

RESOLUTION APPROVING AGREEMENT FOR LEGAL SERVICES

LAKE SHASTINA COMMUNITY SERVICES DISTRICT
FIRE/POLICE STATION ENTERPRISE

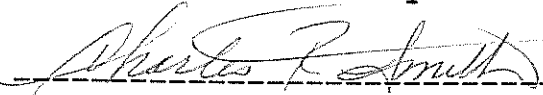
The Board of Directors of Lake Shastina Community Services District resolves:

This Board approves that certain agreement between the Lake Shastina Community Services District and STURGIS, NESS, BRUNSELL & SPERRY a professional corporation, for services of that firm as Special Bond Counsel for Fire/Police Station Enterprise, dated July 28, 1987, and attached to this resolution.

The General Manager is authorized to sign the agreement and the District Secretary is authorized to attest its execution.

* * *

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the Board of Directors of Lake Shastina Community Services District of Shasta County, State of California, at a regular meeting thereof, held on the 28 day of July, 1987.



Charles A. Smith, General Manager
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ATTEST:



District Secretary

AGREEMENT FOR LEGAL SERVICES
LAKE SHASTINA COMMUNITY SERVICES DISTRICT
FIRE/POLICE STATION ENTERPRISE

This is an agreement for legal services between the LAKE SHASTINA COMMUNITY SERVICES DISTRICT, a special district of the State of California, referred to as Client, and STURGIS, NESS, BRUNSELL & SPERRY a professional corporation, Attorneys at Law, Emeryville, California, referred to as Bond Counsel.

1. Client retains Bond Counsel as special counsel to perform the following legal services relating to the Fire/Police Station Enterprise Assessment District.

- (a) Preparation of all forms of resolutions, notices, affidavits, and other documents required by the Municipal Improvement Act of 1913, including the legal format of the engineer's report required by Section 10204.
- (b) The preparation of written instructions to Client's Clerk and other staff members concerning the performance of legally-required duties.
- (c) Review of documents prepared by Client's engineering staff or consulting engineers, including boundary map, assessment diagram, assessment roll, and the general provisions of construction specifications.
- (d) Attendance at the public hearing on the engineer's report (including continuances of the hearing, if any).
- (e) Attendance at all other public meetings of Client at which matters relating to the assessment district are considered, except routine matters.
- (f) Attendance at staff meetings or meetings of property owners, upon the request of the Client, after reasonable notice.
- (g) Telephone consultation with staff members and

property owners to answer legal questions about the assessment proceedings.

- (h) Preparation of the notice inviting bids and construction contract, if required, and review of contract bonds and insurance documents.
- (i) Arrangements for the printing of improvement bonds to represent unpaid assessments, including the printing of a bond register and, if required, assessment installment notices.
- (j) The preparation of a record of assessment installments for the use of the County Auditor, if required.
- (k) Arrangements for the sale of improvement bonds either by negotiation or by public bid, at the option of Client, including a review of financial disclosure requirements and, if required, the preparation of the notice inviting bond bids.
- (l) The preparation of bond delivery documents.
- (m) The rendition of a legal opinion on the validity of the improvement bonds and the proceedings leading to their issuance.
- (n) Preparation of a transcript of the legal proceedings in loose-leaf form for the use of the Client.
- (o) Preparation of the required reports to the California Debt Advisory Commission (pursuant to Section 8855 et seq. of the Government Code) and to the Internal Revenue Service (pursuant to Section 149 of the Internal Revenue Code of 1986).

2. The services of Bond Counsel under this agreement shall not include the following:

- (a) Legal services in connection with the acquisition of interests in real property, either through negotiation or through exercise of the power of eminent domain.
- (b) Legal services in connection with litigation.

The performance by Bond Counsel of services excluded by

this paragraph, if required by Client, shall be under separate oral or written agreement.

