



Bird Rock Maintenance Assessment District

ADVISORY COMMITTEE REPORT 26 March 2008

Action Items

1. **Landscape Contractor (Colima to Midway)**

The Board approved the selection of Acacia Landscape in April 2007. The City is working with Barrett re completion and completion/acceptance could be as early as mid-April. That means that the MAD will need to take over now rather than waiting until August. Acacia has agreed to honor their original bid and step in on a month to month basis until August. The attached letter formally accepting

RECOMMENDED ACTION: Direct the President to finalize the attached letter once an exact start date is known and place Acacia Landscape under contract.

2. **Street Tree Maintenance**

The original street trees have been maintained by McCullough Landscape for quite some time. With the construction on the boulevard there has been little active maintenance. With the hiring of Acacia we will give notice to McCullough. We will use Acacia if we need any spot work and will wrap the original street trees into the larger landscape maintenance contractor package that will soon go out to bid.

RECOMMENDED ACTION: Direct the President to give 30 days notice to McCullough once Acacia is under contract.

3. **2008–2009 Maintenance Agreement - Renewal**

The City has submitted a draft of the 2008-2009 Agreement for renewal of our annual contract. They are proposing a series of changes. Attached is the list of questions and draft response.

RECOMMEND ACTION: Direct the President to file the responses with the City and bring a final draft back to the BRCC board for ratification.

Non-Action Information Items

1. **Manager RFP**

We advertised on Craig's List and got several responses. The deadline for submittal of proposals by interested parties is March 29, 2008.

2. **Landscape Maintenance Contractor**

We are working on an updated Request for Quotation which includes all landscaping in the MAD. We will send out a Request for Interest to landscape maintenance contractors in La Jolla as well as

the 15 or so that we contacted last year. ***We need to move on this now so that we can be assured that we will have a contractor ready to go by August.***

3. Full Operation

Based on updated information from the City we anticipate that the BRCC will takeover responsibility for maintenance on the following schedule.

- a. Boulevard, Colima to Midway: Estimated mid to late April 2008
- b. Neighborhood Streets: August 2008 (6 months after installation is deemed complete which is now estimated to occur on or about late February 1 2008.)
- c. Boulevard, Midway to Camino de la Costa: January 2009 (6 months after installation is deemed complete which is now estimated to be mid June 2008.)

Note for the elements yet to be constructed the takeover date is 6 months after the actual completion of construction.

4. Statement of Economic Interests

I filed the required annual statement with the Office of the City Clerk on March 17, 2008.

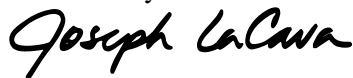
5. 2007-2008 Maintenance Agreement and Budget

Our budget status is as follows:

2007-2008 Approved Budget ¹	\$ 102,730.00
Spent and Reimbursed	(14,023.33)
Spent (not yet reimbursed) ²	(549.38)
Accounts Payable	(0.00)
Balance as of 3/21/2008	<u>\$ 88,157.29</u>

The P&L statement of the fiscal year to March 21 is attached.

Submitted by:



Joseph LaCava
Chair, Bird Rock MAD Advisory Committee

Attachments:

Draft Questions and Responses – 2008-2009 Maintenance Agreement
Notice of Award to Acacia Landscaping (draft)
P&L Statement

¹ Amount available for fulfilling BRCC's obligations under the management agreement.

² Reimbursement request to be prepared later this month.

Draft Questions and Responses – 2008-2009 Maintenance Agreement

-----Original Message-----

From: May, Margaret [mailto:MMay@sandiego.gov]

Sent: Wednesday, March 19, 2008 10:59 AM

To: Joe LaCava

Cc: Field, Andrew; Tajalle, Rose; Prado, Angel

Subject: RE: Bird Rock MAD - FY09 Contract

Hi Joe,

I have requested our attorney to review the proposed FY 2009 agreement and in particular to respond to your question about how the Living Wage Ordinance applies.

Meanwhile, we reviewed the agreement in-house and there are just a few items that we wanted to discuss with you (FY 2008 agreement is attached).

Article I - Scope of Services; B. Specific Requirements

2. The BRDC shall conduct on-site inspections of all work done under this Agreement in the District and shall submit a report to the City indicating that such on-site inspections have been completed.

Q: What do you think about how often these inspections should be conducted?

REPLY: The BRDC expects to conduct the inspections on an on-going as-needed basis as part of the quality control of the landscape maintenance contractor. The Agreement calls for quarterly inspections by the City; perhaps the BRDC could join that inspection and also do quarterly inspections.

