. The Council for Watershed Health and Cannon Corp is providing the TA funded through the State Water Board's TA program. The TA program will end with the of the



Oceano Community Services District

Board of Directors Meeting

approval of the grant funding agreement with the SWB. Both the Lucia Mar Unified School District and the County of San Luis Obispo provided letters of support for the Project.

Financial Considerations

Based on Oceano's income status, the District is receiving a discounted local match of 5% on eligible project costs. The following table illustrates the estimated costs for the projects.

Total Cost Estimate	Prop 1 Grant	5% Match (Approximate)
<u>\$ 2,580,090</u>	<u>\$ 2,450,733</u>	<u>\$ 129,357</u>

Annual operations and maintenance costs are estimated at less than \$5,000. All costs would be funded through the Water Fund of the District.

Results

Pursuing grant revenues and project development supports a well-governed, healthy and livable community.

Attachments:

- Resolution
- Project Map
- Notice of Award Letter

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2021-_____**

**A RESOLUTION AUTHORIZING ENTERING INTO A FUNDING AGREEMENT WITH THE STATE
WATER RESOURCES CONTROL BOARD AND AUTHORIZING AND DESIGNATING A
REPRESENTATIVE FOR THE STORMWATER CAPTURE AND GROUNDWATER
RECHARGE PROJECT.**

WHEREAS, the Oceano Community Services District (District) has submitted an application to the State Water Resources Control Board for funding for the Stormwater Grant Program (SWGP) Proposition 1 (Prop 1) Round 2 Implementation Grant Projects for a Stormwater Capture and Groundwater Recharge Project (Project); and

WHEREAS, prior to the State Water Resources Control Board's executing a funding agreement, the District is required to adopt a resolution authorizing an agent, or representative, to sign the funding agreement, amendments, and requests for disbursement on behalf of the District and to carry out other necessary Project-related activities;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the District is hereby authorized to carry out the Project, enter into a funding agreement with the State Water Resources Control Board, and accept and expend State funds for the Project; and

BE IT FURTHER RESOLVED AND ORDERED, that the General Manager, or designee, is hereby authorized and designated to sign, for and on behalf of the District, the funding agreement for the Project and any amendments thereto; and

BE IT FURTHER RESOLVED AND ORDERED, that the General Manager, or designee, is hereby authorized and designated to represent the District in carrying out the District's responsibilities under the funding agreement, including certifying invoices and disbursement requests for Project costs on behalf of the District and compliance with applicable state and federal laws; and

BE IT FURTHER RESOLVED AND ORDERED, that any and all actions, whether previously or subsequently taken by the District, which are consistent with the intent and purposes of the foregoing resolution, shall be, and hereby are, in all respects, ratified, approved and confirmed.

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

AYES:
NOES:
ABSENT:
ABSTAINING:

the foregoing Resolution is hereby adopted this 24th day of March 2021.