3. In consideration of the services set forth in paragraph 1, Client shall pay to Bond Counsel the following fee and costs:

(a) The legal fee of Bond Counsel shall be a scaled percentage of the amount assessed as set forth in the engineer's report as finally approved under Section 10312 of the Streets and Highways Code.

(b) The legal fee shall be an amount equal to two and one-half percent (2.50%) of that portion of the amount assessed not exceeding \$1 million, plus one percent (1.00%) of that portion of the amount assessed exceeding \$1 million, but not exceeding \$10 million, plus one-half of one percent (.05%) of that portion assessed exceeding \$10 million, but not exceeding \$20 million, plus one-fourth of one percent (.025%) of all amounts assessed exceeding \$20 million. The fee shall be not less than \$1,500.

(c) Costs shall be reimbursed to Bond Counsel as follows:

1) The cost of transportation, meals and lodging.

2) The cost of preparing auditor's record, if required: 7 cents per assessment for each year of the bond issue, with a minimum of \$30.00.

3) The cost of long distance telephone calls: at billed cost.

4) The cost of photocopying: 10 cents per sheet.

The cost of other services for which Bond Counsel makes arrangements under this agreement (such as bond printing costs) shall be billed to the Client and shall be paid by Client directly to the payee.

(d) Payment by Client of the legal fee is contingent upon the levy of assessments and the sale and delivery of improvement bonds representing unpaid assessments in the assessment district. If for any reason, assessments are not confirmed and bonds delivered, Bond Counsel shall be paid no legal fee. Both the

legal fee and costs are payable upon delivery of the bonds.

4. Bond Counsel certifies that it has no interest, either direct or contingent, in any property or contract arising from or affected by the assessment district, except as Bond Counsel under this agreement. Bond Counsel does not represent any owner of property within the proposed boundaries of this assessment district, and has not received a fee from any source for services connected with the project.

DATED: _____, 1987

LAKE SHASTINA COMMUNITY SERVICES
DISTRICT, a special district of the
State of California

By _____
Charles A. Smith, General Manager

ATTEST:

_____, District Secretary

By _____

STURGIS, NESS, BRUNSELL & SPERRY
a professional corporation

By _____
Samuel A. Sperry

CSD MINUTES
JULY 28, 1987

The engineer report would state an equitable way of distributing cost of benefits. This requires that all property owners within this District be notified of the Assessment Hearings. The details and procedures of notification would be provided by the Bond Counsel.

The property owners would have an opportunity to protest this action which means that Letters of Protest by 51% of property owners (by area) is needed to protest and defeat this Motion.

3. Borrow from self - Mr. Sperry believes this may be possible, but would still require same legal steps stated above for benefit assessment.

Two engineering firms were discussed. Pace Engineering, out of Redding, gave these approximations.

\$61.00 per hour (fee)
+ 5% fee (office overhead & travel)
1 week @ 40 hrs. = \$2,500.00

General Manager Smith will get quote from CH2M Hill for comparison. The engineering firm prepares cost analysis of proposed capital improvement and establishes assessment lien that will be attached to each parcel within the district.

The plans for the Fire Station were briefly explained for benefit of public in attendance at this meeting. President Spahr presented a chart showing the annual payment of various rates of interest for various periods of time with two different principle amounts.

It was suggested that a meeting be set up with engineers before the next meeting to discuss plans.

Upon Motion by Director Dutro, seconded by Barbier, to approve Resolution 4-87, which by reference is incorporated herein.

Upon Motion by Director Barbier, seconded by Director Dutro, and carried (5-0), to table previous motion to approve Resolution 4-87 until General Manager Smith can find out what the 2.5% interest rate for bond attorney is and the cost for engineering services. This will be provided at the next Board Meeting.

C. Consolidation Status Report - The original proposal was that all roads be turned over to the CSD. If LSPOA is against this, then the Board will not move on it. If the SCA & RHCA are against this proposal and LSPOA is for consolidation then the Board could move on it.