*6. The BRDC shall submit to the City no later than ~~February 15~~ **January 31** of each year a District approved, line item budget for the upcoming Fiscal Year. . . .*

Q: If it is feasible for you, we would like to revise the due date to January 31 (the City's budget due dates are earlier since the strong mayor form of government).

REPLY: The earlier we push the due date the more that the BRDC's outreach campaign is pushed into the year-end holidays which is not a good time to assure public awareness and involvement. Nevertheless, if City schedules force that date, then the BRDC will do its best to comply.

Article III – Compensation and Reimbursement; B. Compensation

*3. The City shall be reimbursed the greater of ~~\$10,000~~ **\$10,225** or six percent (6%) of annual assessments for administrative services . . .*

Q: We propose to increase \$10,000 by 2.25% (SD-CPI) to \$10,225.

REPLY: On behalf of the District property owners the BRDC requests that the City to limit reimbursement to full-cost recovery of actual expenses rather than some arbitrary number. This is an issue that has been raised at the Annual Meetings. What have been the documented City expenses of the last three years?

Article III – Compensation and Reimbursement; B. Advances

1. Upon a written request from the BRDC, the City may make a cash advance of two months of working capital to the BRDC based on the District's monthly cash flow budget requirements related to the approved District budget. If the District reserves are not adequate to cover the working capital advance request, an advance will be based on available cash at the time of the request.

2. The advance will be returned on or before the termination of this agreement as either a reduction of the final reimbursement request or a transfer of funds from the BRDC.

Q: The Auditor's Office recently asked me about the outstanding \$17,000 capital advance. Their understanding is that capital advances are paid back within the year they are taken. When the new fiscal year begins, then a new advance is requested (we asked our attorney for her interpretation of this section also.) You may need to return the outstanding advance at the end of this Fiscal Year and then request a new advance for Fiscal Year 2009.

REPLY: Returning the Capital Advance would reduce the BRDC account to a zero balance, assuming the City had funded all reimbursement requests. This hardly seems like a good business practice. It seems more reasonable to modify the Agreement to require that the Capital Advance should be returned to the City within thirty (30) days of the termination of the agreement. If the agreement is renewed, then a letter can be exchanged that acknowledges that the BRDC will retain the Capital Advance as operating capital. Please note that the City monitors the outstanding balance of the BRDC account as we include the monthly bank statements with each reimbursement request; further monitoring comes with the yearly audit. The goal of the Capital Advance is to provide the operating funds for the District rather than forcing the BRDC to advance its own funds to cover the monthly expenses of the District. A yearly exchange of \$17,000 checks passing each other in the mail does not seem productive nor beneficial to either party. Nevertheless, if the City can assure us that the BRDC will have the new fiscal year's Capital Advance on July 1, then we will return the previous year's Capital Advance on June 30.



Bird Rock Community Council
5666 La Jolla Boulevard, #168
La Jolla, CA 92037

_____, 2008

Acacia Landscape
ATTN: Pablo Kubilis
P.O. Box 4270
Chula Vista, CA 91909

SUBJECT: Furnish the Bird Rock Community Development Corporation with Complete Landscape Maintenance of Designated Areas Within the Bird Rock Maintenance Assessment District Quotation No. BRDC 2006-04

Dear Mr. Kubilis:

The Bird Rock Community Development Corporation (BRDC), doing business as the Bird Rock Community Council, is pleased to award Acacia Landscape (Acacia) a contract for the subject assignment based on your signed quotation dated December 15, 2006 (Quotation).

The Contract Period as provided in Section III.B. is hereby modified to be on a month to month basis with compensation to be set at 1/12th of the Total Quote for One Year Contract per month of your Quotation.

The Contract Start Date is _____, 2008.

The Contract End Date is June 30, 2008 if the City of San Diego does not award the BRDC a maintenance agreement for Fiscal Year 2009 and August 30, 2008 if the City does award.

The award is Provisional subject to Acacia providing information as required in Section II.C.

All other provisions of BRDC 2006-04 and your Quotation will apply.

