



August 22, 2014

TO: LOCSO Board of Directors

FROM: Robert Miller, District Engineer

SUBJECT: Agenda Item 12A – 9/4/2014 Board Meeting
Conditional Intent to Serve Letter for 1173 10th Street, Los Osos
(APN 038-052-027)

President
Craig V. Baltimore

Vice President
R. Michael Wright

Directors
Leonard A. Moothart
Marshall E. Ochylski
Jon-Erik G. Storm

General Manager
Kathy A. Kivley

Temporary District Accountant
Michael L. Doyel

Fire Chief
Robert Lewin

Battalion Chief
Phill Veneris

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Offices:
2122 9th Street, Suite 102
Los Osos, CA 93402

Phone: 805/528-9370
FAX: 805/528-9377

DESCRIPTION

The purpose of this agenda item is to consider the approval of a Conditional Intent-To-Serve (ITS) Letter for the above referenced property. This ITS represents the first in a series of requests anticipated from the Los Osos Investment Group, LLC (Developer) for properties within the District that have received septic system approvals from the Regional Water Quality Control Board. The septic system approvals stem from the retirement of existing structures located on the Developer's property at Pine Street and Los Osos Valley Road (APN 072-052-049).

STAFF RECOMMENDATION

Staff recommends the Board adopt the following motion:

Motion: I move that the Board approve the Conditional Intent-To-Serve Letter as drafted and authorize the General Manager to sign the letter.

BACKGROUND AND DISCUSSION

On July 3, 2014, the Board considered general policy questions relating to water neutral development. Subsequent to that meeting, Staff worked with the San Luis Obispo County Planning and Building Department to review the historical water calculations provided by the Developer in support of its ITS request. The County determined that while the historical water use was documented to the satisfaction of the Regional Board, the use was not sufficiently current to qualify the project as water neutral. For this reason, both the District and the County are proposing to condition the project to offset its proposed water use at a 2:1 ratio, consistent with the most current version of County Title 19. In addition to the standard conditions in the ITS, Staff is recommending the following special conditions:

1. The Regional Water Quality Control Board ("RWQCB") provides the District with written verification that the Project's wastewater treatment system is consistent with the current Basin Plan.
2. The County of San Luis Obispo provides the District with written verification that the Project meets current County requirements for Project construction.

3. The California Coastal Commission provides District with written verification that the Project has been granted a Coastal Development Permit and has complied with all conditions of said Coastal Development Permit.

4. The County of San Luis Obispo shall provide the District written confirmation that the Project has completed the required water fixture retrofits pursuant to Title 19 of the County Code. No credit shall be given for the historical water use that previously occurred at Los Osos Valley Road and Pine Street (APN 072-052-049).

5. The Project is approved for service by CALFIRE (Note: CALFIRE may require additional conditions in accordance with applicable codes in effect at the time of construction plan approval).

6. Owner shall defend, indemnify and hold harmless the District and/or its agents, officers and employees from any claim, action or proceeding against the District and/or its agents, officers or employees to attack, set aside, void or annul, the issuance by the District of this Intent-To-Serve Letter, and all actions relating thereto.

FINANCIAL IMPACT

The Developer will be required to pay the current impact fees, rates, and charges applicable at the time all ITS conditions are satisfied. In addition, the developer is required to reimburse the District for staff time accrued in the preparation of the ITS.

Attachment



DATE:

CONDITIONAL INTENT-TO-SERVE LETTER

APN: 038-052-027

ADDRESS: 1173 10th St. Los Osos, CA 93402
One service connection

OWNER: Hamid Keshtgar

DEVELOPER: S. Scott Black, Managing Member
Los Osos Investment Group, LLC
700 E Shaw Avenue
Fresno, Ca 93710

REPRESENTATIVE: J.H. Edwards
P.O. Box 6070
Los Osos, CA 93412
Telephone: 805-528-1567

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Dear Mr. Black (Developer):

Los Osos Community Services District ("District") will provide water service to the above-referenced parcel ("Project") subject to the following terms and conditions:

A. General Conditions

1. That all easements and dedications required for District services have been delivered to and accepted by the District.
2. All construction work and installations that shall become District property shall be designed and installed pursuant to District engineering standards and plans and specifications.
3. Owner shall enter into a Checking and Inspection Agreement with the District and shall pay all District water fees and Capacity Charges in effect on the date the Owner satisfies the conditions of this Intent-To-Serve Letter, said fees and charges include, but are not limited to the following:

- District's Water Connection Fees
- District's water Capacity Charges
- District's Processing, Plan Check and Inspection Fees – A deposit of \$1,500 is required at the time of issuance of this Intent-To-Serve Letter which shall be drawn upon to pay for the District's incurred expenses. If additional funds are necessary, the District will request a subsequent deposit. At the time of Will Serve issuance, a final reconciliation of the deposited funds and expenses will be made.

