

August 7, 2023

Reclamation District 1607 - Van Sickle Island
c/o
Chris Lanzafame
lanzafame711@gmail.com

Re: Proposal for Benefit Assessment for Reclamation District 1607 – Van Sickle Island

Chris,

SCI Consulting Group (“SCI”) is pleased to submit, for your review, this proposal for all tasks required for the formation of Benefit Assessment for Reclamation District 1607 (“RD 1607” or “District”).

By way of introduction, SCI is a California Corporation formed in 1985 uniquely focused on revenue enhancement services for public agencies. With over 35 years of experience in this specialized field, we are proud of our industry-leading record of success in assisting public agencies in increasing their revenues. For agency-wide assessment measures which include a survey, SCI has a success rate of over 95% with over 140 successful post-Proposition 218 assessment ballot measures. In fact, SCI has formed more successful agency-wide post-Proposition 218 assessments than all other assessment engineering firms in California.

Our firm’s core competencies align perfectly with this project:

- Assessment rate engineering, consistent with Proposition 218
- Development of Proposition 28 compliant Engineer’s Reports
- Benefit assessment balloting

As well as:

- Public opinion polling for infrastructure measures
- Community outreach for a successful assessment

We respectfully offer the following strengths, which differentiate our firm from others, for your consideration:

PROPOSITION 218 BENEFIT ASSESSMENT EXPERTISE Through the process of designing and establishing numerous new post-Proposition 218 benefit assessments and working on these projects with many of the leading Proposition 218 specialized attorneys in the State, we have gained unparalleled legal and Proposition 218 compliance expertise.

SUCCESSFUL IMPLEMENTATION OF REVENUE MECHANISMS FOR FLOOD CONTROL SCI has formed more assessment districts for flood protection services than all other firms in the State, combined. Below is a list of our formations for flood protection services - we have never lost nor had a legal challenge of an assessment for flood protection services.

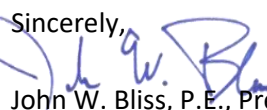
<u>District</u>	<u>Base Rate</u> (Per single Family resident)	<u>Support</u>	<u>Year</u>
Reclamation District 2098	\$7.68/acre	100.00%	2023
Reclamation District 2107 Mossdale	\$1,260.28	98.27%	2021
Reclamation District 1600 Mull District	\$265.22	85.03%	2021
Reclamation District 2059 Bradford Island	\$68.38/acre	59.47%	2020
Reclamation District 349 Sutter Island	\$40.00/acre	100.00%	2020
Reclamation District 756 Bouldin Island	\$487.36	100.00%	2018
Reclamation District 2025 Holland Tract	\$68.40/acre	93.00%	2018
Reclamation District 2026 Webb Tract	\$550.28	100.00%	2018
Reclamation District 2028 Bacon Island	\$509.52	100.00%	2018
Reclamation District 150	\$128.71	85.78%	2018
City of San Mateo – North Shoreview	\$125.51	76.80%	2018
Bethel Island Levee Improvement District	\$132.69	68.00%	2015
Reclamation District No. 1001	\$216.25	82.27%	2014
City of San Mateo Re-Balloting	\$ 66.08/acre	82.33%	2013
City of San Carlos	\$190.32	95.40%	2010
City of San Mateo – South Bayfront	\$ 89.41/acre	79.60%	2009
Marysville Levee Commission	\$ 49.58/acre	74.00%	2009
Reclamation District No. 10	\$100.00/acre	78.60%	2008
Three Rivers Levee Improvement Authority	\$138.90	62.20%	2008
Reclamation District No. 2029	\$ 60.00/acre	100.00%	2007
Reclamation District No. 2044	\$ 60.00/acre	82.00%	2007
Reclamation District No. 348	\$ 28.00/acre	72.30%	2001
Reclamation District No. 800	\$ 25.00/acre	83.10%	1999

CONTINUITY OF STAFF AND FIRM SCI has been providing assessment engineering and levy administration services to public agencies and has retained the same service area focus for over 35 years of service. We are exclusively focused on these highly specialized services. Our staff and firm have unmatched continuity.

UNMATCHED TECHNICAL CAPABILITIES Aside from our administrative staff, every employee in our firm is a database expert. We have developed in-house, specialized programs to improve our levy administration services. We are also GIS and mapping experts. We invite you to compare our database and technical expertise with the staff from any other firm.