Sincerely,
Bird Rock Development Corporation

Joseph LaCava
President, BRCC

Bird Rock Community Development Corporation
Profit & Loss Detail - Cash Basis
 July 1, 2007 - March 21, 2008

Date	Type	Num	Name	Class	Memo/Description	Split	Amount	Balance	UnBilled Billing
Ordinary Income/Expense									
Income									
4124 MAD Reimbursements Received									
09/18/2007	Deposit		City of San Diego Treasurer	07/08 MAD	BRCC FY 2008	1020 BRCC-MAD Checking	5,276.88	5,276.88	
10/31/2007	Deposit		City of San Diego Treasurer	07/08 MAD	MAD Reimb 10/18/07	1020 BRCC-MAD Checking	4,831.60	10,108.48	
01/05/2008	Deposit		City of San Diego Treasurer	07/08 MAD	BRCC 08	1020 BRCC-MAD Checking	2,104.53	12,213.01	
2/15/2008	Deposit		City of San Diego Treasurer	07/08 MAD	BRCC 08	1020 BRCC-MAD Checking	1,813.32	14,026.33	
							\$ 14,026.33		
							\$ 14,026.33		
Total for Income									
Expenses									
3110 Rents									
11/06/2007	Bill	07-08	Rental	07/08 MAD	10/31/07-10/31/08 MAD P.O. Box	2000 Accounts Payable	40.00	40.00	
							\$40.00		
Total for 3110 Rents									
6250 Postage and Delivery									
11/05/2007	Bill		Inv. 10/1/07	07/08 MAD	10/1 MAD mailing	2000 Accounts Payable	4.28	4.28	
							\$4.28		
Total for 6250 Postage and Delivery									
MAD Expenditures									
4217 Landscaping Services									
07/17/2007	Bill	11402	McCullough Five Star Landscaping	07/08 MAD	La Jolla Blvd Trees Maintenance June	2000 Accounts Payable	237.50	237.50	
08/16/2007	Bill	Inv. 11609	McCullough Five Star Landscaping	07/08 MAD	La Jolla Blvd Trees Maintenance July	2000 Accounts Payable	237.50	475.00	
09/18/2007	Bill	Inv. 11817	McCullough Five Star Landscaping	07/08 MAD	917 La Jolla Blvd Trees Maint Aug	2000 Accounts Payable	237.50	712.50	
10/16/2007	Bill	Inv. 12023	McCullough Five Star Landscaping	07/08 MAD	10/4 La Jolla Blvd Trees Maint Sep	2000 Accounts Payable	950.00	1,662.50	
11/06/2007	Bill		McCullough Five Star Landscaping	07/08 MAD	Oct La Jolla Blvd Trees Maintenance	2000 Accounts Payable	237.50	1,899.99	
12/13/2007	Bill	12410	McCullough Five Star Landscaping	07/08 MAD	Nov La Jolla Blvd Trees Maintenance	2000 Accounts Payable	237.50	1,425.00	
01/17/2008	Bill	Inv 12609	McCullough Five Star Landscaping	07/08 MAD	Dec La Jolla Blvd Trees Maintenance	2000 Accounts Payable	237.50	1,662.50	
2/12/2008	Bill	12817	McCullough Five Star Landscaping	07/08 MAD	Dec La Jolla Blvd Trees Maintenance	2000 Accounts Payable	237.50	1,900.00	
							\$ 1,900.00		
Total for 4217 Landscaping Services									
3101 Office Supplies									
01/05/2008	Bill		Reimb	07/08 MAD	1/2 MAD mailing labels	2000 Accounts Payable	18.85	18.85	
							\$ 18.85		
Total for 3101 Office Supplies									
3102 Postage and Delivery Expenses									
02/04/2008	Bill	1/31/08	La Jolla Mailbox	07/08 MAD	1/03 Inv. 809645	2000 Accounts Payable	111.10	111.10	
02/04/2008	Bill	1/31/08	La Jolla Mailbox	07/08 MAD	1/04 Inv. 809654	2000 Accounts Payable	688.80	688.80	
02/04/2008	Bill	1/31/08	La Jolla Mailbox	07/08 MAD	1/07 Inv. 809676	2000 Accounts Payable	41.80	710.60	
02/04/2008	Bill	1/31/08	La Jolla Mailbox	07/08 MAD	1/18 Inv. 809736	2000 Accounts Payable	12.10	722.70	
02/04/2008	Bill	1/31/08	La Jolla Mailbox	07/08 MAD	1/07 Inv. 809671	2000 Accounts Payable	77.00	799.70	
							\$ 799.70		
Total for 3102 Postage and Delivery Expenses									
4134 Photocopy									
01/05/2008	Bill	Inv. 12397	Opaque Graphics	07/08 MAD	1/1 Annual Report & Envelopes (1700)	2000 Accounts Payable	328.64	328.64	
							\$ 328.64		
Total for 4134 Photocopy									
4810 Insurance									
07/02/2007	Bill	Inv. 908360	Alliant Insurance Services	07/08 MAD	5/28/07-5/28/08	2000 Accounts Payable	1,250.00	1,250.00	
07/30/2007	General Journal	3		07/08 MAD		-SPLIT-	250.93	1,500.93	
7/30/2007	General Journal	25		07/08 MAD		-SPLIT-	21.49	1,522.42	
08/30/2007	General Journal	4		07/08 MAD		-SPLIT-	250.93	1,773.35	
8/30/2007	General Journal	26		07/08 MAD		-SPLIT-	21.49	1,794.84	
09/30/2007	General Journal	5		07/08 MAD		-SPLIT-	250.93	2,045.77	
09/30/2007	General Journal	27		07/08 MAD		-SPLIT-	21.49	2,067.26	
10/30/2007	General Journal	6		07/08 MAD	7/30/07-7/30/08	-SPLIT-	250.93	2,318.19	
10/30/2007	General Journal	28		07/08 MAD		-SPLIT-	21.49	2,339.68	
11/30/2007	General Journal	7		07/08 MAD		-SPLIT-	250.93	2,590.61	
11/30/2007	General Journal	29		07/08 MAD		-SPLIT-	21.49	2,612.10	
12/19/2007	Bill	925011	Alliant Insurance Services	07/08 MAD	7/30/07-7/30/08	2000 Accounts Payable	103.13	2,715.23	
12/30/2007	General Journal	30		07/08 MAD		-SPLIT-	21.49	2,736.72	

