

CAPISTRANO BAY DISTRICT
AGENDA REPORT
March 28, 2023

Old Business

ITEM 9b

Advisory Committee Report

With the approval by the Board from last month to proceed with hiring Willdan Financial Services, the Committee has since learned that there is going to be an increased cost related to the election process that wasn't fully understood until we got further into the election details with the special legal counsel, John Bakker at Meyers-Nave LLP.

The Committee had originally estimated an allowance of \$5000 for legal counsel but in speaking further with John Bakker, he explained he wasn't originally aware that running the election procedure would be included in his scope of work. John did point out that we could instead, use the OC Registrar of Voter (ROV) if we chose to, and suggested we find out what the County would charge for running a special election.

On that note, the ROV was contacted for their involvement in the election process. The ROV came back with a cost estimate of up to \$47,000 to provide this service. Since the law allows our District to conduct a special election internally, outside of County involvement, and since Mr. Bakker's adjusted cost estimate is much more reasonable, the Committee is choosing to engage with Meyers-Nave for the election procedure, thus adding that to his scope of work.

If there's a good side here it's that we eliminate an estimated \$47,000 of unplanned expense that the ROV would charge. The down side is that the fees for legal counsel jump from \$5000 to \$24,100 for an overall increase in legal counsel expenses of \$19,100.

So the revised cost estimate for the parcel tax procedure looks like this:

- Formation Services/Assessment Engineering/Willdan	\$17,500 (same as last month)
- Legal Counsel/General Oversight and Election Mgmt.	24,100 (increased by \$19,100)
- Community Survey/Polling	<u>10,000</u> (same as last month)
Total	\$51,600

Since the motion approved by the Board at the February meeting is still binding, Roberts Rules of Order dictate that a Motion to Reconsider is the appropriate action to amend a previous motion. The caveat is that only those members who voted to approve the previous motion are permitted to bring a motion to reconsider. The new motion would read as follows:

I make the Motion to Reconsider the action taken at the February 2023 Board meeting where the Board approved the expense of \$32,500 for the *Special Parcel Tax* process, by amending the Advisory Committee's estimate to the new amount of \$51,600.