



# Agenda

## San Miguel Community Services District

### BOARD OF DIRECTORS

John Green, President

Anthony Kalvans, Director

Gib Buckman, Director

Larry Reuck, Vice President

Travis Dawes, Director

**THURSDAY DECEMBER 22, 2016 6:00 P.M.**

### BOARD OF DIRECTORS

### SPECIAL AND REGULAR MEETING AGENDA

SMCSD Boardroom 1150 Mission St.

San Miguel, CA 93451

**Cell Phones:** As a courtesy to others, please silence your cell phone or pager during the meeting and engage in conversations outside the Boardroom.

**Americans with Disabilities Act:** If you need special assistance to participate in this meeting, please contact the CSD Clerk at (805) 467-3388. Notification 48 hours in advance will enable the CSD to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are available for the hearing impaired.

**Public Comment:** Please complete a "Request to Speak" form located at the podium in the boardroom in order to address the Board of Directors on any agenda item. Comments are limited to three minutes, unless you have registered your organization with CSD Clerk prior to the meeting. If you wish to speak on an item not on the agenda, you may do so under "Oral Communications." Any member of the public may address the Board of Directors on items on the Consent Calendar. Please complete a "Request to Speak" form as noted above and mark which item number you wish to address.

**Meeting Schedule:** Regular Board of Director meetings are generally held in the SMCSD Boardroom on the fourth Thursday of each month at 7:00 P.M. Agendas are also posted at: [www.sanmiguelcsd.org](http://www.sanmiguelcsd.org)

**Agendas:** Agenda packets are available for the public inspection 72 hours prior to the scheduled meeting at the Counter/ San Miguel CSD office located at 1150 Mission St., San Miguel, during normal business hours. Any agenda-related writings or documents provided to a majority of the Board of Directors after distribution of the agenda packet are available for public inspection at the same time at the counter/ San Miguel CSD office at 1150 Mission St., San Miguel, during normal business hours.

- I. Call to Order for Special Meeting: 6:00 PM**
- II. Pledge of Allegiance:**
- III. Roll Call:**
- IV. Adoption of Special and Regular Meeting Agenda**

**V. Public Comment and Communications (for items not on the agenda):**

Persons wishing to speak on a matter not on the agenda may be heard at this time, but, no action will be taken until placed on a future agenda. Speakers are limited to three minutes. **Complete a "Request to Speak" form and place in basket provided.**

**VI. Swearing in & Oath of Office:**

Administering the Oath of Office to newly elected Board members: John Green, Anthony Kalvans and Joe Parent to fill the terms of office ending December 2020.

**VII. Election of Board Officers and Board Appointments:**

- 1. Nominate and Elect Board of Director Officers:**
  - 1.a. President
  - 1.b. Vice-President
- 2. Appoint Board members to Standing Committees:**
  - 2.a. Organization & Personnel
  - 2.b. Finance & Budget
  - 2.c. Equipment & Facilities
  - 2.d. Water Conservation

**VIII. ADJOURN TO CLOSED SESSION:**

**A. CLOSED SESSION AGENDA:**

**1. CONFERENCE WITH DISTRICT GENERAL COUNSEL—Anticipated Litigation**

Pursuant to Government Code Section 54956.7 (2) (d) (2 cases)

**B. RECONVENE TO OPEN SESSION**

**C. REPORT OUT OF CLOSED SESSION**

- 2. Report out of Closed Session by District General Counsel**

**IX. Call to Order for Regular Board Meeting (approximately 7:00 pm)**

**X. Public Comment and Communication (for agenda items):**

Persons wishing to speak on an agenda item may be heard at this time. Speakers are limited to three minutes with longer periods, up to 15 minutes, if allowed. **Complete a "Request to Speak" form and place in basket provided.**

**XI. Staff & Committee Reports – Receive & File:**

**Non-District Reports:**

- |           |   |           |
|-----------|---|-----------|
| <b>1.</b> | San Luis Obispo County Sheriff                      | No Report |
| <b>2.</b> | San Luis Obispo County Board of Supervisors         | No Report |
| <b>3.</b> | San Luis Obispo County Planning and/or Public Works | No Report |
| <b>4.</b> | San Miguel Area Advisory Council                    | No Report |
| <b>5.</b> | Camp Roberts—Army National Guard                    | No Report |

**District Staff & Committee Reports:**

6.	General Manager	(Mr. Gentry)	Verbal Report
7.	District General Counsel	(Attorney White)	Verbal Report
8.	Utility Supervisor	(Mr. Dodds)	Report Attached
9.	Fire Chief	(Chief Roberson)	Report Attached
10.	District Engineer	(Mr. Tanaka)	Report Attached
11.	Finance/Budget Committee	(Chair)	Report Attached
12.	Organization/Personnel Committee	(Chair)	No Meeting
13.	Equipment & Facilities Comm.	(Chair)	No Meeting
14.	Water Resources Advisory Comm.	(Dir Rep)	Verbal Report

**XII. CONSENT ITEMS:**

The items listed below are scheduled for consideration as a group and one vote. Any Director or a member of the public may request an item be withdrawn from the Consent Agenda to discuss or to change the recommended course of action. Unless an item is pulled for separate consideration by the Board, the following items are recommended for approval without further discussion.

- 15. Board Minutes:
  - 15 a. Approval of Special & Regular Board Meeting Minutes for November 17, 2016.
  - 15 b. Approval of Special Board Meeting Minutes for December 1, 2016.
- 16. Approve **Resolution No. 2016-42** establishing Regular Board of Director Meeting Dates for 2017.
- 17. Discuss and Approve Monthly Financial Reports for October 2016.
- 18. Approve **Resolution No. 2016-41** accepting completion of 2015 CDBG funded, fire hydrant replacement improvements and authorize the filing of a Notice of Completion with County Clerk.

**XIII. BOARD ACTION ITEMS:**

- 19. Discuss and Approve **Resolution No. 2016-39** awarding a bid contract to Bartle Wells Associates to perform a utility rate study analysis.

**STAFF RECOMMENDATION:**

Staff recommends the Board of Directors approve **Resolution No. 2016-39** to award a bid contract to Bartle Wells Associates to perform a utility rate study analysis and appropriate funding from capital reserves.

**Public Comments:** (Hear public comments prior to Board Action)

M \_\_\_\_\_ S \_\_\_\_\_ V \_\_\_\_\_

20. Discuss and Approve **Resolution No 2016-38** granting a Sole Source Award for Engineering Design Work related to SLT Blending Well Line.

**STAFF RECOMMENDATION:** Discuss and approve **Resolution No. 2016-38** Review and Discuss a proposed sole source award to Wallace Group, District Engineer to prepare engineering design plans related to SLT Blending Well Line, a 2016-17 CDBG grant funded project.

M\_\_\_\_\_ S\_\_\_\_\_

21. Discuss and Approve **Resolution No. 2016-35** authorizing General Manager to make a salary adjustment for 1 employee eligible.

