

**AGREEMENT TO PROVIDE FINANCIAL AND ACCOUNTING SERVICES TO
Los Olivos Community Services District**

This agreement is made by and between the County of Santa Barbara for services of the Auditor-Controller's Office ("County") and Los Olivos Community Services District, an independent special district ("LOCSD") and is effective July 1, 2018 (Effective Date), with respect to the following:

WHEREAS, the County Treasurer is the Treasurer of LOCSD, and LOCSD has its funds in the County Treasury; and

WHEREAS, LOCSD is in need of financial and accounting services in connection with the execution of its duties; and

WHEREAS, the Auditor-Controller is authorized to provide financial and accounting services to LOCSD at a cost not to exceed the actual costs of providing similar services to County departments and other special districts, and at rates effective during the term of the agreement;

NOW THEREFORE, to accomplish these objectives, County and LOCSD enter into this service agreement ("Agreement"), as follows:

1. **Term of Agreement.** The Agreement shall cover the period of time from and including July 1, 2018 to and including June 30, 2020. This Agreement will renew each fiscal year thereafter with an annual amendment for each fiscal year's costs to update Section 3 of this agreement and as agreed to by both parties. Early termination may be made by either party upon ninety (90) days notice in writing.
2. **Scope of Services.** The County of Santa Barbara, through the Auditor-Controller's Office, shall provide enhanced financial and accounting services as requested by LOCSD, as follows:
 - Processing of eForms in FIN Web to electronically process vendor payments, journal entries, deposit journal entries, budget, and warrant cancellations;
 - Electronic document retention;
 - 1099 IRS Reporting including TIN matches;
 - Processing vendor garnishments and liens, upon provision of required legal documentation;
 - Verification of correct sales and use tax rate charged by vendors, to the best of County's ability;
 - Filing of quarterly sales tax report with Board of Equalization (BOE) and work with BOE auditors when audited;
 - Payment of vendors by warrant or Automated Clearing House (ACH);
 - Daily reconciliation with Treasury pool;
 - Maintenance of LOCSD fund structure, budget reporting and financial reporting.

3. **Services and Costs.**

a. **Financial and Accounting Services.** LOCSD shall pay the County \$2,000 per fiscal year. The \$2,000.00 rate will apply to the two fiscal years FY 2018-19 and FY 2019-20. Thereafter, the billing rate shall be the costs allocated as part of the County of Santa Barbara Cost Allocation Plan for use in the fiscal year that is the subject of the agreement

b. **Billing.** The method of billing for the costs of services under this Agreement shall be consistent with the normal billing processes established by the Santa Barbara County Auditor-Controller.

4. **Policies and Procedures.** LOCSD agrees that, for the services rendered under this contract, the Auditor-Controller will not be required to establish separate policies and procedures from those applicable to the County. Such policies and procedures include but are not limited to guidelines on contracts, County ordinances, and claims against the County reimbursement for County employee expenses.

5. **Communication.** The Auditor-Controller shall maintain an ongoing relationship with LOCSD by providing a designated liaison from the Auditor-Controller's organization that will have the primary responsibility for providing financial and accounting services. The Auditor-Controller will meet as needed with the LOCSD designated Director or District General Manager to assist with the provision of the financial and accounting services.

6. **Indemnification.** In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to California Government Code Section 895.6, the parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead all parties agree that pursuant to California Government Code Section 895.4, each of the parties hereto shall fully indemnify and hold each of the other parties, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by California Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this Agreement. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other parties hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such other parties under this Agreement.

7. **Liability.** In no event, will County's liability to LOCSD exceed the amount paid by LOCSD to County during the one year period immediately preceding the event that gave rise to a claim. County shall not be liable to LOCSD for any incidental, consequential, indirect or punitive damages.

8. **Insurance.** Each party shall maintain its own insurance coverage, through commercial insurance, self-insurance or a combination thereof, against any claim, expense, cost, damage, or liability arising out of the performance of its responsibilities pursuant to this Agreement.
9. **Amendment.** Except as otherwise provided herein, this Agreement may be modified or amended only in writing and with the prior written consent of both parties.
10. **Severability.** If any provision of the Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.
11. **Venue.** The venue for any legal action filed by either party in State court to enforce any provision of this Agreement shall be Santa Barbara, California.
12. **Entirety of Contract.** This Agreement constitutes the entire agreement between the parties relating to the specific subject of this Agreement and supersedes all previous agreements, promises, representations, understanding and negotiation, whether written or oral, among the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement and it is effective as of the Effective Date.

LOS OLIVOS COMMUNITY SERVICES DISTRICT

By: 

Name: Tom Franzen

Title: Chair and President of the Board of Directors

Date: 7-19-18

Attest:

By: 

Name: Julie Kennedy

Title: Secretary, Board of Directors

Date: 7-19-18

[Signatures continued on next page]

COUNTY OF SANTA BARBARA

By:


Chair, Board of Supervisors

Date: _____

ATTEST:
Mona Miyasato
Clerk Of The Board

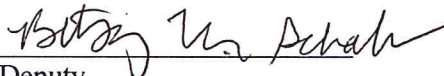
By: _____
Deputy Clerk

APPROVED AS TO FORM:
Michael C. Ghizzoni
County Counsel

By: 

Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
Theodore A. Fallati, CPA
Auditor-Controller

By: 

Deputy

APPROVED AS TO FORM:
Risk Management

By: 

Risk Management