



February 26, 2016

TO: LOCSD Board of Directors

FROM: Peter J. Kampa, Interim General Manager

SUBJECT: **Agenda Item 11F – 3/3/2016 Board Meeting**
Approve Consulting Agreement with Kampa Community Solutions, LLC
to Provide Interim General Manager Services

President
Marshall E. Ochylski

Vice President
Jon-Erik G. Storm

Directors
Charles L. Cesena
Louis G. Tornatzky
R. Michael Wright

Interim General Manager
Peter J. Kampa

District Accountant
Michael L. Doyel

Acting Fire Chief
Steve Reader

Battalion Chief
Tom McEwen

DESCRIPTION

Adopt a resolution approving the Consulting Agreement between the Los Osos Community Services District and Kampa Community Solutions, LLC

STAFF RECOMMENDATION

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

Motion: I move that the Board adopt Resolution 2016-05 approving the Consulting Agreement between Kampa Community Solutions, LLC and the Los Osos Community Services District to provide Interim General Services through May 31, 2016.

DISCUSSION

The Board, during their February 11, 2016 Close Session meeting, voted unanimously to retain the services of Kampa Community Solutions out of Sonora, California and gave direction to the Ad Hoc committee to reach an agreement with them. Attached, as Exhibit A to Resolution 2016-05, is the agreement with Kampa Community Solutions.

The Effective Date of the Agreement is February 12, 2016, and the initial term of services would be through May 31, 2016.

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

Attachment – Resolution 2016-05 w/Exhibit A

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

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

www.losososcsd.org

RESOLUTION NO. 2016-05

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
APPROVING CONSULTING AGREEMENT WITH KAMPA COMMUNITY SOLUTIONS, LLC
TO PROVIDE INTERIM GENERAL MANAGER SERVICES**

WHEREAS, California Government Code Section 61050 requires the Board of Directors of a community services district to appoint a General Manager to serve at the pleasure of the Board and to manage the day to day affairs of the District; and

WHEREAS, the Los Osos Community Services District Board of Directors (Board) does hereby desire to secure the services of a qualified consulting firm to immediately serve as Interim General Manager for the District, and

WHEREAS, in accordance with the District Expenditure Control Guidelines, the engagement of professional services including consultants costing in excess of \$5,000 require a contract approved by the Board of Directors.

WHEREAS, the Board has secured an acceptable scope of work and consulting contract from a consulting firm which meets the needs of the District for Interim General Management Services.

NOW, THEREFORE, BE IT RESOLVED that the Los Osos Community Services District Board of Directors does hereby approve the Consulting Services Agreement with Kampa Community Solutions, LLC, attached hereto as Exhibit A; and

BE IT FURTHER RESOLVED, that the Board President is hereby authorized to execute said Consulting Agreement on behalf of the District with the proposed Effective Date of February 12, 2016 and the initial term of services through May 31, 2016.

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

Ayes: _____
Nays: _____
Absent: _____
Conflicts: _____

The foregoing resolution is hereby passed, approved, and adopted by the Board of Directors of the Los Osos Community Services District this 3rd day of March 2016.

Marshall E. Ochylski
President, Board of Directors
Los Osos Community Services District

ATTEST:

APPROVED AS TO FORM:

Peter J. Kampa
Interim General Manager and Secretary to the Board

Michael W. Seitz
District Legal Counsel

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made and entered into this 12th day of February, 2016, by and between the Los Osos Community Services District hereinafter referred to as "District" and Kampa Community Solutions, LLC hereinafter referred to as "Consultant".

RECITALS

WHEREAS, District desires to obtain services from Consultant as specified in Section 1; and WHEREAS,

Consultant is duly certified, licensed, qualified and equipped to perform said services for the benefit of District; and

NOW, THEREFORE, District and Consultant agree as follows:

1. Scope of Work. District engages the services of Consultant as an independent contractor to perform the work and render the services described in Consultant's Proposal to District dated January 7, 2016 attached hereto as Exhibit A (hereinafter referred to as the "Work"), and which is incorporated. The Work is generally described as follows: Serve as contract General Manager.