**STAFF RECOMMENDATION:**

Staff recommends the Board of Directors approve **Resolution No. 2016-35** to authorize General Manager to make salary adjustment for 1 employee eligible.

**Public Comments:** (Hear public comments prior to Board Action)

M\_\_\_\_\_ S\_\_\_\_\_ V\_\_\_\_\_

22. Discuss and Approve **Resolution No. 2016-40** authorizing an application for new credit card account with CSDA affiliate, Bank of West.

**STAFF RECOMMENDATION:**

Staff recommends the Board of Directors approve **Resolution No. 2016-40** to authorizing General Manager to make an application with Bank of West, a CSDA (California Special District Association) affiliate.

**Public Comments:** (Hear public comments prior to Board Action)

M\_\_\_\_\_ S\_\_\_\_\_ V\_\_\_\_\_

**XIV. BOARD COMMENT:**

This section is intended as an opportunity for Board members to make brief announcements, request information from staff, request future agenda item(s) and/or report on their own activities related to District business. No action is to be taken until an item is placed on a future agenda.

**XV. ADJOURNMENT**

**Time:** \_\_\_\_\_

***FROM SMCSO TO YOU AND YOURS***



ATTEST:  
STATE OF CALIFORNIA                    )  
COUNTY OF SAN LUIS OBISPO        ) ss.  
COMMUNITY OF SAN MIGUEL            )

I, Tamara Parent, Account Clerk/Operations Coordinator of San Miguel Community Services District, hereby certify that I caused the posting of this agenda at the SMCSO office on December 16, 2016.

Date: December 16, 2016

*Tamara Parent*

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Tamara Parent, Account Clerk/Operations Coordinator

**Next Scheduled Regular Board Meeting is January 26, 2017.**



## San Miguel Community Services District

### Regular Board Meeting Staff Report

DECEMBER 22, 2016

AGENDA ITEMS: VII. 1 & 2

**SUBJECT: ELECTION OF BOARD OFFICERS AND BOARD APPOINTMENTS to  
STANDING AND AD HOC COMMITTEES**

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#### **STAFF RECOMMENDATION:**

Elect new Board Officers for President and Vice-President for 2017 and Make Appointments to Standing Committees and District Representative.

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#### **BACKGROUND:**

District Board Rules & By laws provides for the annual election of Board officers, specifically President and Vice-President. Section 2.2 states that *The President and Vice-President of the Board shall be elected annually at the first regular meeting in December.* No specific procedures for nomination and election of officers are delineated.

#### **Current Officers:**

President: John Green Nominations: \_\_\_\_\_

Vice-President: Larry Reuck Nominations: \_\_\_\_\_

#### **ACTION DISCUSSION:**

Nominate and elect Board President and Vice-President to serve as Board officers for 2017.

#### **STANDING AND AD HOC COMMITTEE APPOINTMENTS:**

District Board Rules & By laws provide for the annual appointment of Standing and other Board Committees by Board President, with consent of the Board. Section 2.2.2 states that at the first regular meeting in December, the Standing Committee positions for the following year will be appointed by the President, with the consent of the Board. No specific procedures are delineated.

**Current Standing Committee Assignments:**

Organization & Personnel:

John Green, Chair and Anthony Kalvans, Director

Finance and Budget:

Travis Dawes, Chair and Gib Buckman, Director

Equipment and Facilities:

Anthony Kalvans, Chair and Larry Reuck, Director

Nominees: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Current Ad Hoc Committee appointments:**

Water Conservation:           Anthony Kalvans, Chair and vacancy

Nominees: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ACTION DISCUSSION:**

Appoint Standing Committee Assignments and consider appointees to Water Conservation

**PREPARED BY:**

*Darrell W. Gentry*  
General Manager

# SAN MIGUEL COMMUNITY SERVICES DISTRICT

## AGENDA ITEM# XI.8

### UTILITY REPORT

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#### **Well Status:**

MCL = maximum contaminate level ----- ppb = parts per billion ----- ppm = parts per million

- SLT well Arsenic levels are 3 ppb; MCL is 10 ppb Sampled 11/28/16
- SLT well Nitrate levels are 3.2 ppb; MCL is 45 ppb Sampled 7/18/16
- Arsenic levels on Oak Drive are 8 ppb; MCL is 10 ppb Sampled 11/28/16
- Well 3 and 4 are both in operation.
- Well 4 water static level 86.7 11/16
- SLT Water static level 171.4' 11/16

#### **Water System status:**

Water leaks this month: 1 This year: 6

Water related calls through the alarm company after hours this month: 0 this Year: 10

- SLT Well is being run to system, blending in the Terrace Tank. Current trending is shown in chart attached.

#### **Sewer System status:**

Sewer overflows this month: 0 this year: 0

Sewer related calls through the alarm company this month:0 this Year: 10

#### **WWTP status:**

#### **Lighting status:**

#### **Project status:**

- Continuing raising valves and manholes around town.
- Park water line replacement – Our line replacement will start once the road is closed on K Street. (12/2016)

#### **SCADA:**

- Installation of the system has been completed per contract and the system is now operating as designed, we are receiving all the alarms and are able to make adjustments remotely via a tablet. Corrections have been made to correct issues that were discovered during the initial installation and replacement of the backup float system at the Wastewater Treatment Plant that was discovered to be faulty is currently scheduled for mid-January. We still have to address an oversight in the reporting ability of the SCADA system, but we are working with TESCO to determine the most efficient and cost effective way to move forward and to receive the necessary reports.
- Through this implementation of SCADA we have made several adjustments to our pumping schedule to reduce energy cost by pumping in off peak periods, and by running wells longer to reduce startups.

- Through increase time in operation the SCADA system will allow operations to become more efficient as we get more data to show what the system is actually doing on a continual basis.

### **Grants/ funding:**

- CDBG for blending line for the SLT well. Item is on the agenda to approve Wallace Group as the engineer for this project so that it can move forward. (12/2016)
- CDBG grant proposal to County for Hydrant replacements. An audit was completed in November by the county, the District provided additional information and it appears that they will issue the reimbursement funds by the end of the month. (12/2016)

### **Development:**

Currently working with;

- Tract 2637 (Nino--60 lots) All phases of infrastructure have been installed and inspected. Phase 2-3 home construction is underway. (11/2016)
- Tract 2647 (Hastings--12 Lots) Infrastructure is complete development is selling individual lots. The tract map is satisfied and recorded. (11/2016)
- Tract 2710 (Peoples Self Help Housing-24 Lots) Water and sewer lines are complete and have been tested and passed, homes are now under construction they will be building in groups of 8 all at once. The District is providing lateral inspections as needed (12/2016)
- Tract 2527 (Peoples Self Help Housing – 60 lots) –Preconstruction meeting was held 12/6 Grading should be underway before the end of the month (12/2016)
- Tract 2779 (Fortune Co. - 34 lots) – revised plans have been submitted to the county for review. (Last update 3/2016)
- 965 L street – 4-unit development – a preliminary will serve was issued and we are waiting on complete plans. Engineer has advised that they will have plans soon for review (11/2016)
- 972 K street – Dollar General, commercial – all plans are approved, the property closes escrow this month. Construction is anticipated in the next few months (12/2016)