OUR CLIENTS ARE OUR BEST REFERENCES We sincerely encourage you to speak with any of our clients, not only the listed references. They will attest to the comprehensive nature of our services, our level of client responsiveness, and our levy administration abilities.

We look forward to this opportunity to assist RD 1607 with this important project and stand ready to proceed. If you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

 John W. Bliss, P.E., President

Description of Qualifications

SCI is a public finance consulting firm with over 35 years of expertise in assisting public agencies in California with planning, justifying, and successfully establishing new revenues for their service and capital improvement needs and objectives and managing special assessment levies. SCI also offers extensive expertise with important legal and procedural issues involving benefit assessments, special taxes, and fees. The principals at SCI are acknowledged experts on these public financing mechanisms and were involved with the cleanup legislation for Proposition 218.

SCI possesses extensive property-related fee and benefit assessment engineering and formation expertise, particularly for agency-wide assessments in politically challenging areas. These successful agency-wide assessments include all the largest successful assessments in the State as well.

SCI provides year-round special tax and assessment administration services and planning services for clients throughout California. SCI's planning projects have included hundreds of development impact studies, facility and financing plans, demographic studies, cost of service and fee justification studies, and other planning and real estate studies.

Proposed Services

SCI will begin the project by coordinating a kick-off meeting to better understand the District's goals and priorities, and establish timelines, deliverables, etc.

Initial Data Research and Feasibility Analysis

SCI will perform a comprehensive analysis of the District's current and desired flood control improvements, and associated costs, budgets, and current funding sources. In addition, we will collect, compile, and analyze property ownership, voter statistics, tax base, demographic and political profiles in the District. SCI will also analyze various community factors that may affect the proposed assessments, such as other local, political, and socioeconomic issues and other funding measures. We perform these services by first utilizing SCI's internal and comprehensive historical parcel data for all parcels in the District. This internal property, parcel, and ownership data will be supplemented with additional data from the District, the County Assessor, planning agencies, and other information sources. After this extensive data has been compiled, we will analyze it in context with the proposed services and improvements, other community factors in the District, and the current services provided by the District. This detailed research and analysis will provide SCI with a solid understanding of the factors that will be used as the foundation for designing and evaluating the desired funding measure.

After a comprehensive review of the scenarios and the potential services and improvements that would be provided, SCI will develop a preliminary benefit assessment methodology. The initial benefit assessment methodology and rate scenario alternatives will be reviewed with the District and legal counsel, and comments and suggestions will be incorporated as appropriate.

Assessment Engineering and Engineer's Report

SCI will review existing programs and services and develop a listing of prioritized improvements and services to best meet the goals and priorities of the District and the priorities and desires of property owners. SCI will utilize the multi-year revenue and expense proformas developed in the feasibility analysis phase, and a multi-year budget and capital improvement plan, to serve as an important basis for the budgets and cost estimates provided in the Engineer's Report, and the ballot measure features which will ultimately be presented to property owners.

In conjunction with the budget and financial planning services, SCI will continue, expand, and finalize the benefit assessment engineering project that we began in the feasibility analysis phase. This comprehensive assessment engineering work will include defining the special and any general benefits from the proposed improvements and services. For this important work, SCI will use its industry-leading benefit assessment engineering and flood control expertise to develop a benefit assessment methodology that fully complies with the legal and procedural requirements for a new, post-Proposition 218 benefit assessment, including the court's direction in *Silicon Valley Taxpayers Association v. Santa Clara County Open Space Authority*, *Dahms v. City of Pomona*, *Greene v. Marin County Flood Control and Water Conservation District*, *Robert Beutz v. County of Riverside*, and other Proposition 218 decisions.

We will present these fiscal plans, our data review and analysis, and the proposed assessment methodology, levies, and budgets to the District in a review session. Issues uncovered by the review will be highlighted and remedies suggested. After the District and District's legal counsel have reviewed the data and information, we will prepare an Engineer's Report that fully meets the requirements of Articles XIII C and XIII D of the California Constitution (Proposition 218), the Government Code, and other relevant code sections. The Engineer's Report, which will be prepared and signed by John W. Bliss, PE, an assessment engineer with extensive benefit assessment engineering experience for infrastructure assessments, will include a detailed description of the assessment plans for the improvements and services, future capital and facility improvement needs, a detailed cost estimate, an analysis of special and general benefits, the rationale used for the assessment apportionment, the method of assessment apportionment, calculation of the specific proposed assessment amount for each parcel in the proposed district, an assessment diagram, and other elements.

