RESOLUTION - ACTION REQUESTED 2014-202

MEETING: May 13, 2014

TO: The Board of Supervisors

FROM: Rick Benson, County Administrative Officer

RE: Yosemite West Review Agreement

RECOMMENDATION AND JUSTIFICATION: Approve an agreement with Vavrinek, Trine, Day & Co. in the not to exceed amount of $16,200 to conduct a review of Yosemite West financial transactions, and authorize the Board of Supervisors Chair to sign the agreement.

There have been ongoing concerns regarding the sewer and water systems in Yosemite West. There have also been several discussions regarding funding issues and how resources have been allocated. The County Auditor and the County Administrative Officer have recently reviewed these issues and provided their opinions to your Board. The conclusion has been the same. That is, that the County has provided significant financial backing to Yosemite West and made substantial contributions using General Fund dollars and Water Agency funds. Previously, outside bond counsel was consulted and concluded that in regards to the establishment of the assessment district, reimbursements to the County have been appropriate.

Despite these assurances, concerns remain. At the request of property owners your Board has directed that an outside financial review be conducted.

Attached for your review is an agreement with Vavrinek, Trine, Day & Co. in the not to exceed amount of $16,200 to conduct a review of Yosemite West financial transactions. This firm and in particular Mr. Joseph Aguilar have experience in conducting these types of reviews. The firm was identified via a recommendation from an attorney representing the interests of some Yosemite West property owners.

The scope of work for this agreement includes a thorough financial review including a review of the treatment of assessment district funds. However, this review cannot be classified as an audit.

A version of this agreement was brought your Board on March 18, 2014. At that time your Board directed staff to incorporate, if feasible, revisions suggested by the Yosemite West Advisory Board. This version of the agreement incorporates those changes.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
On January 7, 2014, your Board directed the County Administrative Officer to arrange for a financial review of the Yosemite West District.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
If the agreement is not approved the financial review will not take place.

FINANCIAL IMPACT:
The $16,200 cost will be absorbed by the Yosemite West District.

ATTACHMENTS:
Yosemite West VTD Agreement2 (DOC)

CAO RECOMMENDATION
Requested Action Recommended

[Signature]
Rick Benson, County Administrative Officer

RESULT:   ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER:    Janet Bibby, District III Supervisor
SECONDER: Lee Stetson, District I Supervisor
AYES:     Stetson, Jones, Bibby, Cann, Carrier