Potential development:

- Tract 2723 (Wittstrom – 37 Lots) – Will serve is expired (12/2015)
- 1010 L street Single Family home – Plans have been submitted and approved, no timeline for construction. – (6/2015)
- 1222 N street – 22-unit development – (12/2015)

### **San Miguel Community Cleanup:**

- Chipping has been suspended until further notice
- Community Cleanup TBD

### **SLO County in San Miguel:**

- Park improvements: G Sosa Construction has started improvements on L Street. Once L Street is completed then they will close K street through the park and start reconstruction of the park. Initial schedule puts our work off until February. (12/2016)

### **Caltrans in San Miguel:**

- Caltrans is underway on improvements to the HWY 101 corridor. Bidding is underway for what will be a 2-year project. We have been in contact with several bidding contractors who are interested in non-potable water for construction use. (11-2016)

**Rain in San Miguel:**

Calendar year as measured at our WWTP

2014 total	14.25"
2015 total	5"
1/4-10/16	2"
1/18-19/16	.75"
1/31/16	.75"
2/17/16	Not measureable
3/4-6/16	1.5"
3/7-15/16	2.25"
10/27-28/16	1.25"
11/1-30/16	1.75"
2016 total	10.25"

PREPARED BY:

Kelly Dodds

Kelly Dodds  
Utility Supervisor

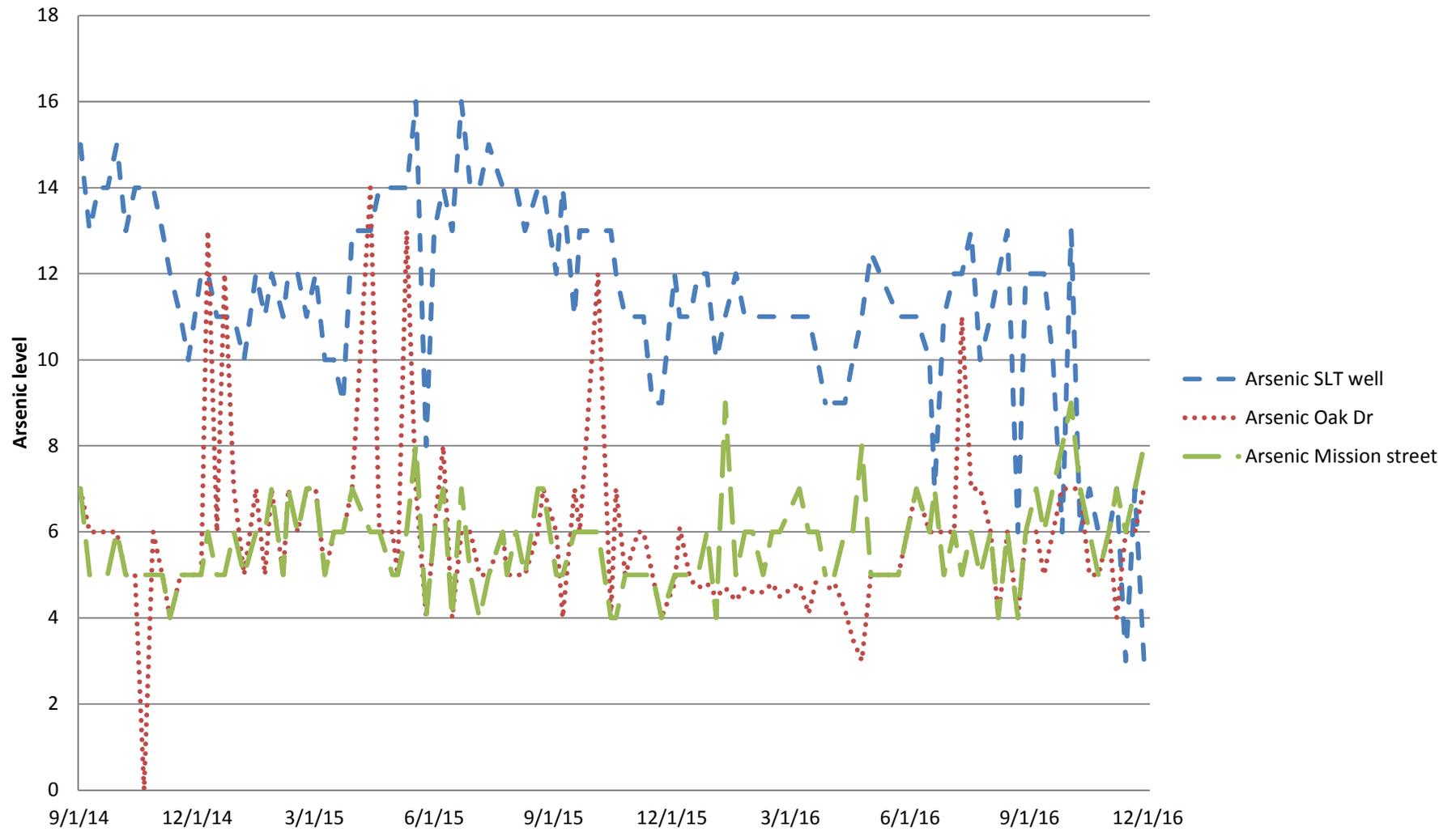
APPROVED BY:

Darrell Gentry

Darrell W. Gentry  
General Manager

Date: December 15, 2016

# Arsenic Trending



12/8/2016



## San Miguel Community Services District Board of Directors Meeting

### Staff Report

December 22, 2016

AGENDA ITEM: XI 9

**SUBJECT: Fire Chief Report for November 2016**

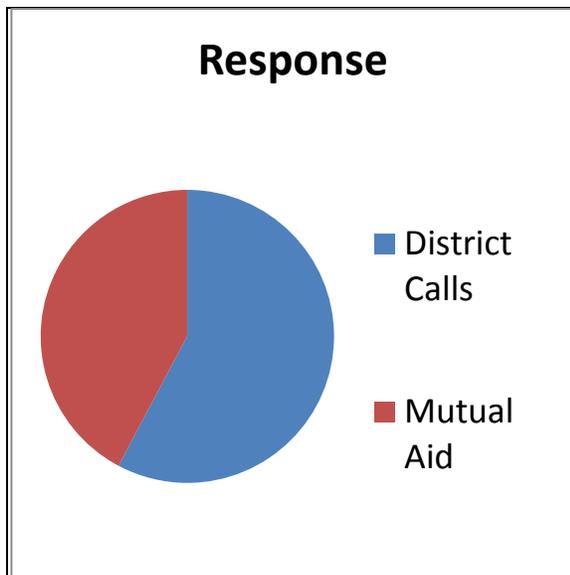
**STAFF RECOMMENDATION:** Receive and File Monthly Reports for the Fire Department

