

NOTICE TO PROCEED

TO: GOVERNMENT SERVICES GROUP, INC.  
315 SOUTH CALHOUN STREET  
SUITE 860  
BARNETT BANK BUILDING  
TALLAHASSEE, FL 32301

DATE: JANUARY 24, 2001  
PROJECT:  
Preparation of MSBU for  
formulation of special  
assessment for fire  
protection services

Pursuant to the Agreement entered into on December 20, 1999 between Nassau County and Nabors, Giblin & Nickerson and Government Services Group, Inc., for establishment of Municipal Service Benefit Units (MSBU), you are hereby authorized to continue with the scope of work to prepare MSBU for fire protection services to property located within the unincorporated portion of Nassau County, as adopted by the Board of County Commissioners of Nassau County, Florida, by Resolution No. 2000-201 in Special Session of December 27, 2000. This method will allow such special assessments to be collected annually commencing in November 2001.

The time line for the work to be accomplished by Government Services Group, Inc., is attached hereto as Exhibit "A".

The Board of County Commissioners of Nassau County, Florida, reserves the right to stop the process, funding will cease and the consultants will be paid to that point only.

NASSAU COUNTY, FLORIDA

  
MARIANNE MARSHALL  
CHAIRMAN

ACCEPTANCE OF NOTICE

Receipt of the above Notice to Proceed is hereby acknowledged:

By: Government Services Group, Inc. this the 30<sup>th</sup> day of  
January, 2001.

By: Camille S. Grandis  
Title: Vice-President

## NASSAU COUNTY FIRE ASSESSMENT CRITICAL EVENTS SCHEDULE

EVENT	DATE
Notice to Proceed	January 22, 2001
GSG provide Assessment Report to NG&N	April 18, 2001
NG&N provides comments to GSG	April 23, 2001
Draft Assessment Report to County Staff	April 25, 2001
Draft Ordinance authorizing imposition of non-ad valorem assessments and provide to GSG	April 25, 2001
GSG provides comments re: Ordinance	May 2, 2001
County Staff provides comments re: Report	May 2, 2001
Final Assessment Report to County Commission	May 7, 2001
NG&N provides draft Ordinance to County	May 7, 2001
Workshop with County Commission re: Report	May 14, 2001
Comments from County staff re: Ordinance	May 14, 2001
NG&N provides Ordinance to County for agenda deadline	May 21, 2001
Deadline for newspaper for Ordinance advertisement (NG&N to County)	May 21, 2001
Advertise Ordinance	May 31, 2001
Public Hearing to adopt Ordinance authorizing imposition of non-valorem assessments	June 11, 2001
Develop Assessment Roll	June - July 2001
Property Appraiser provides assessment information	June 1, 2001
NG&N Draft Initial Assessment Resolution to GSG	June 1, 2001
Calculate Final Assessment Rates	June 8, 2001
GSG provides comments re: Initial Assessment Resolution	June 8, 2001
GSG Drafts First Class Notice package	June 15, 2001
NG&N provides draft Initial Assessment Resolution to County	June 15, 2001
County provides comments on Initial Assessment Resolution	June 22, 2001
NG&N provides Initial Assessment Resolution to County for agenda deadline	June 29, 2001
County Commission adopts Initial Assessment Resolution	July 9, 2001

Revised 01/19/01

EXHIBIT "A"

<b>EVENT</b>	<b>DATE</b>
Print and stuff First Class Notices	July 10 -22, 2001
NG&N Draft Final Assessment Resolution to GSG	July 11, 2001
GSG transmits published notice reminder letter to County	July 13, 2001
GSG provides comments re: Final Assessment Resolution	July 13, 2001
Publication Deadline for the Notice of Public Hearing	July 16, 2001
NG&N provides draft Final Assessment Resolution to County	July 20, 2001
NG&N provide agreement with Property Appraiser and Tax Collector	July 20, 2001
Publish Notice of Public Hearing to adopt Final Assessment Resolution	July 23, 2001
Mail First Class Notices to affected property owners	July 23, 2001
County provides comments to NG&N	July 27, 2001
Agenda Deadline for submittal of Final Assessment Resolution	August 3, 2001
Public Hearing to adopt Final Assessment Resolution	August 13, 2001
Test tape of Non-Ad Valorem Assessment Roll to Nassau County Tax Collector	August 27, 2001
County certifies Non-Ad Valorem Assessment Roll to Nassau County Tax Collector	By September 15, 2001

