



**PROPOSAL**

FOR THE

**DAVIS JOINT UNIFIED SCHOOL DISTRICT**

JANUARY 2009

TO PROVIDE

**PROFESSIONAL TAX ADMINISTRATION AND  
CONSULTING SERVICES**

FOR

**COMMUNITY FACILITIES DISTRICTS NO. 1 AND NO. 2, AND  
EDUCATION PROGRAMS PARCEL TAXES (MEASURE Q AND  
MEASURE W)**

**FISCAL YEAR 2009-10**

SUBMITTED BY:

**SCI Consulting Group**

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# TABLE OF CONTENTS

INTRODUCTION.....	1
GENERAL APPROACH.....	2
SCOPE OF SERVICES AND TECHNICAL APPROACH .....	3
DEFINITIONS: .....	3
SCOPE OF WORK: .....	3
Education Programs Parcel Tax (Measure Q and Measure W Research, Confirmation and Preparation:.....	3
CFD Tax Research, Confirmation and Preparation:.....	5
ADDITIONAL SERVICES INCLUDED .....	7
OTHER TERMS, ASSUMPTIONS, AND EXCLUSIONS.....	8
EMPLOYMENT POLICIES.....	9
DISTRICT RESOURCES .....	10
QUALIFICATIONS AND EXPERIENCE.....	11
FEEES AND COST ESTIMATE.....	13
CONTRACT ACCEPTANCE .....	14

## INTRODUCTION

SCI Consulting Group (the Consultant) is pleased to offer our professional and special tax administration services to the Davis Joint Unified School District. In summary, this proposal covers the annual administration of the Community Facilities Districts No. 1 and No. 2, as well as the complete and accurate administration of the District's existing Parcel Taxes (Measure Q and Measure W) for the 2009-10 fiscal year. Consultant services include preparation of the Tax Reports, administration of special tax levies throughout the year, management reports on changes and trends, and responding to levy inquiries. Specifically, our services would include:

- Research and confirmation of the accuracy of all tax levies.
- Calculation of the CFD and parcel tax levies for each taxable parcel within the boundaries of the Districts, including parcels in Yolo and Solano Counties and adjustment of tax levies for publicly and/or institutionally owned property.
- Preparation of Tax Reports outlining the tax levies and providing relevant disclosure data.
- Submittal of the tax levies for the fiscal year 2009-10 tax roll and confirmation of the tax levies prior to the issuance of tax bills.
- Our toll-free tax assistance phone line for directly responding to property owner inquiries regarding their taxes or other questions.

In its twenty-four years of existence, SCI Consulting Group has specialized in the administration and formation of special tax and assessment districts, community facilities districts, and other special levy districts, and planning services for school districts.

## **GENERAL APPROACH**

Our approach to the projects will begin with a comprehensive review and evaluation of the tax districts with the goal of developing a thorough understanding of the tax methodology, other issues that may affect the CFD and parcel taxes and requirements for the customized tax administration software system. As an initial step, the Consultant will collect property data for the District from the County Assessor, City of Davis, planning agencies, and other sources of property information. This data shall be added to the Consultant's database of tax levies for Community Facilities Districts No. 1 and No. 2 ("CFD No. 1" and "CFD No. 2") and the Education Programs Parcel Taxes (Measure Q and Measure W). The Consultant shall thereafter calculate the special tax levies for each parcel within the District and shall provide summary reports to the District.

After the District has reviewed the data and information, SCI Consulting Group will prepare separate Tax Reports for CFD No. 1, CFD No. 2 and the Parcel Taxes. These tax reports will fully meet all legal and disclosure requirements. After the District's review of the Reports and data, the Consultant shall finalize the tax levies, tax database, boundary maps, and other information for District Board approval and submission to the County Auditors. After the submission of tax levies, SCI Consulting Group shall review and confirm the final levies prior to the issuance of tax bills, shall monitor tax levies and collections throughout the fiscal year and shall directly respond to any property owner inquiries. Disclosure and levy collection reports shall be prepared periodically throughout the fiscal year.

## **SCOPE OF SERVICES AND TECHNICAL APPROACH**

**Purpose:** The purpose of this Section is to outline the responsibilities SCI Consulting Group would assume for the administration of the Davis Joint Unified School District Community Facilities Districts (CFDs) No. 1 and No. 2 and the Education Programs Parcel Taxes (Measure Q and Measure W). This proposal includes all required administration, planning, disclosure, public information/response and other tasks needed for full-service tax administration.