#### INCIDENT RESPONSE:

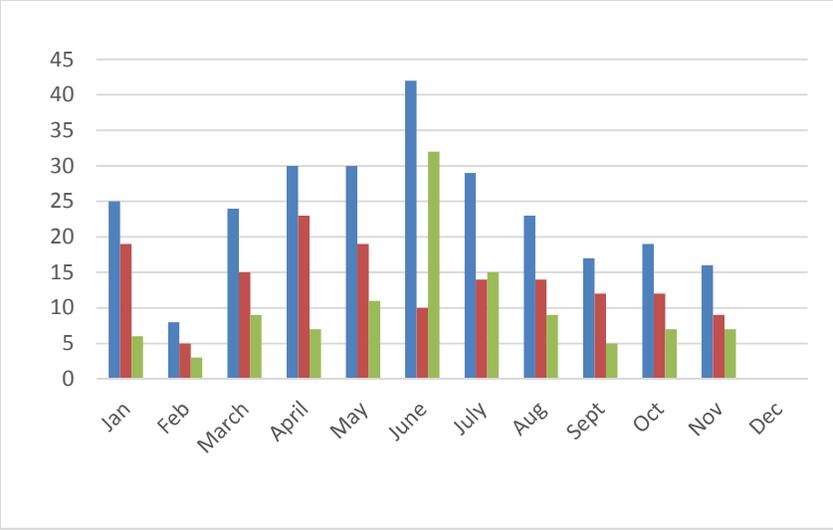
- Total Incidents for September 2016 **16**
- Average Calls per Month in 2016 **23.9**
- Total calls for the year to date **263**

Emergency Response Man Hours in July = <b>42</b>	2016 total	948
Stand-By Man Hours for July = <b>27</b>		<u>459</u>
	<b>Total hr.</b>	<b>1407</b>

Emergency Response Man Hours = <b>2.6 hr.</b> Per call for September	<b>3.6 hr.</b> Per call for the year
Stand-By Average per Call = <b>1.6 hr.</b> Per call for, September	<b>1.7 hr.</b> Per call for the year

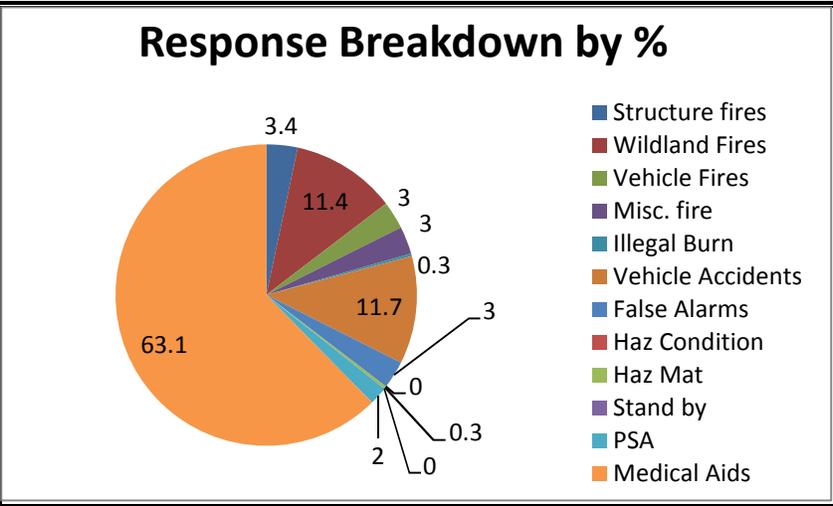


	November	YTD
District calls	9 = <b>56.2%</b>	152 = <b>57.7%</b>
Mutual aid calls	5 = <b>43.7%</b>	111 = <b>42.2%</b>
Assist Camp Roberts	<b>1</b>	<b>37</b>



For **263** calls for 11 Months in 2016

District Calls	57.7%
Mutual Aid	42.2%
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	
Structure fires	3.4%
Wildland Fires	11.4%
Vehicle Fires	3%
Misc. fire	3%
Illegal Burn	.3%
Vehicle Accidents	11.7%
False Alarms	3%
Haz Condition	0%
Haz Mat	.3%
Stand by	0%
PSA	2%
Medical Aids	63.1%



**Personnel:**

1 Chief Hours: 28 hours and 8 days of 24-hour coverage.  
 1 Asst. Chief: 34 hours and 20 days of 24-hour coverage.

We currently have 15 active members.

- 3 Fire Captains
- 2 Engineers
- 10 Firefighters

3 drills, 17 members, 36/51 attendances, 70.5% Drill Attendance  
 33 drills 17 members, 350/561 attendance 62.3% Drill Attendance

16 calls, 17 members, 69 responders, 25.3% Response Attendance  
 263 calls, 17 members 1407 responders, 31.4% average annual response.

## Equipment:

- All equipment is in service.

## Activities:

### November

<u>Date</u>	<u>Subject matter</u>
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1st	EMT Skill Assessments
8th	Building Search for a victim
15th	Tour Court Side Cellars
22nd	Association Meeting
29th	No Drill

<u>Date</u>	<u>Other activities</u>
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<u>Time</u>
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### December

<u>Date</u>	<u>Subject matter</u>
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6	Auto Extrication/ Patient Removal/ Assessment
13	Christmas Dinner
20	CPR Review
28	Association Meeting

<u>Date</u>	<u>Other activities</u>
-------------	-------------------------

<u>Time</u>
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13	Christmas Dinner
17	Christmas Parade

## Information:

### Prepared By:

*Rob Roberson*

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**Rob Roberson, Fire Chief**

### Approved By:

*Darrell W. Gentry*

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**Darrell W. Gentry, General Mgr.**