**Work Order 2000-01  
for  
Nassau County**

***November 1999***

***Submitted by:***

***Nabors, Giblin & Nickerson, P.A.  
315 South Calhoun Street, Suite 800  
Tallahassee, Florida 32301***

**Work Order 2000-01**  
**Utilization of Non Ad-Valorem Assessment**  
**Revenue to Fund Fire-Rescue Services in Nassau County**

This correspondence is written to present a proposal for Nabors, Giblin & Nickerson, P.A. (NG&N) and Government Services Group, Inc. (GSG) to provide specialized assistance to Nassau County and its staff in the development and implementation of an assessment program for fire-rescue services within the unincorporated area of the County and if required specified incorporated areas.

Based on our understanding of the County's needs, there is a potential that fire-rescue service delivery within the County may be combined in some way and you wish to determine if fire-rescue assessments are an appropriate source for funding fire-rescue service delivery under various service delivery alternatives. Once that determination has been made, the County has options regarding the imposition and collection of the fire-rescue assessments on a countywide or district basis.

The hours and fees presented in this proposal only include the first phase of this multi-phased project.

The phases of the project are as follows:

- Phase I: Development of Proforma Rates
- Phase II: Implementation
- Phase III: Annual Maintenance

At the conclusion of Phase I, the County will be provided an Assessment Report that provides a description of the apportionment methodology, the proposed assessment rates, a legal sufficiency review, a work plan to accomplish the County's decisions and an implementation schedule.

GSG will be responsible for the development and implementation of the apportionment methodology and will act as Project Manager for the two firms. GSG is an affiliated company, created and partially owned by NG&N. NG&N will review the assessment apportionment methodology and deliverables relative to the legal sufficiency tests required in Florida for a valid special assessment or fee and advise the County concerning compliance with the legal requirements of the tax bill or traditional bill method of collection.

GSG and NG&N have been involved with the successful development and implementation of the majority of the fire-rescue assessment programs implemented within the State of Florida in the last three years. To date, we have developed 20 successful fire-rescue assessment programs for various cities and counties. Because of the litigious environment governments are forced to operate in today, it is imperative that utilization of non-ad valorem assessments for the funding of services such as fire-rescue be done in such a manner as to withstand all challenges, both political and legal. The combined strength of both firms has been utilized to implement projects from the smallest communities in the State to the largest.

Attached as Appendix A is a work plan which articulates the scope of services required to assist the County in developing and implementing a fire-rescue assessment program which specifically addresses the County's needs. The work plan outlined in Appendix A includes those tasks necessary to create a fire-rescue assessment program for collection on the tax bill.

We have attached in Appendix B an hours and fees matrix for Phase I of the scope of services to assist the County in understanding the magnitude of the work effort required to develop and implement the proposed assessment program on a task-by-task basis. Upon completion of Phase I, we will provide an hours and fees matrix for the subsequent phases of the project based on direction received during Phase I.

Appendix C is a list of the project deliverables and a delivery schedule, as well as a payment schedule for Phase I. Upon notice to proceed, we will immediately develop, and update periodically, a detailed critical events schedule and a schedule for project deliverables tailored to the specific circumstances unique to the County.