Consultant shall (a) provide all labor, equipment, material, supplies, advice, consultation, analysis, administration, and preparation of policies, procedures and documents required or necessary to properly, competently and completely perform the Work; (b) determine the method, details and means of doing the Work; and (3) perform the Work in a manner commensurate with the highest professional standards of qualified and experienced personnel in Consultant's field.

2. Payment. In exchange for the Work, District shall pay to Consultant a fee based on Consultant's proposal for the Work in accordance with Consultant's fee, attached hereto as Exhibit A and incorporated herein.

A. District will be invoiced in advance for the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by Consultant within thirty (30) days of the date of such invoice.

B. Failure of District to make full payment of an invoice so that it is received by Consultant within thirty (30) days of the date thereof subjects the amount overdue to a delinquent account charge of one percent (1%) of the invoice amount per month, compounded monthly, but not to exceed the maximum rate permitted by law. Failure of District to submit full payment of an invoice within thirty (30) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at Consultant's discretion.

3. Term.

A. This is a general services Agreement that shall take effect on the above date and shall continue in effect until terminated by the Consultant or District as provided herein. Consultant shall perform all Work diligently and as expeditiously as possible, consistent with the professional skill and care appropriate for the orderly progress of the Work.

B. Time is of the essence in this Agreement.

C. This Agreement may be terminated for any or all portions of the Work by either party upon thirty (30) days written notice to the other party if District or Consultant should deem it necessary or desirable to abandon the Agreement for its own needs or convenience. Consultant shall issue a final invoice and District shall pay all invoices within the 30 day termination period.

D. In the event of abandonment, postponement or default by District, District shall pay Consultant for all services performed and all expenses incurred in performance of this Agreement. The total amount paid to Consultant shall be in an amount of all current outstanding invoices, plus the amount of any services rendered by Consultant from the end date of last invoice period to the date of the termination of the Agreement. Services actually rendered hereunder

AGREEMENT FOR CONSULTING SERVICES
LOS OSOS COMMUNITY SERVICES DISTRICT AND KAMPA COMMUNITY SOLUTIONS, LLC

up to the date of such termination of this Agreement, include both completed services and services in the process of completion.

E. In the event of default in performance by Consultant, the provisions of Section 4 hereof shall apply.

4. **Default by Consultant.** If Consultant fails to advance the Work, or performs work that does not comply with the requirements of this Agreement, or fails to perform any task or produce any documents required by this Agreement, or is guilty of any other material breach of the terms of this Agreement, District may request that Consultant remedy any identified defects, lack of performance or breach, or may immediately terminate this Agreement upon payment of costs in accordance with 3(D) above.

5. **Ownership of Documents.** Every document prepared by Consultant under this Agreement shall be the property of the District. By this Agreement, Consultant transfers the right, title and interest in such documents to District for the purposes specifically stated herein, and Consultant shall be authorized to retain any and all public documents (public records) produced by consultant for his unrestricted use.

6. **Compliance with Laws.** Consultant shall perform the Work in compliance with all applicable federal, state and local laws and regulations regarding safety of persons and property and their protection from damage, injury or loss, including applicable Cal-OSHA regulations. Consultant also shall possess and maintain all permits, licenses and certificates that may be required for it to perform the Work. Consultant shall comply with all laws and regulations as required by local, state and federal agencies regarding nondiscrimination including, but not limited to, Title VII of the Civil Right of 1964, the Americans with Disabilities Act, the Age Discrimination Employment Act of 1967, and the California Fair Employment and Housing Act. The Consultant is aware of the District's anti-harassment policy and agrees to abide by the policy, practices and procedures set forth and established by the District.

7. **Indemnification.** Consultant agrees to defend, indemnify and hold District, its officers and employees harmless from any and all claims, damages, losses, or liabilities to the extent caused by the negligent acts, errors, or omissions of Consultant in the performance of services under this Agreement. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist to the parties to this Agreement.