4. Owner shall comply with the terms and conditions, rules and regulations of the District and CALFIRE related to the Project.
5. If any of the District's facilities are required to be moved, raised, or in any way altered or changed because of required conditions of the District or any other agency having jurisdiction over the proposed Project, the Owner, developer, agent, contractor, or responsible agent, at its sole cost and expense, shall bring such facilities up to District standards of design and access.
6. Owner shall provide the District with a copy of County application approval and County project conditions of approval.
7. Owner shall comply with all terms, conditions, rules and regulations of other agencies that have jurisdiction over the Project, including, but not limited to CALFIRE, those agencies identified in the Project EIR and those agencies referenced in the Special Conditions below.
8. All water improvements to be dedicated to the District shall be bonded for or otherwise secured in the District's name.
9. This Intent-To-Serve Letter shall be null and void unless Owner provides District General Manager with a signed copy of this Intent-To-Serve Letter thirty (30) days from delivery by District.
10. The District will set water meter(s) upon proof of a building permit from the County of San Luis Obispo, the District's acceptance of improvements to be dedicated to the District, if applicable, and final payment of all charges and fees owed to the District.

B. Special Conditions

1. The Regional Water Quality Control Board ("RWQCB") provides the District with written verification that the Project's wastewater treatment system is consistent with RWQCB requirements.
2. The County of San Luis Obispo provides the District with written verification that the Project meets current County requirements for Project construction.
3. The California Coastal Commission provides District with written verification that the Project has been granted a Coastal Development Permit and has complied with all conditions of said Coastal Development Permit.
4. The County of San Luis Obispo shall provide the District written confirmation that the Project has completed the required water fixture retrofits pursuant to Title 19 of the County Code. No credit shall be given for the historical water use that previously occurred at Los Osos Valley Road and Pine Street (APN 072-052-049).
5. The Project is approved for service by CALFIRE (Note: CALFIRE may require additional conditions in accordance with applicable codes in effect at the time of construction plan approval).

6. Owner shall defend, indemnify and hold harmless the District and/or its agents, officers and employees from any claim, action or proceeding against the District and/or its agents, officers or employees to attack, set aside, void or annul, the issuance by the District of this Intent-To-Serve Letter, and all actions relating thereto.

C. Additional Provisions

1. Owner acknowledges receipt of the Los Osos Community Services District's Policy and Guidelines for District Services.
2. This "Intent-to-Serve" Letter shall be subject to the current and future rules, agreements, regulations, fees, resolutions and ordinances of the District. This "Intent-to-Serve" Letter may be revoked or modified as a result of conditions imposed upon the District by a Court or availability of resources, or by a change in ordinance, resolution, rules, fees or regulations adopted by the Board of Directors.
3. That unless sooner terminated this "Intent-to-Serve" Letter will terminate within 3 years from the date of issuance. A single one year extension may be granted upon the receipt of an application and the payment of a non-refundable renewal fee. At the time of application for renewal, the Developer must provide written confirmation that substantial progress is being made toward the fulfillment of the conditions listed herein.
4. This "Intent-to-Serve" Letter shall not be interpreted as the District's Board of Directors endorsement of the Project.
5. Owner agrees that the District's review or approval of the Project plans and specifications is for administrative purposes only and does not relieve Owner of its responsibility to properly plan, design, construct, operate, and maintain the Project.
6. In accordance with generally accepted construction practices, Owner shall assume sole and complete responsibility for the condition of the job site during the course of the Project construction, including the safety of persons and property; that this requirement shall apply continuously and not be limited to normal working hours; and the Owner shall defend, indemnify, and hold the District and District's agents, employees and consultants harmless from any and all claims, demands, damages, costs, expenses (including attorney's fees) judgments or liabilities arising out of the performance or attempted performance of the work on this project; except those claims, demands, damages, costs, expenses (including attorney's fees) judgments or liabilities resulting from the sole negligence or willful misconduct of the District.
7. The General Manager, the Utility Supervisor, or the District Engineer shall be responsible for determining compliance with the conditions identified in this Intent to Serve Letter.

Date Issued: _____

Kathy A. Kivley, General Manager
Los Osos Community Services District

I, S. Scott Black, have read the foregoing Intent-to-Serve Letter and by my signature below, agree to the conditions contained herein.

Date: _____

Owner: _____
Los Osos Investment Group, LLC
S. Scott Black, Managing Member

[The body of the document contains several columns of extremely faint, illegible text, likely representing the terms and conditions of the Intent-to-Serve Letter.]