The objective of this alternative funding mechanism (non-ad valorem assessments) is to put in place a recurring annual assessment program that will be collected on the tax bill and serve the County for years to come. To accomplish the objectives of Phase I of this scope of services, we would focus on the following essential tasks:

- Provide advice regarding the County's options for consolidating fire-rescue services, if required;
- Assist the County in the determination of assessment revenue requirements and identification of all other non-assessment revenues within the fire-rescue assessment program;
- Provide both legal and consulting services relative to developing a legally defensible method of apportionment conducive to use with the County's ad valorem tax roll data base;
- Calculate a proforma schedule of rates based on the apportionment methodology and proposed revenue requirements of the Fiscal Year 2000-01 assessment program; and
- Prepare an assessment report that provides (a) the assessment costs calculations, (b) a description of the apportionment methodology, (c) a legal sufficiency review, and (d) an implementation schedule.

**SPECIAL NOTE:**

The work plan reflects all of the tasks necessary to develop and implement fire-rescue assessments. However, the work plan does not contemplate a detailed analysis of fire-rescue service delivery options, except to review decisions made by the County regarding consolidation of services. Should the County desire more detailed analysis regarding the service delivery, we could revise the work plan and adjust the fee structure accordingly.

The attached scope of services assumes that the County will be responsible for providing the necessary budget background information and developing the revenue requirements. The County will also provide the data required to develop an assessment methodology, will provide necessary staff support to conduct any field research of the data contained on the ad valorem tax roll, and will provide swift policy direction regarding various components of the methodology and GSG will share their experience and expertise, provide advice, research, and opinions to you and other officials regarding the proposed methodology and proposed rate structures, and will provide advice and assistance in the development of the assessment roll required to implement and collect the assessments using the tax bill or traditional bill collection method.

For services provided by NG&N and GSG, we will work under a lump sum professional fee arrangement described in the attached scope of services on a percent-completed basis. A lump sum method of compensation eliminates any uncertainty in the total fee.

The professional fees to assist the County in developing and implementing the contemplated fire-rescue assessment program do not include litigation defense services. However, we do all of our work in developing and implementing assessment programs with an eye on potential legal challenges in an attempt to maximize both the efficiency and the effectiveness of any defense. In the event there is a challenge, we would be available, on an hourly basis, to assist the County in its defense.

Finally, our objective is to assist the County as it puts in place a program that will serve as a revenue source for years to come. NG&N and GSG have the capacity to provide these services in subsequent years on a turnkey basis or will work with you and your staff so that our presence diminishes entirely. At the end of our work effort under this proposal, we will develop a transcript of all pertinent documents together with a memorandum outlining the scope of services required to annually implement the program thereafter so that the County's administrative and elected officials can make an informed decision on how to maintain this recurring annual revenue source in both short and long terms.

**PHASE I  
SCOPE OF SERVICES:  
DEVELOP PROFORMA  
RATES**

Phase I of the Scope of Services includes those tasks that are necessary for the development of proforma fire-rescue assessment rates using the ad valorem tax roll.

**Task 1: Evaluate fire-rescue service delivery data.**

Evaluate existing legal documents, fire call data, agreements, reports, and other data pertaining to the provision of fire-rescue services in the County. Obtain one or two years of fire-rescue incidents reported by the County Fire Department using the NFIRS reporting system. Correlate the fixed property uses on NFIRS to comparable property uses on the tax roll.

**Task 2: Review fire-rescue service delivery options.**

Review efforts related to proposed consolidation of fire-rescue services and respective service levels. Research and evaluate outstanding issues and assist the County in identifying policy decisions necessary to develop and put in place an assessment program for Fiscal Year 2000-01.

**Task 3: Determine fire-rescue service costs.**

By using data provided by the County, determine the full cost of the fire-rescue service delivery using the most current financial information including direct and indirect costs and identify service delivery issues, which may affect the apportionment methodology. Identify alternative sources of revenue to fund the service delivery costs and determine the net service delivery revenue requirements.

**Task 4: Develop apportionment methodology.**

Develop method of apportionment, classification of properties and the use of the data on the ad valorem roll during the process of creating the special assessment roll. Review the assessment methodology for legal sufficiency and compatibility with the tax bill method of collection. Ensure that the data approach used is the data needed for the tax bill collection method in recurring years.