**SAN MIGUEL FIRE DEPARTMENT 2016 RESPONSES**

**XI-9**

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC		TOTAL	
	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid
Structure Fires	0	0	0	1	1	0	1	0	0	2	0	1	0	0	1	0	1	0	1	0	0	0			5	4
Veg. Fires	0	0	0	0	0	0	0	2	2	6	1	9	2	4	0	1	0	2	0	1	0	0			5	25
Vehicle Fires	0	1	0	0	0	0	0	0	1	1	0	2	0	1	0	1	0	0	0	0	0	1			1	7
Misc. Fires	1	0	0	0	0	0	0	0	3	0	0	0	0	0	2	0	0	0	2	0	0	0			8	0
Illegal Burning	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			1	0
Vehicle Accidents	1	1	1	0	1	2	2	1	2	0	0	2	2	4	1	1	1	1	1	2	2	2			14	17
False Alarms	2	0	0	0	1	1	1	0	0	0	1	0	0	0	0	0	0	0	0	0	2	0			7	1
Hazardous Condition	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0	0
Hazardous Materials	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			1	0
Standby	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0	0
Pub.Svc.Asst.	0	0	0	0	0	0	0	0	0	0	0	0	1	0	3	0	1	0	1	0	0	0			6	0
Medical Aids	15	4	4	2	10	6	19	4	11	2	8	18	9	6	7	6	9	2	7	4	5	4			104	62
<b>Call TOTALS</b>	19	6	5	3	15	9	23	7	19	11	10	32	14	15	14	9	12	5	12	7	9	7	0	0	152	111
	<b>25</b>		<b>8</b>		<b>24</b>		<b>30</b>		<b>30</b>		<b>42</b>		<b>29</b>		<b>23</b>		<b>17</b>		<b>19</b>		<b>16</b>		<b>0</b>		<b>263</b>	
<i>CPR</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mutual Aid SLO/Mon.	6	0	1	1	9	0	7	0	11	0	32	0	14	1	9	0	5	0	6	1	7		0		110	
Camp Bob Asst.	0		0		3		0		8		18		2		1		2		2		1				37	
Average Calls Per	<i>Month</i>	26.2	<i>Day</i>	0.8	<i>SLO Co. MA</i>				<b>107</b>	<i>Montrey Co. MA</i>				<b>3</b>	<i>CPR TOTAL</i>				<b>0</b>							

## Call per time of day and day of the week 2016

	After Hours						CSD Work Hours										Off Hours									
	0:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	Total	
Sunday	2	1	2	0	0	1	2	0	0	1	2	1	2	2	3	4	2	5	5	1	2	4	2	1	45	17%
Monday	1	0	0	3	0	1	1	1	1	1	2	1	3	0	4	5	1	2	2	3	1	2	0	2	37	14%
Tuesday	0	0	1	0	0	1	1	1	1	1	2	2	0	3	2	3	1	3	3	2	1	1	0	0	29	11%
Wednesday	0	2	0	1	0	0	2	2	1	1	0	1	0	2	4	2	5	5	2	3	2	0	0	2	37	14%
Thursday	2	0	0	0	0	0	1	2	1	1	2	1	3	3	2	2	1	2	2	5	2	2	1	0	35	13%
Friday	2	0	1	0	0	3	0	4	3	1	1	1	1	1	3	2	3	3	3	3	2	1	1	2	41	15%
Saturday	2	0	1	1	1	1	0	5	1	2	0	3	1	1	4	2	1	1	1	3	2	2	2	2	39	14%
Hour Total	9	3	5	5	1	7	7	15	8	8	9	10	10	12	22	20	14	21	18	20	12	12	6	9	263	
	3%	1%	1%	1%	0%	3%	2%	5%	3%	2%	3%	4%	4%	4%	9%	8%	6%	9%	7%	8%	5%	5%	2%	4%		

Total calls during CSD Work Hours	80	31%
Total calls during Off time and weekends	183	69%

After Hours calls 22:00 to 06:00	45	18%
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Total Weekend Calls	84	30%
Total Calls Monday thru Friday	179	69%

**San Miguel Community Services District**  
Darrell Gentry, General Manager  
Post Office Box 180  
San Miguel, CA 93451  
(805) 467-3300

**BOARD OF DIRECTORS**  
John Green, President  
Larry Reuck, Vice President  
Anthony Kalvans  
Gib Buckman  
Travis Dawes

**MONTHLY DISTRICT ENGINEER'S REPORT**  
**November 2016**

**DATE:** December 22, 2016  
**TO:** Board of Directors  
**VIA:** Darrell Gentry, General Manager  
**FROM:** Steven G. Tanaka, P.E.  
**SUBJECT:** Monthly District Engineer's Report – November 2016

**SUMMARY OF ACTIVE PROJECTS**

1. Salt & Nutrient Management Plan
2. Water Well Quality/Radioactivity
3. Sewer System Management Plan (SSMP) Audit
4. Capital Improvements Planning
5. San Miguel Park/L Street Improvements (County)
6. 2015 CDBG Grant Cycle
7. 2016 CDBG Grant Cycle
8. CDBG – Fire Hydrant Replacements
9. Active Will Serves, Plan Checks and Inspections:
  - a. Butterfield Downtown Mixed Use
  - b. Mission Garden Estates - 60 Single Family Residential (SFR) Units
  - c. Nino (formerly Ritter) – Tract 2637, River Road
  - d. People's Self Help, Tract 2710
  - e. Arciero (formerly Stuntman) Tract 2750
  - f. Hasting Family Trust, Tract 2647
  - g. 972 K Street/Commercial
11. Inactive Will Serves
  - h. Wittstrom – 38 SFR Units (Will serve expired; Developer indicated desire to pursue new will serve, no update).
  - i. Paulo Pecora Laundromat and Retail, 1143 Mission Street

**DISCUSSION:**

1. **Salt & Nutrient Management Plan (S&NMP)**. The final S&NMP was submitted by the City

of Paso Robles to the Regional Board on 5/13/15, fulfilling this region's requirements of the State's recycled water policy. This document is intended to be a working document that adapts over time as the groundwater basin changes. It is anticipated that this Plan will be incorporated into a future Groundwater Sustainability Plan required by the recently enacted Sustainable Groundwater Management Act. A full hard copy of this document will be forthcoming from the City of Paso Robles in the near future. ***Date of last change 5/28/15.***

2. **Water Well Quality/Radioactivity.** Re-testing of radioactivity levels in Wells 3 and 4 indicate compliance with primary drinking water standards, and State Division of Drinking Water (formerly California Department of Public Health (CDPH)) acknowledged keeping the wells in service. Although the re-testing yielded positive results in this regard, it is a reminder that radioactivity levels in both wells will continue to be a growing concern over the coming years. ***Date of last change 12/22/11.***
3. **SSMP Update (2015) and Audit (2016).** District Engineer completed the bi-annual SSMP audit with staff in 2014, and the final audit report was transmitted to the General Manager. The audit has been on file at the District office. This audit is required every two years. The audit does not require adoption/certification by the Board, but must remain on file at the District's office. District staff is working on SSMP audit corrections/updates at this time. The 2016 audit is due in August 2016 (this month). The SSMP Update was due in August 2015. ***Date of last change 2/25/16.***
4. **Capital Improvements Planning.** DE and staff met on December 15, 2015, to discuss various water and sewer system capital improvement projects anticipated for the coming years. Based on this meeting, DE and staff prepared a CIP memorandum, laying out general recommendations for upcoming needed CIPs in the coming years. This report has been reviewed by utilities staff, and now is currently being reviewed by the General Manager. It is expected that this report will be presented at an upcoming committee meeting. In June, DE provided staff with a budgetary cost breakdown for WWTP upgrade hard and soft costs, for use in funding. Staff is pursuing a DAC grant for some of the expected costs. Wallace Group provided additional funding options/information (USDA/RUS and others) recently obtained from various sources. ***Date of last change 12/8/16.***
5. **San Miguel Park/L Street Improvements.** The County has awarded contract for this Project (Sosa), and work on L Street has already begun. Staff is taking action to plan for the anticipated water main replacement in K Street in the area of the Park, to avoid costs of street/pavement restoration. This work is expected to take place February 2017. A fire hydrant relocation on L Street may still be required, but may not be able to be determined until after construction starts. ***Date of last change 12/8/16.***
6. **2015 CDBG Grant Cycle.** Staff submitted one application (SLT well blending piping to tank) for possible grant funding consideration by the County, and addressed the Board of Supervisors at the 10/23/14 public hearing to express the District's needs for various infrastructure projects. County has indicated that this Project will be funded through CDBG grant funds. DE submitted a letter proposal to District staff a letter proposal in early December 2015 for professional services. Staff is in the process of acquiring services for a biologist and archaeologist to address CEQA/NEPA requirements. District staff is reviewing