### **DEFINITIONS:**

<b>District:</b>	The Davis Joint Unified School District.
<b>Parcel Taxes:</b>	The Davis Joint Unified School District Education Programs Parcel Taxes (Measure Q and Measure W).
<b>CFDs:</b>	The Davis Joint Unified School District Community Facilities Districts No. 1 & No. 2.
<b>Consultant:</b>	SCI Consulting Group, and any and all employees.

### **SCOPE OF WORK:**

#### **EDUCATION PROGRAMS PARCEL TAXES (MEASURE Q AND MEASURE W)**

##### **RESEARCH, CONFIRMATION AND PREPARATION:**

1. Meet with District staff as needed to establish the budgets, administrative procedures, timelines and other required tasks.
2. Identify all costs associated with the administration of the Parcel Taxes and recover those costs through the levy process as outlined in the Government Code of the State of California. These costs may include, but not be limited to: Registrar/Transfer/Paying Agency fees, Arbitrage Rebate calculation fees, bank fees, and all expenses of the District and its consultants related to district administration.
3. Obtain current assessor data from the County Assessor and other sources for all parcels within the District boundaries.
4. From Assessor records, determine the number of parcels in each land use category, excluding nontaxable parcels.
5. Obtain copies of Assessor Parcel Maps as required.
6. As needed, meet with District staff, property owners, County Assessor staff and other parties to obtain information or verify tax levies.
7. Add the parcel tax levies and update other relevant information into the databases the Consultant currently maintains for the Parcel Taxes to include the new property data. The data for each parcel will include the owner name(s), site address, property values, parcel number, tax levy, mailing address, site address, parcel type, notes and other useful or relevant data.

8. Research changes in property data, property usage, property valuations and tax changes from the previous year for all parcels within the District. Flag all parcels that require property research to determine the appropriate tax.
9. Obtain current fiscal year cost, fund balance and levy information from the District to use as a basis for the Tax Reports.
10. Using the established parcel tax methodology, identify all taxable and non-taxable parcels within the District and calculate the parcel taxes for fiscal year 2009-10.
11. Obtain District data files listing property owners eligible to receive senior citizen exemptions for the Parcel Taxes. Reconcile discrepancies regarding property owner information with the District. Calculate and apply exemptions to parcels in accordance with the District listing, and provide listing of parcels to receive the exemptions for District review.
12. Utilize other real property data information services to obtain additional property information, and to verify and confirm taxes.
13. Run custom-developed queries on the tax roll to verify and check tax accuracy for all parcels.
14. Prepare Tax Rolls listing parcel number, owner name, property address, and tax amount for each Assessor Parcel within the District. Print Tax Rolls sorted by Assessor Parcel Number and owner's name.
15. Prepare Tax Reports for the Parcel Taxes. Such Tax Reports will comply with all legal and disclosure requirements.
16. File Tax Reports with District.
17. If needed, attend District Board meetings at which the Tax Reports are approved.
18. Present the Tax Rolls to District Board, summarize the tax levies, answer all questions raised and assist in finalizing the project for Board approval.
19. Redesign the District's tax administration software program to include parcel tax information for each parcel. This program will allow District staff to quickly locate parcel data by owner name, parcel number, street address or other requested search criteria. This program will also be designed to include features for printing of customized notices of special tax and parcel tax levies, printing of address labels, tracking of notes, phone numbers or ownership information.
20. Provide the updated tax administration parcel locator program and tax database to the District for web-based lookup on District computer systems.
21. Meet Yolo County and Solano County tax roll submission requirements and perform tasks needed to submit the tax levies.
22. File approved Tax Rolls and Tax Diagram with the County Auditors for inclusion of parcel tax levies on 2009-10 tax bills.

23. Receive exceptions list, if any, from County Auditors; make appropriate revisions and resubmit to Auditors' Offices.
24. Verify and validate Auditors' levy data prior to the printing of tax bills.
25. Submit ten copies of final Tax Reports and one bound copy including Tax Rolls to District.
26. Throughout the fiscal year, directly respond to any property owner inquiries regarding their taxes or other issues.
27. Research the need for any revisions of tax; and when required, make the appropriate changes in the Tax Rolls and notify the County Auditor/s to issue a revised tax bill.
28. Throughout the fiscal year, research and, if necessary, revise any taxes which property owners consider to be based upon incorrect information being used to apply the method of tax.
29. Provide other appropriate administrative services throughout fiscal year 2009-10.