8. **Insurance.**

A. Consultant shall maintain worker's compensation insurance as required by applicable state statutes.

B. Consultant shall maintain commercial general liability and automobile liability insurance with limits of not less than \$1 million per occurrence.

C. Consultant shall maintain professional liability insurance for protection against claims alleging negligent acts, errors, or omissions which may arise from Consultant's performance under this Agreement. The amount of this insurance shall be not less than \$1,000,000 on a claims-made, annual aggregate basis.

D. The District shall be named as additionally insured under Consultant's policies and Consultant shall provide District with certificates of insurance evidencing the aforesaid coverage.

District agrees to include in its contracts with construction contractors provisions requiring that Consultant, in addition to District, be indemnified against claims and losses occurring during the performance of the contract and be named as an additional insured on liability insurance policies required to be maintained by construction contractor.

9. **Independent Contractor.** The parties hereto agree that at all times during the term of this Agreement Consultant, Consultant's employees and agents hired to perform services pursuant to this Agreement are independent contractors and are not agents or employees of District.

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10. **Entire Agreement.** This writing and the documents incorporated herein by reference as Exhibit A, which may include subsequent work Task Orders approved pursuant to the Consultant's proposal in Exhibit A, represent the sole, entire, exclusive and integrated contract between the parties concerning the Work, and supersedes all prior oral and/or written negotiations, representations or contracts. Each party to this Agreement acknowledges that no representations or promises have been made by any party hereto which are not embodied herein, and that no other agreement or promise not contained in this Agreement or in the incorporated documents shall be valid or binding. This Agreement may be amended only by a subsequent written contract approved and executed by both parties.

11. **Successors and Assignment.** This Agreement shall bind and inure to the benefit of the heirs, successors and assigns of the parties; however, Consultant shall not subcontract, assign or transfer this Agreement or any part of it without the prior written consent of District.

12. **No Waiver of Rights.** Any waiver at any time by either party of its rights as to a breach or default of this Agreement shall not be deemed to be a waiver as to any other breach or default. No payment by District to Consultant shall be considered or construed to be an approval or acceptance of any Work or a waiver of any breach or default.

13. **Severability.** If any part of this Agreement is held to be void, invalid or unenforceable, then the remaining parts will nevertheless continue in full force and effect.

14. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of California.

15. **Notice.** Any notice, invoice or other communication that is required or permitted to be given under this Agreement shall be in writing and either served personally or sent by prepaid, first class U.S. mail addressed as follows:

District: Board President
Los Osos Community Services District
2122 9th Street, Suite 102
Los Osos, California 93402

Consultant: Peter J. Kampa, President/General Manager
Kampa Community Solutions, LLC
PO Box 3221
Sonora, CA 95370

Any party may change its address by notifying the other party of the change in the manner provided above.

16. **Attorney's Fees.** In the event of litigation between the parties, or if a party becomes involved in a litigation because of wrongful acts of the other party, the prevailing or innocent party shall be entitled to an award of reasonable attorney's fees from the other party. The prevailing party will be entitled to an award of attorney's fees in an amount sufficient to compensate the prevailing for all attorney's fees incurred in good faith.

By: Peter J. Kampa By: _____

Name: Peter J. Kampa Name: _____

Title: President/General Manager Title: _____

EXHIBIT A



KAMPA COMMUNITY SOLUTIONS, LLC

PROPOSAL FOR GENERAL MANAGEMENT SERVICES

Los Osos Community Services District- January 7, 2016

(Amended Final February 19, 2016)

OVERVIEW

Kampa Community Solutions, LLC (KCS) is immediately prepared to provide competent and experienced management services for the Los Osos Community Services District (District or LOCSD), serving as General Manager. We have prepared this initial scope of work proposal to address what we expect as the immediate needs of the District, to ensure the continued provision of excellent services to the Los Osos Community without the months of downtime experienced in the recruitment, contract negotiation and relocation time normally associated with hiring a replacement manager.