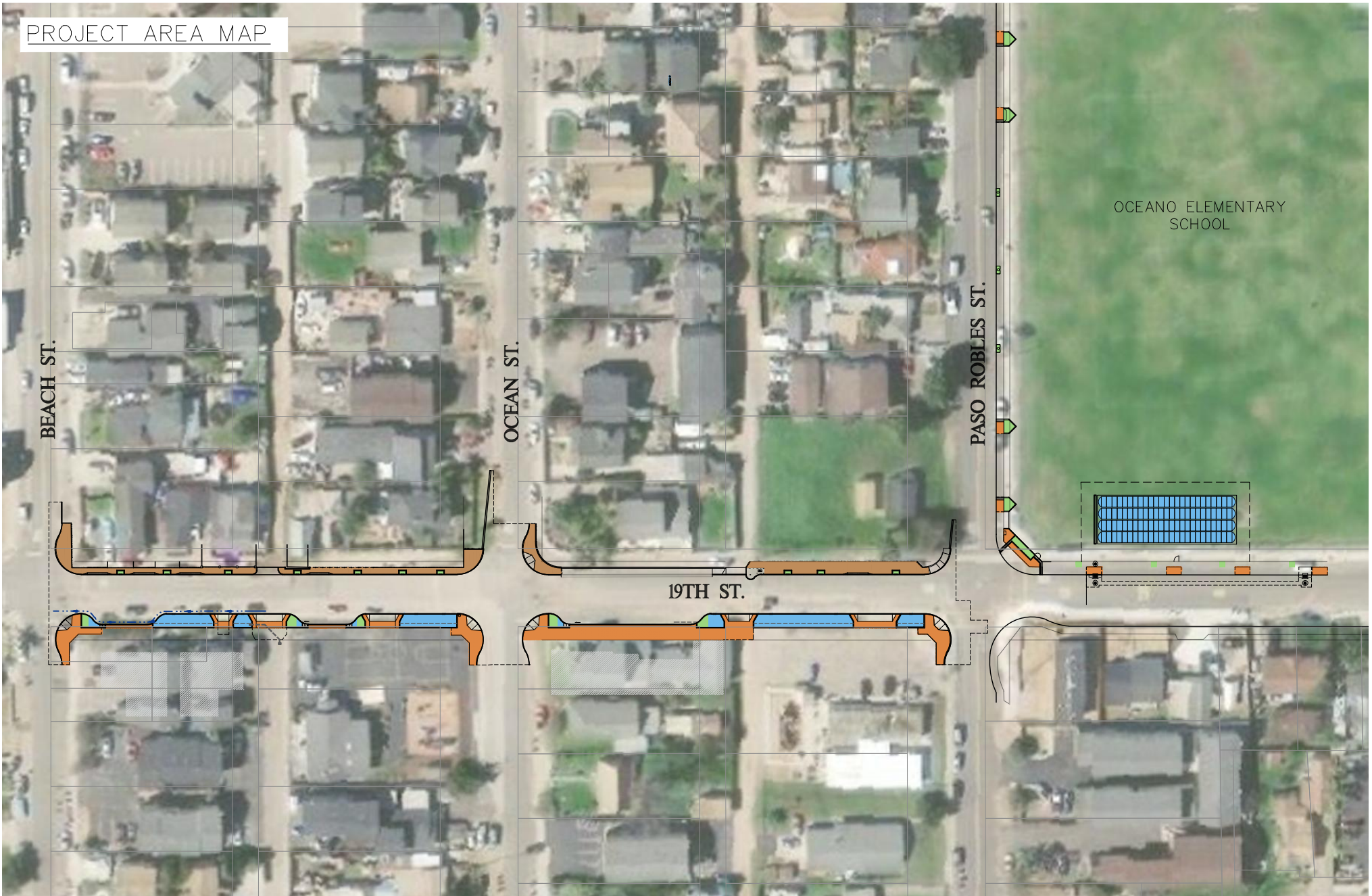
President, Board of Directors of the

Oceano Community Services District

ATTEST:

Board Secretary of
Oceano Community Services District

PROJECT AREA MAP



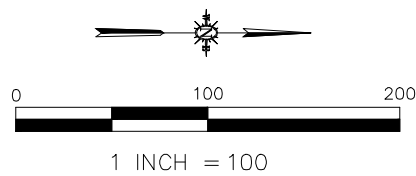
LEGEND

 INFILTRATION FACILITY OR BIORETENTION CELL

 PERMEABLE PAVER AREA

 DECOMPOSED GRANITE

 CONVENTIONAL LANDSCAPE AREA AND STREET TREES



Agenda Item 8A

March 24, 2021 - Page 61 of 63



Attachment - Map

State Water Resources Control Board

Sent via email to: will@oceanocsd.org

February 16, 2021

Will Clemens
Oceano Community Services District
PO Box 599
Oceano, CA 93475

PROPOSITION 1 STORM WATER GRANT PROGRAM ROUND 2 IMPLEMENTATION GRANT SOLICITATION, NOTIFICATION OF AWARD

Congratulations! The State Water Resources Control Board's (State Water Board's) Division of Financial Assistance (Division) Deputy Director approved the Funding List for the Storm Water Grant Program's (SWGP) Proposition 1 (Prop 1) Round 2 Implementation Grant solicitation. The Stormwater Capture and Groundwater Recharge Project has been approved for funding with a grant award of \$2,450,733.

With this project, you are demonstrating that your community is at the forefront of a major shift in California in how we think about storm water. Rather than viewing storm water only as a nuisance due to threats posed by flooding or pollutants in storm water, communities throughout the state are looking for ways to turn storm water into a resource to combat droughts and the effects of climate change. We look forward to our new partnership and leveraging state resources to obtain your project's key benefits.

The SWGP Unit will soon be assigning grant managers and program analysts to initiate the agreement process. You will receive introductory emails from your assigned grant manager and program analyst with further information about roles and responsibilities, grant agreement development, invoicing, deliverables, performance measures, and reporting requirements. We encourage your prompt response to any requests from our staff by specified deadlines; delays or failure to respond could result in withdrawal of this grant award.

The agreement process will begin with the finalization of a scope of work, budget, and schedule that is acceptable to the Division's Deputy Director. The scope of work will be based on the proposal submitted with the application, but improvements to the scope of work, budget, and schedule may be required as part of the grant agreement negotiation process. The Division may have questions or additional clarifications regarding your proposal that will need to be addressed during agreement negotiation.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

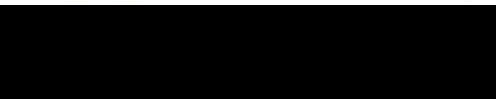
Your grant award is conditioned on the successful negotiation of an agreement and the following:

1. Applicants selected for funding have sixty (60) days after this award to submit all applicable supplemental documentation. If all required documentation is not submitted within this timeframe, the funding award may be withdrawn;
2. The detailed budget will be submitted as part of the supplemental documentation. It is possible that staff may determine portions of the project costs ineligible for grant reimbursement based on the review of these more detailed cost estimates;
3. Storm Water Resource Plan requirements must be completed within 90-days after this award, including showing proof that the local Integrated Regional Water Management (IRWM) group has received the plan(s) to incorporate into the IRWM Plan;
4. Should the Division determine that this project can be funded in whole or part by unused or re-appropriated funds from older propositions, you may be required submit information to satisfy the legal requirements of those propositions;
5. During agreement negotiation, if complexities are noted regarding the ownership and/or operation of the project, you may be required to submit a legal opinion upon execution of the financing agreement. A sample template for this legal opinion is available on the [SWGP webpage](#). In some cases where ownership and/or operation of the project will be shared by more than one entity, multiple signatories to the funding agreement may be required;
6. California Environmental Quality Act (CEQA) documentation and all permits or other approvals, such as for water diversion, land acquisition and easements, or match funding, as necessary for project implementation should be complete no later than twelve (12) months after this award. Failure to comply with this timeline may result in withdrawal of the funding award; and
7. Eligible costs will not be reimbursed until the deliverables in Condition No. 6 are submitted. Exceptions may be approved on a case-by-case basis for disadvantaged communities. Such exceptions must be requested prior to agreement execution.

We look forward to working with you on this project.

Please contact the SWGP Program Manager, Daman Badyal, with any urgent questions at Damanvir.Badyal@waterboards.ca.gov or (916) 319-9436.

Sincerely,



Leslie Laudon, Assistant Deputy Director
Division of Financial Assistance

cc: Ruben Mora, Ruben.Mora@waterboards.ca.gov
Daman Badyal, DFA
Meghan Tosney, DFA
Debbie Cheung, DFA