other engineering proposals for possible selection to perform the Work. District staff also asked Wallace Group to update and resubmit their letter proposal, which was done in August 2016, and again on 9/27/16. County is now requiring a more extensive biological review of the Project, and District staff is in the process of addressing the County's request. **Date of last change 10/28/16.**

7. **2016 CDBG Grant Cycle.** A CDBG application was submitted in October, to request funding for the water main upgrade, crossing beneath UPRR at 11th Street. This has become a critical project based on recent observations and required repairs on this water main. **Date of last change 11/17/16.**
8. **CDBG – Fire Hydrant Replacements.** The project was awarded to Whitaker Construction. The physical work is complete. An audit was completed in November by the County, and the District staff provided requested information; reimbursement is anticipated by end of calendar year. **Date of last change 12/8/16.**
9. **Active Will Serves.** The following is a summary of the active “Will Serves” staff is currently reviewing, or Inspecting during Construction:
  - a) **Butterfield Downtown Mixed Use.** Butterfield submitted plans for a mixed use project on Mission Street. Staff conducted preliminary review of the plans, and met with Mr. Butterfield to discuss the project. Final plan check comments were issued in November 2009, and District Staff/District Engineer and Fire Chief signed and approved the plans at that time. Recent discussions with the Developer indicate the possibility that early phases of the Project may be moving forward in the near future. If so, District Staff will issue a new preliminary will-serve letter for the Development, and will conduct a re-review of the plans since nearly 3 years has elapsed since approval of the prior plans. **Date of last change 12/22/11.**
  - b) **People's Self Help (Tract 2527, formerly Mission Garden Estates).** Plans have been approved, preconstruction meeting was held 12/6/16. Grading expected to be under way prior to end of December 2016. **Date of last change 12/8/16.**
  - c) **Nino (formerly Ritter).** This Development Project, Tract 2637, is complete with all phases of infrastructure improvements. Phase 2 and 3 home construction is under way. **Date of last change 7/28/16.**
  - d) **People's Self Help (Tract 2710).** Construction of water and sewer lines complete, tested and passed inspection. Homes are now under construction (all 8 homes). **Date of last change 12/8/16.**
  - e) **Arciero (formerly Stuntman) Tract 2750.** See Utilities Supervisor report on the status of this Project. The final home is being constructed at this time, and is nearing overall project completion. **Date of last change 8/27/15.**
  - f) **Hasting Family Trust, Tract 2647.** Development construction is complete, and individual lots are in progress of being sold. The tract map is satisfied and recorded. **Date of last change 12/8/16.**
  - g) **972 K Street/Commercial.** Preliminary will serve was issued, DE and staff have reviewed and approved plans, and the property closes escrow December 2016. **Date of last change 12/8/16.**



## **Finance & Budget Committee Summary Notes**

### **Regular Meeting**

**MONDAY, NOVEMBER 14, 2016 2:30 P.M.**

Chair Dawes called meeting to order at 2:44PM

Pledge of Allegiance lead by Director Buckman.

Roll Call was taken. All Committee members were present.

#### **Oral and Written Communications:**

Chair Dawes announced that now is the time for persons wishing to speak on a matter not on the agenda. There were no requests to speak.

#### **AGENDA:**

##### **1. Review and Discuss Monthly Financial Report for October 2016**

GM Gentry presented the October Monthly and YTD financial reports for discussions.

Chair Dawes began review with discussion of monthly Claims Report. Committee questioned continuing Chevron charges, transfer all cell phone expenses to Fund 10, expenses for PG&E regarding landscaping and directed changes be made to description and asked about County Haz Mat charges whether or not those were annual or monthly. GM replied that Haz Mat charges are annual and noted that the other items were noted for changes and follow-up.

There were no other Committee or public comments.

Chair began a review of Statement of Revenues report and noted that staff should advise when appropriation shift for legal expenses has been made for reporting purposes.

GM replied that it is planned to provide and show shift for the November reporting period.

There were no further Committee or public comments regarding the Statement of Revenues.

Chair began a review of Statement of Expenses report by questioning the transfer out, line item 905 for each fund account. The expense seemed to be a duplication of another line item for transfers described in line 70000 of each fund. He requested GM to clarify or correct these items in each fund account.

There was much discussion about the salary and wage as shown for Fund 40 which were not shown as in alignment with budgeted numbers. Committee wants some corrections noted or explained. Committee also noted that any adjustments or corrections made may also require adjustments to reported taxes paid line items. GM noted the item for follow-up and correction as needed.

Committee also asked about SCADA expenses shown in Fund 40 and questioned whether or not those were annual or some other costs.

Committee reviewed Cash Report by stating their question about the beginning balances for Fund 10 as not yet accurate and need correcting. GM replied that adjustments to individual accounting trial balances and ledgers must be done before the Cash Report will show accurate numbers. Staff anticipates completing this work by November month reporting time.

**2. Review and Discuss a Sole Source Award for Engineering Design Work related to SLT Blending Well Line proposed as a 2016-17 CDBG grant funded water quality improvement project.**

Chair asked GM to do a short overview since the written report is submitted and has been reviewed by members. GM gave the background on this CEDBG project and the past involvement of the Wallace Group. He also reviewed work already been done for this project.

Director Buckman asked about how much work the District Utility crew could do. GM replied that there is some work that can be done but not the complete project. Chair Dawes noted that the District has to front-end the costs with reimbursement by County after project completion.

Members noted the reduced price by Wallace Group.

There were no requests to speak on this item.

Committee members unanimously agreed to recommend that the Board review and approve the sole source award as presented.

**3. Review and Discuss a Report of Quarterly General Counsel Expenses**

Chair asked GM to give a short overview since a written report is a part of Committee packet.

GM reviewed the YTD expenses for legal services for first quarter period and described 3 categories of expenses accrued by General Counsel, PERB proceedings, General Services and Steinbeck Trial and Case.

The PERB expenses as of 10-31-2016 represent 24% of total expenses incurred. Steinbeck Trial/Case represents 20% of total and General Services is 56% of total expenses. Total legal expenses budgeted are \$165,500 with \$88,866 spent as of 10-31-2016.