Transition in management is the perfect opportunity to engage the services of our firm; to assist the Board in taking a fresh look at the District from an experienced outsider's perspective. Our goal in this relationship is to end the management turnover trend and leave the District on a firm management foundation going forward. We will provide the District with a clear understanding of what it wants and needs in a manager through the establishment of solid management goals and objectives to be accomplished, the structure and process to get things done, and a system by which to measure the performance of the manager, and District as a unit.

Proposed Scope of Services

Peter J. Kampa, President of KCS and certified Special District Administrator will serve as LOCSD General Manager as described in Attachment A hereto; the General Manager job description prepared by the District for its temporary General Manager (Board meeting of January 7, 2016). It is understood, however, that the role of a General Manager can be quite dynamic based on the immediate needs of the District, its Board and community. Therefore, the General Management services provided by KCS will not be limited to those roles and responsibilities specifically described in Attachment A.

For the purposes of estimating the management time and effort required to fulfill the requirements of the position and to submit a reasonable cost proposal, the

assumption is made that District operations and administration are operating in a “normal” state. For example, longer term emergency situations and associated responses, requiring substantially higher levels of management time are not considered normal. Directing the preparation of capital improvement, financial and rate plans, establishing priorities, responding to day to day short term emergencies such as water outages are all considered normal operations. The management scope of work shall also specifically include the following, as directed by the Board:

- Managing staff to assure the efficient operation of the District in implementing the policies of the Board.
- Managing the activities of the Standing Advisory Committees as they address the issues they have been tasked by the Board.
- Assisting staff in providing complete and thorough financial reporting which can be disseminated to the general public in a readily understandable format.
- Active participation in the Los Osos Groundwater Basin Management Committee, and/or support of District representatives on the committee
- Development of a strategic or business plan to directly align the vision of the Board with the activities and actions of the District and its management
- Development of action plans, management goals and objectives to support the strategic plan

Management Services Implementation

We propose a contractual relationship through execution of a General Services Agreement with no specific termination date. This allows LOCS D to set immediate priorities for the General Manager and develop mid-range and longer term goals and priorities for management as the relationship matures and with proven performance. Either party may terminate this contractual relationship upon written notification. KCS will provide thirty days’ minimum termination notice to the District in the event ending the relationship is necessary.

Why KCS as General Manager?

KCS was formed in 2013 specifically to provide an array of innovative, efficient and cost effective management solutions for California’s Special Districts. Knowledgeable, competent, experienced and honest General Managers are hard to come by in today’s market, especially for the compensation that can be offered by California’s rural districts. KCS utilizes the best, career-long managers in the business; Special District Administrators certified by the Special District Leadership Foundation.

With KCS as your consulting general manager, we take on the risk currently shouldered by the District in employment of a GM. The District can continue our services for as long as they wish, or terminate the services at any time for any or no reason; without any potential for employment related legal actions including claims of wrongful termination. We guarantee our services and provide full professional liability insurance coverage with the District endorsed as additional insured.

KCS Firm Highlights

Peter J. Kampa, President of KCS and a certified Special District Administrator will serve as LOCSD General Manager with technical support and administrative services in support of this work scope provided by KCS's experienced Special District Administrators. Mr. Kampa has over 22 years of special district management and service delivery experience directly relevant to LOCSD including:

- Water and wastewater utility services including drought emergency water supply planning and project implementation, capital improvement planning, maintenance plan development and integrated regional water management activities
- Road, storm drain, street lighting and median/common area landscape maintenance
- Solid waste collection services and franchise management, transfer recycling center operation. Actively participated in the Regional Integrated Waste Management Authority.
- Park and recreation and services including new park, sports field and playground construction, open space conservation and trails development, creek restorations
- Wetlands, open space and wildlife habitat property and maintenance management
- Fire protection, ambulance, and paramedic emergency response services including mutual and automatic aid agreements with County Fire and Calfire; Schedule-A Agreement administration
- Community service needs assessments to determine the viability of latent power activation, and development of LAFCO required (new) service plans
- Managed the planning, design, funding and construction of over \$51 million in public works infrastructure projects and capital equipment purchases using state and federal grants, fee revenue, development/mitigation fees, property taxes, special taxes, benefit assessment and bond proceeds.