**CFD TAX RESEARCH, CONFIRMATION AND PREPARATION:**

1. Research Assessor Roll, parcel splits and subdivisions and land use information.
2. Research City and County Building Department building permit activity, including parcel and lot identification and construction dates, and developer and owner information.
3. As needed, meet with District staff, property owners, County Assessor staff and other parties to obtain information or verify tax levies.
4. Update and maintain a database for each parcel within District boundaries. The data for each parcel will include the owner name(s), site address, property values, parcel number, CFD district, tax levy, square footage, year built, mailing address, parcel type, notes and other useful or relevant data.
5. Compute the area of building constructed for each permit issued within the CFDs.
6. Compute the special tax for each parcel according to the Rate & Method of Apportionment of Special Tax for each of the CFDs.
7. Obtain District data files listing property owners eligible to receive senior citizen exemptions and low income exemptions for CFD taxes. Reconcile discrepancies regarding property owner information with the District. Calculate and apply exemptions to parcels in accordance with the District listing, and provide listing of parcels to receive the exemptions for District review.
8. Preparation of a public information report describing the methodology used to apportion costs. We would be available to explain the special tax levies or CFD trends or provide other information at public hearings.

9. Prepare tax reports listing all parcels and their respective levies for each of the CFDs.
10. Transmit the Reports and special tax levies to the County Auditors/Controllers for inclusion on the 2009-10 tax roll.
11. Provide the County Auditors/Controllers with our toll free number, 800-273-5167, for inclusion with the property bills.
12. Verify and validate Auditors' levy data prior to the printing of tax bills.
13. Field any inquiries from property owners and other parties regarding the special tax and/or CFD procedures.
14. As needed, periodically meet with District staff to review taxes, tax revenues, budget expenditures and other administrative issues.
15. Calculation of prepayment quotes as required.
16. Prepare management summary reports detailing changes in levies, delinquencies, trends and projections.
17. If required, we will prepare a report analyzing long-term revenues and debt service requirements and provide a letter certifying the sufficiency of funds to cover debt service obligations.
18. Assist the District with review of accounting procedures and internal controls.
19. Review of administrative expenses and recommendations for recouping costs so there is no negative impact on the General Fund.
20. If required, assist with the annexation of any additional properties into the CFDs.
21. If required, we will analyze delinquencies and submit a report to the District.
22. Delinquency monitoring and collection services would be provided on an hourly basis as needed.
23. Reporting information for the California Debt and Investment Advisory Commission would be provided as needed on an hourly basis.
24. Provide other assistance with administering the special tax levies as needed.

## **ADDITIONAL SERVICES INCLUDED**

1. Computer services to convert and compile Assessor data into database format for Tax Rolls.
2. Duplication of up to 10 copies of the Tax Reports and Tax Diagrams.
3. Computer services to convert tax data into format required by the County Auditors for inclusion on property tax bills.
4. Assist the District in the review and development of tax administration and tracking procedures with the goal of minimizing District staff time and resources.

## **OTHER TERMS, ASSUMPTIONS, AND EXCLUSIONS**

1. The Scope of Work does not include any mailing of notice or graphical design of informational materials.
2. Any costs for the purchase of Assessor data will be billed directly to the District.
3. All computer services needed to perform any part of the project including compiling Assessor data; reading or converting magnetic tapes are included.
4. This agreement shall not be assignable to any other party without the mutual written consent of both SCI Consulting Group and the District.
5. SCI shall perform all services included in this Proposal as an independent contractor.
6. SCI carries Liability Insurance in the amount of \$2,000,000 and Errors and Omissions Insurance in the amount of \$1,000,000. Proof of insurance will be provided if SCI is selected for this project.
7. Consultant will hold harmless and indemnify the District from and against claims, actions, or suits, brought for, or on account of, any injuries or damages sustained by any person or property resulting or arising from any negligent or wrongful act, error or omission by SCI in the performance of the services provided pursuant to this proposal.
8. This agreement shall not be assignable to any other party without the mutual written consent of both SCI Consulting Group and the District.
9. This contract may be terminated by either party. If the District terminates the contract during the fiscal year, it is responsible for compensation for work performed up to that time.
10. SCI has no known past, ongoing or potential conflicts of interest for working with Davis Joint Unified School District, performing the Work Plan or any other service for this Project.

## **EMPLOYMENT POLICIES**

1. SCI Consulting Group does not and shall not discriminate against any employee in the work 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.
2. The Firm complies with all State and Federal regulations concerning employment.

## **DISTRICT RESOURCES**

With regard to District resources, the District would be responsible for providing the following in a timely manner:

1. Meet periodically with SCI Consulting Group, as needed.
2. Provide information and documentation regarding existing and proposed expenses and/or improvements to be funded by the taxes and fund balances.
3. Assist with the review of Tax Reports, budgets, diagrams, exemptions listings and other tax administration items.