Committee asked GM to continue quarterly reports on legal expenses but should be anticipated that a mid-year adjustment is likely for these ongoing expenses.

There were no further questions or comments by Committee or members of the public.

**4. Review and Discuss District Connection Fees and Rates**

Chair asked GM to give a short review since there is a written report in packet. GM gave an overview on how connection fees and rates are subject Prop 218 requirements and procedures. Earlier this year, District did adopt changes to Will Serve procedures and fees.

GM also indicated that a rate study work effort is planned to begin in January 2017 which will also reveal any needed changes to utility rates and financial planning by the District.

There were no Committee questions or comments. There was no request by the public to speak.

**COMMITTEE COMMENTS:**

Chair Dawes asked for follow-up at future meeting, if necessary, on wireless meters and the timing of monthly billing by District (whether or not changes might be needed on dates of reads and bill preparation.)

Committee discussed and agreed to set a special meeting to review consultant bids. Special meeting date was November 21<sup>st</sup> and gave direction to GM.

Chair adjourned meeting at 4:38 PM.

###



## Finance & Budget Committee Summary Notes

### Special Meeting MONDAY, NOVEMBER 21, 2016 2:30 P.M.

The Special Finance & Budget Committee meeting was called to order by Chair Dawes at 2:35PM.

The Pledge of Allegiance lead by Director Dawes.

Roll Call was taken with all Committee members present.

**Oral and Written Communications:**

Chair Dawes announced time for persons wishing to speak on a matter not on the agenda may be heard at this time. There were no requests to speak.

**AGENDA:**

**1. Review and Discuss Bids Received for Performing a Utility Rate Study Analysis**

Chair Dawes asked for a brief report by General Manager since there was a written report submitted for this meeting and its single purpose of discussion.

GM Gentry gave a brief overview of the RFP process and the submitted bids. There were 2 firms with highly qualified credentials and experience. GM’s recommendation is to discuss the two bids received but the most responsive, qualified low bidder was Bartle Wells Associates for performing required rate study work.

Committee briefly discussed the difference in bid prices received, past experience of each firm and scope of work. Chair Dawes stated that he had made some calls regarding Bartle Wells firm and their work with other local agencies. He reported that the local agencies reported very favorably about Bartle Wells.

Chair Dawes stated that he knows the District needs to get this study done and the implications are that ultimately it may mean rates are increased. The cost of study is factored in as a part of operational expense.

Director Buckman commented that he knows the study is needed  
Staff Recommendation: Review and Discuss bids received for performing a utility rate study analysis and make a recommendation to Board.

**COMMITTEE COMMENTS:**

Chair Dawes asked staff to include a discussion of standard operating procedures for accounting functions on a future Committee agenda.

Chair Dawes adjourned meeting at 3:05 PM.

###



SAN MIGUEL COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
NOVEMBER 17, 2016 SPECIAL AND REGULAR MEETING MINUTES

MEETING HELD AT DISTRICT OFFICES  
1150 MISSION STREET  
SAN MIGUEL, CA 93451

**I. Call to Order:**

Meeting called to order by President Green at 6:11 PM

**II. Pledge of Allegiance:**

Director Buckman asked to lead the Pledge of Allegiance.

**III. Roll Call:** Directors Present: Buckman, Dawes, Green and Reuck. Absent: Kalvans

District Staff Attending: General Manager Gentry, Fire Chief Roberson

Others in Attendance: Board of Supervisor Mecham, Administrative Assistant to Supervisor Vicki Shelby

**III. Adoption of Special Meeting Agenda**

Director Buckman made a motion to adopt Special and Regular Meeting Agenda as presented, Seconded by Director Reuck. Motion was approved by voice vote of 4 AYES, 1 ABSENT and 0 NOES.

**IV. Public Comment and Communications (for items not on the agenda):**

There were no public requests or persons wishing to speak to the Board.

President Green announced the Closed Session and adjourned at 6:17 PM

**VI. ADJOURN TO CLOSED SESSION:**

**A. CLOSED SESSION AGENDA:**

**1. DISTRICT GENERAL COUNSEL PERFORMANCE EVALUATION—**

Pursuant to Government Code Section 54957(b) (1):

Title: District General Counsel

**B. RECONVENE TO OPEN SESSION**

President Green reconvene to open session at 6:56 PM.

**VII. Call to Order for Special Board Meeting – OPEN SESSION**

President Green called meeting back to order at 7:03 PM. He requested General Counsel to report out of Closed Session.

**C. REPORT OUT OF CLOSED SESSION**

2. District General Counsel stated that there was no reportable action out of Closed Session

**VIII. SPECIAL PRESENTATION—APPRECIATION FOR PUBLIC SERVICE**

President Green announced that now is the time for special recognition and appreciation for years of public service by outgoing Board of Supervisor Mecham. There were several Board members making comment about the years of public service and dedication by Supervisor Mecham and Administrative Assistant Vicki Shelby. Each were provided and received certificates of appreciation from the Board of Directors for their public service and years of dedication to assisting the community of San Miguel and residents of the First District.

President Green announced a brief recess to accommodate a celebration refreshment and cake at 7:06PM.

President Green reconvened the open session at 7:16 PM

President Green announced that now is the time for any person to address the Board on any Agenda item or ask any questions.

**IX. Public Comment and Communications:**

Laverne Buckman, resident and member of Discover San Miguel, advised that there were some people contacting her about the Community Plan. She spoke about the changes being made to Plan, such as the co-terminus boundaries with the CSD, the changes in densities, and some land uses. She mentioned the upcoming Board of Supervisors hearings for the final decision.

There were no other public requests or persons wishing to speak to the Board.

**X. REPORTS –RECEIVE & FILE:**

**Non-District Reports:**

1. San Luis Obispo County Sheriff--There was no report given.
2. San Luis Obispo County Board of Supervisors--There was no report given.
3. San Luis Obispo County Planning and/or Public Works--There was no report given.
4. San Miguel Area Advisory Council  
Director Kalvans reported that meeting was rescheduled for November 30<sup>th</sup>.
5. Camp Roberts—Army National Guard—There was no report given.

**District Staff & Committee Reports:**

**6. General Manager Gentry**

GM reported recent changes in State law about mandatory Board training will take effect in January 2017. General Counsel will be presenting changes and discussing schedule for required Board training scheduled for 2017.

Also related to new laws, there are several going into effect in 2017, a comprehensive recount of those laws affecting special districts will be provided by General Counsel right after the first of the year.

**7. District General Counsel (Attorney White)**

There was no report given or provided by General Counsel.

**8. Utility Supervisor (Mr. Dodds)**

General Manager indicated that Utility Supervisor was on vacation and a written report was submitted as a part of the Board's agenda packet. He asked if there were any questions about the report.

Director Dawes noted that there was no report on arsenic levels and asked about it being missing. GM replied that the arsenic lab results and report had not been received as of the date of this meeting. Normally, District receives the lab reports on or about the 20<sup>th</sup> of the month.