After the Engineer's Report has been prepared, it will be reviewed with District staff and, if necessary, shall be revised to reflect any relevant comments or issues identified. SCI shall also finalize the assessment levies, assessment roll, assessment diagram, and other information for preliminary District approval. SCI will also prepare draft resolutions, notices, and other materials and documents required or recommended for the proposed assessment. Such documents shall be finalized in conjunction with District's legal counsel.

At the culmination of the services of this phase, SCI shall present the findings, proposed assessment levies, and Engineer's Report to the District and the Board of Directors.

Proposition 218 Implementation

a. Balloting Services

Services under this task would include designing, printing, addressing, and mailing of the notice and assessment ballots to all property owners in the proposed district.

The design of the official notice, assessment ballot, supporting informational items, and mailers is one of the most important elements of a successful ballot outcome. SCI will utilize its unmatched expertise to design a notice and ballot and informational items that clearly and concisely explain the reason for the flood control assessment and that meet all legal requirements.

After the draft notice and ballot are prepared, they will be provided to the District and its legal counsel for review and comment. Feedback and comments will be incorporated before the documents are finalized. After the notice and ballot are finalized, SCI will oversee the printing and addressing of the ballots. After the notices and ballots are printed and addressed, they will be mailed, pursuant to the California Constitution and the Government Code, to all property owners in the proposed district with a proposed assessment.

Throughout the balloting, SCI will also field and respond to property owner inquiries, will research and confirm new owners that are not reflected on the official county property ownership records, and will issue replacement ballots as needed. SCI shall also prepare resolutions, documents, and information for the public hearing, and will assist the District and its legal counsel with responding to property owner testimony at the public hearing.

At the close of the balloting period, at the public hearing, SCI will assist the District's secretary, the official tabulator, with the tabulation of the ballots received, and will assist with the preparation of the ballot results to be announced at that Board meeting.

b. Informational Outreach Services

Clear, concise, and appropriate educational outreach is one of the most important elements for a successful ballot outcome. If the community is adequately informed about the issues, and the messaging and approach are based upon extensive experience with other successful property owner and voter ballot measures, the District's proposed assessments will have good prospects for a successful outcome. SCI's unparalleled track record of success is, in large part, due to our extensive expertise in this area.

SCI will assist the District with outreach efforts to ensure the property owners are adequately informed about the assessment ballot proceeding and the proposed services/improvements in their area prior to the mailing of ballots. SCI would assist with public informational and educational outreach strategies and property owner informational services by providing the following:

- outreach orientation session with District staff
- creation of the basic tools the District would use throughout the ballot proceeding:
 - informational handout
 - FAQ document
 - talking points document
 - property owner contact list with individual proposed assessments and other pertinent individual information

Key Personnel to be Assigned

- Project Manager: Brandon Vanleuven
- Principal Engineer: John Bliss
- No subcontractors on this project.
- SCI will employ its robust and time-tested internal Quality Control Program and protocols on this project which emphasize professional peer review.

JOHN W. BLISS, M.ENG., P.E., PRESIDENT, LICENSE NO. C52091

John Bliss, a professional engineer and President of SCI, specializes in assessment engineering, special and general benefit analysis, crafting legally compliant, robust Engineer's Reports, assessment administration, cost estimating and budgeting, database design and implementation, regulatory compliance, and revenue measure formations. He has over 18 years of experience in this field of expertise. Moreover, John is a recognized expert assessment engineer and Proposition 218 compliance specialist who has served as an expert witness and technical authority. He also has worked with most of the leading Proposition 218 specialized attorneys in the State, which has further expanded his professional and technical expertise.

During his tenure at SCI, John has served as the responsible Assessment Engineer on over 300 Engineer's Reports for new or increased assessments, comprising more post-Proposition 218 new assessment engineering than any other assessment engineer in the State.

John graduated from Brown University with a Bachelor of Science Degree in Engineering and holds a master's Degree in Civil Engineering from The University of California, Berkeley, where he was a Regent's Scholar. He is a licensed professional Civil Engineer in the State of California and is a LEED accredited professional.