- Grant location, writing and administration; with over \$20 million in grants received
- Initiated formation of, and active participation in Integrated Regional Water Management Planning and the associated Water Management Authority, successful in receiving over \$11 million in Prop 84 grants between 2012 and 2015
- Fifteen years serving on the CSDA Board of Directors advocating on behalf of rural special districts

Services Budget, Assumptions and Criteria

The cost of the initial KCS General Services Management Contract with LOCSD is \$97,000 for the first year; paid at \$8083.33 per month. This budget is based on an average of twice monthly attendance at Board, committee and other district related meetings. Staff meetings, site visits and face to face meetings with customers and for other District purposes will be arranged to the maximum extent feasible in conjunction with Board meeting schedules. The budget includes all travel expenses, office supplies and out of pocket costs related to meetings, meals, training, etc.

The Board, District staff, legal counsel, consultants and customers will, in accordance with District policies and standards, have unrestricted access to the General Manager in person while in Los Osos; and at all other times by phone, email, text message and video conferencing. KCS shall maintain the most current versions of necessary business software including MS Office and Adobe Pro DC, necessary for seamless business communication and function.

If you have questions on this proposal, feel free to contact me at my office (209) 694-7023 or cell (209) 591-7100.

Thank you for your consideration,

Peter J. Kampa

Peter J. Kampa, President/General Manager
Kampa Community Solutions, LLC

EXHIBIT "A"
KCS CONSULTING SERVICES PROPOSAL
GENERAL MANAGER'S BASIC RESPONSIBILITIES

1. GENERAL

Under policy direction of the Board of Directors, plans, organizes, coordinates and supervises all District functions and activities related to the production and distribution of potable water within the District's water distribution zone and other functions of the District including contract administration for fire services; provides policy guidance and program evaluation to staff and the Board of Directors; fosters cooperative working relationships with intergovernmental and regulatory agencies, the public, various public and private organizations and District staff; acts as Secretary to the Board of Directors; performs related work as assigned.

2. EXAMPLES OF DUTIES (Illustrative Only)

A. Plans, organizes, coordinates and administers, either directly or through subordinate supervisors, the work of the District in accordance with the adopted goals and objectives of the Board of Directors and applicable laws and regulations.

B. Directs and coordinates the development and implementation of goals, objectives, policies, procedures and programs for the District; administrative policies, procedures and work standards to assure that goals and objectives are met and that programs provide mandated services in an effective and efficient manner.

C. Prepares and administers the budget for the District; reviews all District expenditures; provides financial management for the District.

D. Prepares Agendas, with the cooperation of the President, for all meetings of the Board of Directors.

E. Assures that appropriate notice of Board meetings is posted and that other legal notification requirements are met.

F. Responsible for the preparation of Staff Reports for Agenda items.

G. Prepares for and attends all regular and special meetings of the Board of Directors and other meetings as directed by the Board of Directors.

H. Represents the Board and the District in contacts with governmental agencies, community groups and various business, professional and legislative organizations and District customers; acts as a District liaison with the media.

I. Directs and reviews special studies; provides for contract services as required and administers various service contracts.

J. Administers discipline as required; provides guidance and direction to staff regarding policies and procedures.

K. Prepares a variety of correspondence, policies, procedures, reports, minutes and other written materials.

L. Maintains and directs the maintenance of official District files.

M. Assures that the Board is kept informed of the financial status of District programs and activities.

N. In concert with the District Counsel, monitors changes in the law and operational process changes that may affect District operations; implements operational and procedural modification as required.

3. LICENSING AND CERTIFICATION

A. Must possess a valid California Class C driver's license and have a satisfactory driving record.

B. Must be bondable by District's fidelity bond insurer.