## QUALIFICATIONS AND EXPERIENCE

SCI Consulting Group provides a broad range of planning, research, engineering, special district administration, special tax and assessment formation and financing services for local agencies. Since its foundation in 1985, the firm's projects have included the formation of over 40 Mello-Roos Community Facilities Districts, over 200 assessment districts and the implementation of numerous other special districts for public improvements and services. The Company's planning services include public opinion surveys, assessment ballot and voter campaigns and the preparation of over 100 Facilities Master Plans and Demographic Studies for public agencies.

The firm also provides year-round special tax and assessment administration services for clients throughout California. SCI Consulting Group currently administers over 300 assessment and special tax districts.

SCI Consulting Group's team of planning, financing, legal and computing experts has the expertise to assist in every phase of a facilities or financing program, from inception through community approval, the subsequent implementation of the project and administration of revenues. Moreover, our firm is structured so as to provide the highest quality, most comprehensive service in the most efficient manner.

### **Key Personnel:**

**Gerard van Steyn, M.B.A., President:** Gerard van Steyn specializes in assisting public agencies with research, planning, and revenue measure services and is a recognized expert on benefit assessments, property related fees, special taxes and other public financing mechanisms. In addition, over the last 12 years since Proposition 218 was approved, Mr. van Steyn has served as the lead manager for over 30 community-wide benefit assessment and fee ballot measures, all but one of which have culminated in a successful ballot outcome. Mr. van Steyn was responsible for establishing many of the clarifications and procedural items contained within the "cleanup" legislation for Proposition 218. Mr. van Steyn has also formed many Mello-Roos Community Facilities Districts (CFDs) and has extensive expertise with the post formation financing activities and reapportionment requirements for CFDs. He also develops custom software programs and database systems to administer assessment districts and to perform other functions for local agencies.

Mr. van Steyn has specialized expertise in evaluating public improvement financing plans and various options and mechanisms for funding. His consulting projects include over 75 Facility Master Plans, development impact fee nexus studies, demographic studies, tax base and financial plans, District annexation plans and local funding feasibility plans for local agencies throughout California.

Mr. van Steyn graduated from the University of California, Davis with High Honors in Managerial Economics and received a Master of Business Administration in Finance and Real Estate from the University of California at Berkeley. Mr. van Steyn is also a licensed Real Estate Broker with the California Department of Real Estate.

**Angela Pagtalonía, Consultant:** Angela Pagtalonía contributes over 25 years of experience in database maintenance, analytical support, and management to the SCI Consulting Group team. Her scope of work has included completion of numerous Needs Analysis projects, Fee Justification Studies, Attendance Boundary Studies, Community Facilities District tax administration, and special assessment district administration. In addition, her background in accounting, human resources and property management, combined with her organizational ability, provide an efficient and accurate approach to the firm's projects and database control for the firm's clients. Ms. Pagtalonía graduated from the University of the State of New York with a degree in Liberal Arts.

## FEES AND COST ESTIMATE

In consideration for the work accomplished, as outlined in the Scope of Work, Consultant shall be compensated as follows:

- I. **CFD No. 1 and CFD No. 2:**
  - a. Upon the filing of the CFD Tax Reports for District Board consideration, the sum of \$6,300 shall be due.
  - b. Upon confirmation of the CFD Tax levies with the County Auditors, the sum of \$6,000 shall be due. In addition, after the custom designed tax administration software program for fiscal year 2009-10 is submitted to the District, \$500 shall be due.
  
- II. **Measure Q Parcel Tax:**
  - a. Upon the filing of the Parcel Tax Report for District Board consideration, the sum of \$3,000 shall be due.
  - b. Upon confirmation of the special Parcel Tax levies with the County Auditors, the sum of \$2,800 shall be due.
  
- III. **Measure W Parcel Tax:**
  - a. Upon the filing of the Parcel Tax Report for District Board consideration, the sum of \$3,000 shall be due.
  - b. Upon confirmation of the special Parcel Tax levies with the County Auditors, the sum of \$2,800 shall be due.
  
- IV. **Incidental costs** for the purchase of property data, maps and other out-of-pocket costs related to the work shall be billed at cost, with the total not to exceed \$700.

## CONTRACT ACCEPTANCE

This proposal can be accepted as an agreement and contract for the scope of work, compensation and other terms and provisions listed within this document by signature of the District and SCI Consulting Group.

**ACCEPTED BY:**

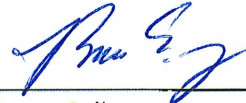


Gerard van Steyn  
President  
SCI Consulting Group

**DATE**

1/29/09

**ACCEPTED BY:**



Bruce Colby  
Associate Supt. of Business Services  
Davis Joint Unified School District

**DATE**

4/29/09