BRANDON VANLEUVEN, PMP, CONSULTANT

Brandon Vanleuven contributes 10 years of experience in project management, administration, and analysis to SCI Consulting Group. He has expertise in Proposition 218 assessments, parcel tax analysis, and helping clients reach their revenue goals. He has worked on a wide variety of projects ranging from administering assessments for Special Districts to property tax administration for schools, cities, and counties. Brandon earned a Bachelor of Science Degree in Business Administration & Information Technology Management from Colorado State University Global Campus and a Master of Science Degree in Management & Project Management from Colorado Technical University.

References

Below are project descriptions and references for your review. Please do not hesitate to contact us if you would like to speak with any of the clients for the projects listed below.

SCI's success is built on the unparalleled expertise of its employees and the conducting of successful revenue measures, as well as its commitment to outstanding customer service and solid, long-term relationships with its clients. For your convenience, below is a list of some of SCI's clients, but you are welcome to contact any of our clients, whether or not they are on this list. Each of them can attest to SCI's professionalism, dedication to excellence, and ability to deliver on our commitments on time and within budget.

RECLAMATION DISTRICT 2107

RECLAMATION DISTRICT 756 - BOULDIN ISLAND

RECLAMATION DISTRICT 2025 - HOLLAND TRACT

RECLAMATION DISTRICT 2026 - WEBB TRACT

RECLAMATION DISTRICT 2028 - BACON ISLAND

Pamela A. Forbus & David Frankel

Law Offices of Al Warren Hoslett

343 East Main St., Suite 815

Stockton, California 95202

(209) 943-5551

Contact: Pam Forbus and David Forkel

E-mail: Pam Forbus: pamforbus@sbcglobal.net

E-mail: David Forkel: dforkel@dafconsultants.com

RECLAMATION DISTRICT 2098

7178 Yolano Road

Dixon, CA 95620.

(916) 444-2880

Contact: Jesse Barton

E-mail: jbarton@gallerybartonlaw.com

RECLAMATION DISTRICT 1600 - MULL DISTRICT

P.O. BOX 655

Woodland CA 95776

(530) 723-0520

Contact: Michele M. Clark, Board President
E-mail: mclark@theyololandtrust.org
Completed on schedule and within budget.
SCI Lead Assessment Engineer: John Bliss

RECLAMATION DISTRICT 1001

1959 Cornelius Ave.
Rio Oso, CA 95674
(530) 656-2318

Contact: Kim Reese
E-mail: asstrd1001@syix.com
Completed on schedule and within budget
SCI’s Lead Assessment Engineer: John Bliss

Proposed Fee Schedule

In consideration for the work accomplished, as outlined in this proposal, SCI will be compensated as detailed below:

Phase of Work	Fee
Initial Data Research and Feasibility Analysis	\$ 3,500
Assessment Engineering and Engineer’s Report	\$ 25,500
Proposition 218 Balloting Services	\$ 6,500
Community Outreach	\$ 2,500
Optional First-Year Levy Submittal (if the measure is approved)	\$ 2,500

The scope of services includes up to two in-person meetings with the District. Any additional meetings, if required, will be billed at the rate of \$550 per person per meeting.

Incidental costs incurred by SCI during the funding measure for the purchase of property data, maps, travel, and other out-of-pocket expenses, shall be reimbursed at actual cost with the total not to exceed \$750 without prior authorization from the District.

It is important to note all costs associated with this scope of services can be financed or refunded by the levies if the District proceeds and is successful with a funding measure.

Additional Information

Employment Policies

SCI does not and shall not discriminate against any employee in the workplace or against any applicant for such employment or against any other person because of race, religion, sex, color, national origin, handicap, or age or any other arbitrary basis. SCI Consulting Group insures compliance with all civil rights laws and other related statutes.

Conflict of Interest Statements

SCI has no known past, ongoing or potential conflicts of interest for working with the District, performing the Scope of Work or any other service for this Project.

Independent Contractor

If selected, SCI shall perform all services as an independent contractor.

Additional Scope of Work

In the event the District elects to request optional, additive scope of work, SCI will work with the District to negotiate compensation for these additional tasks and execute an Addendum to the agreement for these additional services.

Responsibilities of District

SCI will make every effort to minimize the workload on the District but may need assistance, iteratively, with project overview and history, scheduling, and budgeting.

Coordination with District

SCI will coordinate services with District staff through frequent and concise communications including face-to-face meetings, telephone calls, and e-mail.