**Task 5: Determine fire-rescue service revenue requirements.**

By using data provided by the County, determine the total fire-rescue assessment revenue requirements so that the County addresses the costs necessary to recover: (a) the net fire-rescue service revenue requirements, (b) the cost of implementing the annual recurring assessment programs and (c) the costs of collecting the assessments.



**Task 6: Develop a preliminary fire-rescue assessment rate calculation database.**

Create a proforma fire-rescue assessment rate calculation database by utilizing the County's most recent ad valorem tax roll. Test the sufficiency of the roll by developing reports to access property use information.

**Task 7: Apply apportionment methodology.**

Apply apportionment methodology to assessment billing database to test the data validity and legal sufficiency. Revise the apportionment methodology, as necessary.

**Task 8: Calculate proforma rates (by District or Countywide).**

Calculate a proforma schedule of rates based on the apportionment methodology and proposed revenue requirements of the Fiscal Year 2000-01 assessment program.

**Task 9: Prepare and submit a draft report.**

Prepare and submit a draft report to County staff that includes (a) the assessment costs calculations, (b) a description of the apportionment methodology, (c) a legal sufficiency review, and (d) an implementation schedule to provide staff an opportunity to discuss individual recommendations in detail prior to report finalization.

**Task 10. Prepare and present the final report.**

Based on the discussions and comments from staff, the draft report will be modified and submitted in final form. A final presentation of the report will be made to County elected and appointed officials at a series of workshops.

**Task 11. Phase I close out.**

Provide an implementation plan and schedule for Phase II which includes revisions to the Phase II scope of services and fee schedule based on policy direction from the County.

**PHASE II  
SCOPE OF SERVICES:  
IMPLEMENTATION**

PHASE II of the Scope of Services includes those tasks that are necessary for the implementation of the fire-rescue assessment for Fiscal Year 2000-01.

**Task 1: Prepare Preliminary Assessment Roll.**

Based on policy direction from the County and the assessment rate calculation database created in Phase I, prepare a preliminary assessment roll utilizing the County's updated tax roll information for use in the billing process.

**Task 2: Draft necessary ordinances.**

Draft the required home-rule service assessment ordinances that provide the County with the flexibility to impose and collect the fire-rescue assessments using the tax bill or traditional collection method.

**Task 3: Draft implementing resolutions.**

Draft implementing resolutions that conform to the service assessment ordinances to impose the fire-rescue assessments (a) to implement the County's policy decisions and proposed methodology and (b) to adopt an approach conducive to the use of the tax bill or traditional method of collection.

**Task 4: Assist in rate adoption processes.**

Advise and assist with the legal requirements for the adoption of the final assessment rate resolution and certification of the assessment roll in accordance with Section 197.3632, Florida Statutes, including: (a) the development of the first class notice and its distribution, (b) the published notice for the public hearing, (c) the development of a public information document, and (d) attendance at any required public hearing.

**Task 5: Certify final assessment roll to Nassau County Tax Collector.**

Using the preliminary assessment roll and updating any changes or modifications, prepare a file on compatible electronic medium that is capable of being merged with the ad valorem tax roll files. Develop test files and conduct test merger procedures to minimize errors.

**Task 6: Develop scope of services for Phase III regarding the ongoing annual maintenance of the assessment program.**

Provide the tasks and level of work effort to develop/update the Fiscal Year 2000-01 fire-rescue assessment roll for use in the recurring annual assessment program.

### **Fees and Costs**

For services provided by NG&N and GSG, the lump sum professional services fee for the proposed scope of services for Phase I will be \$69,410. Delivery of the Final Assessment Report completes Phase I of the project. At this point, the County can make an informed decision regarding implementation of the proposed program. The lump sum professional fees will be due and payable pursuant to the schedule attached as Appendix C under a percent-complete basis.