Bird Rock Community Development Corporation
Profit & Loss Detail - Cash Basis

July 1, 2007 - March 21, 2008

Date	Type	Num	Name	Class	Memo/Description	Split	Amount	Balance	Outstanding Billing	UnBilled	
12/31/2007	General Journal	8		07/08 MAD		-SPLIT-	250.93	2,987.65			
01/30/2008	General Journal	31		07/08 MAD		-SPLIT-	21.49	3,009.14		257.88	
1/31/2008	General Journal	9		07/08 MAD		-SPLIT-	250.93	3,260.07			
2/28/2008	General Journal	10		07/08 MAD		-SPLIT-	250.93	3,511.00			
Total for 4810 Insurance							\$	3,511.00			
4960 Acctg Dept Charges											
07/27/2007	Bill	Inv 812	Batten Accountancy, Inc.	07/08 MAD	MAD audit thru 7/25/07	2000 Accounts Payable	540.75	540.75			
08/30/2007	Bill	Inv. 847	Batten Accountancy, Inc.	07/08 MAD	8/25/07 progress on MAD audit	2000 Accounts Payable	3,119.60	3,660.35			
10/02/2007	Check	1030	Batten Accountancy, Inc.	07/08 MAD		1020 BRCC-MAD Checking	0.00	3,660.35			
10/02/2007	Bill	Inv. 924	Batten Accountancy, Inc.	07/08 MAD	9/25/07 progress on MAD audit	2000 Accounts Payable	1,474.50	5,134.85			
10/05/2007	Bill	Inv. 930	Batten Accountancy, Inc.	07/08 MAD	10/1 final payment on MAD audit	2000 Accounts Payable	2,477.25	7,612.10			
10/07/2007	Bill	thru 907	Caran Hardy, Bookkeeper	07/08 MAD	Bookkeeping May thru Sep	2000 Accounts Payable	270.00	7,882.10			
10/15/2007	Deposit		Batten Accountancy, Inc.	07/08 MAD	Overpayment	1020 BRCC-MAD Checking	-1,474.50	6,407.60			
10/31/2007	Bill	Inv. 954	Batten Accountancy, Inc.	07/08 MAD	10/24 Consulting Services	2000 Accounts Payable	259.50	6,666.10			
11/06/2007	Bill	Oct/MAD	Caran Hardy, Bookkeeper	07/08 MAD	Oct/MAD bookkeeping 1.2 hr X \$45	2000 Accounts Payable	54.00	6,720.10			
12/12/2007	Bill	Nov	Caran Hardy, Bookkeeper	07/08 MAD	Nov/MAD 1.2 hr x \$45/hr	2000 Accounts Payable	54.00	6,774.10			
1/21/2008	Bill	Dec	Caran Hardy, Bookkeeper	07/08 MAD	Dec/MAD Bookkeeping	2000 Accounts Payable	54.00	6,828.10			
2/12/2008	Bill	Dec	Caran Hardy, Bookkeeper	07/08 MAD	Jan/MAD Bookkeeping	2000 Accounts Payable	54.00	6,882.10		54.00	
Total for 4960 Acctg Dept Charges							\$	6,882.10			
Total for MAD Expenditures							\$	13,484.57			
Net Income (See Note 1)							\$	541.76			
Not Yet Reimbursed											\$ 549.38

Note 1: Statement shows Net Income because Insurance was reimbursed as a lump sum at the beginning of the year but is charged on the books on a monthly basis.