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May 8, 2017

Mr. Peter Kampa
General Manager
Saddle Creek CSD
1000 Saddle Creek Drive
Copperopolis, CA 95228

RE: Parcel Tax Administration

Dear Peter and Saddle Creek friends,

Congratulations on the parcel tax! As mentioned, NBS can now support the parcel tax to ensure the \$1MM in annual revenues are efficiently and effectively collected on the tax roll, or for any manual/direct bills which may need to be issued. I have detailed our scope of services below. With your approval, this letter can serve as an exhibit for official approval or contract to provide these services.

Scope of Services

Parcel Tax Administration

EXPERT RESOURCE: First and foremost, NBS will act as Saddle Creek's (Client's) "expert resource," and is available to answer questions and offer advice on particular issues involving the parcel tax levy.

KICK-OFF MEETING: Meet with Client staff to discuss:

- Tax roll billing steps and appropriate timeline
- Method of application of the charge and the data required to establish the proper procedure for levying the charge
- Process for any appeals or disputes

DATA GATHERING: Gather and review data pertinent to the calculation and billing of the levy. Data will be obtained from various sources such as the County Assessor's Secured Roll, assessor's parcel maps and agency's database as determined to be necessary based on the requirements of the formula.

QUALITY CONTROL: Perform cross-reference tests looking at the various data sources, land use codes, and other pertinent information to ensure the best and most accurate levy application.

DATABASE MAINTENANCE: Maintain and periodically update a database of all parcels within the service area and relevant parcel information.

LEVY CALCULATION: Calculate the annual levy for each parcel within the service area following the

guidelines established in the formula.

COUNTY SUBMITTAL: Submit the levy to the County Auditor Controller in the required electronic format. Levies rejected by the County Auditor Controller will be researched and resubmitted for collection on the County Tax Roll. Any parcels that are not submitted to the County for collection will be invoiced with payment to be directed to the Client.

REPORTING: Provide a simple annual Levy Report that can be used to satisfy SB 165 reporting requirements. Parcel and levy data can be provided via a CD ROM, diskette or emailed electronic file, if desired.

TOLL-FREE PHONE NUMBER: NBS will provide a toll-free phone number for placement on the County tax bills and for use by the Client, other interested parties and all property owners. Our staff will be available to answer questions regarding the levy. Bilingual staff is available for Spanish-speaking property owners.

Fees

Parcel Tax Administration

Annual fee.....\$4,250

The following table shows our current hourly rates, as needed for any out of scope tasks which you may approve at your discretion.

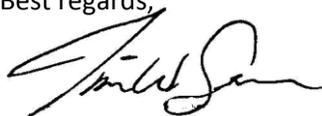
| Title | Hourly Rate |
|----------------------------|-------------|
| Director | \$ 205 |
| Senior Consultant/Engineer | 160 |
| Consultant | 140 |
| Analyst | 120 |
| Clerical/Support | 95 |

Expenses

Customary out-of-pocket expenses (nominal expenses) will be billed to the CSD at actual cost to NBS. These expenses may include, but not be limited to, mailing fulfillment, postage, reproduction, telephone, travel/travel-related expenses, meals and various third-party charges for data, maps, and recording fees.

Please feel free to contact me at 800-434-8349 or via email at tseufert@nbsgov.com if you have any questions or need further information.

Best regards,



Tim Seufert
Managing Director