### **Other Services**

Recognizing that NG&N and GSG are organizations that are dedicated to providing special assistance to local governments and developing innovative and efficient solutions to public sector issues, the firms shall, on an hourly or negotiated fee basis, also be available to provide additional services to the County on finance, revenue, or other local governmental matters. Such services may be provided under a written change order, extension to this scope of service, or by separate agreement mutually acceptable to the parties.

## APPENDIX B - HOURS AND FEES

Tasks	Total Hours	Total Fees
<b>Task 1 – Evaluate Fire Service Delivery Data</b>		
NG&N	24	\$3,000
GSG	8	\$1,200
<b>Task Total</b>	<b>32</b>	<b>\$4,200</b>
<b>Task 2 – Evaluate Billing and Collection Data</b>		
NG&N	24	\$3,000
GSG	0	\$0
<b>Task Total</b>	<b>24</b>	<b>\$3,000</b>
<b>Task 3 – Review Fire Service Delivery Options</b>		
GSG	60	\$7,500
NG&N	4	\$600
<b>Task Total</b>	<b>64</b>	<b>\$8,100</b>
<b>Task 4 – Determine Fire Service Costs (All Districts)</b>		
GSG	60	\$7,500
NG&N	0	\$0
<b>Task Total</b>	<b>60</b>	<b>\$7,500</b>
<b>Task 5 – Develop Apportionment Methodology</b>		
GSG	40	\$5,000
NG&N	40	\$6,000
<b>Task Total</b>	<b>80</b>	<b>\$11,000</b>
<b>Task 6 – Determine Revenue Requirements</b>		
GSG	20	\$2,500
NG&N	0	\$0
<b>Task Total</b>	<b>20</b>	<b>\$2,500</b>
<b>Task 7 – Create Assessment Database(s)</b>		
GSG	80	\$10,000
NG&N	0	\$0
<b>Task Total</b>	<b>80</b>	<b>\$10,000</b>
<b>Task 8 – Apply Apportionment Methodology</b>		
GSG	40	\$5,000
NG&N	8	\$1,200
<b>Task Total</b>	<b>48</b>	<b>\$6,200</b>

<b>Task 9 – Calculate Proforma Assessment Rates</b>		
GSG	24	\$3,000
NG&N	4	\$600
<b>Task Total</b>	<b>28</b>	<b>\$3,600</b>
<b>Task 10 – Prepare and Submit Draft Report</b>		
GSG	24	\$3,000
NG&N	8	\$1,200
<b>Task Total</b>	<b>32</b>	<b>\$4,200</b>
<b>Task 11 – Prepare and Submit Final Report</b>		
GSG	24	\$3,000
NG&N	8	\$1,200
<b>Task Total</b>	<b>32</b>	<b>\$4,200</b>
<b>Task 12 – Phase I Closeout</b>		
GSG	8	\$1,000
NG&N	8	\$1,200
<b>Task Total</b>	<b>16</b>	<b>\$2,200</b>
<b>NG&amp;N TOTAL</b>	<b>428</b>	<b>\$53,500</b>
<b>GSG TOTAL</b>	<b>88</b>	<b>\$13,200</b>
<b>TOTAL PROFESSIONAL HOURS AND FEES - PHASE I</b>	<b>516</b>	<b>\$66,700</b>
<b>PLUS EXPENSES</b>		<b>\$6,670</b>
<b>TOTAL LUMP SUM FEE</b>		<b>\$73,370</b>

Endnotes:

(1) Tasks outline are not necessarily chronological and represent a continuing refinement and reiterative analysis

(2) Lump sum professional fees are based upon the following standard, hourly rates:  
NG&N - \$150, GSG - \$125

(3) Expenses have been estimated at 12% of professional fees.

(4) Estimated expenses do not include programmatic costs of implementation such as publication costs, printing, stuffing and mailing of notices or County or City staffing costs related to field work which will be experienced by the County and City but recoverable in the assessment budget.