He also asked if a report on status of SCADA installation being finalized can be provided with next monthly report. GM replied that the information will be provided.

Joyce Terriera, resident, asked to speak on this item. She spoke about recent ban on fracking and impacts to drinking water wells and wanted to know if there were any impacts from fracking to District water supplies.

Director Kalvans replied that there are no fracking operations within the District and no known impacts to our supply source. He spoke about bans in Monterey County to the north.

There were no other public comments or questions.

**9. Fire Chief (Chief Roberson)**

Chief stated that a written report is included with Board Agenda packet. He mentioned that most of the volunteer now on the roster have less than 2 years of service, which means training is a high priority. He pointed out that drill attendance is off percentage wise and as well as response to calls. This is something he is addressing with volunteer crew members. He asked if there were any specific questions by Board.

Director Green asked about the hours for Fire Chief and Assistant Fire Chief

Chief replied that Assistant Chief did 20 days of coverage and corrected that part of written report.

Director Dawes commented that overall calls seemed to be down in volume. Chief responded that the volume of calls is down, which has typical in the fall/winter seasons.

Laverne Buckman asked the Board about the call volumes and how they are tracked. Chief responded on behalf of Board and indicated that a log of volunteer times for call outs and who is responding is maintained with individual names and signatures.

There were no further Board or public questions regarding the Chief's monthly report.

- 10.** District Engineer (Mr. Tanaka)  
GM stated that the monthly Engineer's Report is included in the Board's Agenda packet and asked if there were any Board questions. GM indicated that the Report includes an indicator on when the report information was last updated as requested by the Board.

Director Kalvans asked how this report compared to the Utility Supervisor's report. GM replied that there is similar information regarding projects and will serve status but added information is specific to capital projects being worked on.

Director Dawes asked about the Inactive Will Serve letter for the laundromat business and asked to receive added information and explanation about the status and whether or not either Inactive Will Serves are likely to be reinstated or have to apply for a new Will Serve at some time in the future. GM stated that added information will be provided in next monthly report.

There were no further Board or public questions regarding the Engineer's monthly Report.

- 11.** Finance & Budget Committee (Chair Dawes)  
Chair Dawes spoke about the Monday, November 13<sup>th</sup> meeting. He stated that the Committee is still working on a "fix it" mode but progress is occurring with closer and closer results in accounting data. The Committee wants to do a review of standard operating procedures for accounting and has asked staff to include for future Committee review and discussion.

Laverne Buckman, resident, commented that it is essential that the Committee review the standard operating procedures with staff, not to override but understand what is being done and how data is processed.

There were no further Board or public questions regarding the Finance & Budget Committee verbal report.

- 12. Organization/Personnel Committee (Chair Green)**  
Chair Green stated that the written report by Committee is in the Board's Agenda packet and asked if there were any questions by Board members.

There were no further Board or public questions regarding the Committee's submitted monthly Report.

- 13. Equipment & Facilities Committee (Chair Kalvans)**  
Director Kalvans stated that a written report by Committee is in the Board's Agenda packet and asked if there were any Board questions.

There were no further Board or public questions regarding the Committee's submitted monthly Report.

- 14. Water Resources Advisory Committee (Director Kalvans, rep.)**  
Director Kalvans verbally reported that no meeting was held in past month but there is an IRWM meeting scheduled for tomorrow morning to consider funding allocations for region. He reported that there is still a lot of infighting about the appropriation splits being discussed.

There were no further Board or public questions

**XI. CONSENT ITEMS:**

**15. Board Minutes:**

President Green asked if there were any items to be pulled for discussion. If not, he would accept a motion to approve **Consent Items, 15 a. and 15 b.** as presented.

Director Kalvans made a motion to approve Consent Items 15 a. and 15 b. as presented, Seconded by Director Reuck. Motion was approved by 5-0 Ayes voice vote.

**XII. BOARD ACTION ITEMS:**

**16. Discuss Salary Adjustment for non-management, non-confidential staff members eligible for step increase in compensation**

President Green asked General Manager to introduce this item for discussion. GM Gentry gave a brief overview of the written report in Board's Agenda packet. The updated report is concerning salary adjustments for 2 eligible employees based on satisfactory work performance. The Utility Operator 2 position is eligible for a merit (step) increase based on a satisfactory work performance rating/evaluation. This change would be retroactive to July 1<sup>st</sup> based on delays in processing at the Committee level which were the result of family death and lack of quorum.

The Bookkeeper/Accounting position is an adjustment to the Step 1 Compensation Schedule which brings the position into alignment with the present District compensation schedule which had been in transition at time of hiring. The recommendation for a salary adjustment is also based on a satisfactory interim or progress work performance evaluation, not an annual one.

GM discussed the projected fiscal impact of these changes which had been calculated and included with the FY budget figures and indicated that this request had been reviewed and discussed by Organization & Personnel Committee without any recommendation to the Board. The Finance & Budget Committee also reviewed this request and made a recommendation to the Board to approve the requested salary adjustments as presented.

Director Dawes asked about the projected cost as presented, specifically whether or not those figures included District contributions as may be required. Wants to see more information before acting on these proposed changes were made by Board. He questioned whether or not there should be any retroactive pay and believed that change in pay should be effective with Board's decision date, not the date of performance evaluation reviews.

Director Kalvans cautioned the Board about using any names for discussions and indicated his concerns that salary raises are the cause for rate increases in water and wastewater charges.

Director Buckman stated that Utility Operator 2 should have received a merit increase in July and is concerned that this delay may cause other effects or impacts. He is not in favor of delaying these adjustments, especially the Operator 2 position.

Director Reuck spoke in favor of the Utility Operator 2 position adjustment being made retroactive to July 1<sup>st</sup> since that is when it was scheduled. He understands the nature of the delays but the employee should not be penalized.

Director Kalvans further commented that these salary adjustments should be done since they are consistent with policy and brings everyone in line with policy.

Director Green spoke about the numbers given as not actual costs and wants to see the actual figures before agreeing to salary adjustments as presented. He stated he believes the effective date should be when the Board approves but will support the Board's decision in this matter.

President Green asked if there were any public comments or questions before the Board considers action.

**Public Comment:**

Laverne Buckman, resident, stated that it is unfair to Operator 2 position to make the adjustment effective when the Board reaches a decision; should be retroactive as recommended. Should follow the compensation schedule as policy.

There were no further public questions or comments given.

President Green asked if there was a motion to be made. Director Buckman made a motion to approve Resolution No 2016-36 with modification to authorize the salary adjustment for Utility Operator 2 retroactive to September 1<sup>st</sup> with additional information brought back at next Board meeting regarding the full costs and to consider the second position at that time, Seconded by Director Dawes with an amendment to retroactive date to be July 1<sup>st</sup> for the Utility Operator 2 position. Amendment by Director Dawes was accepted by Director Buckman, President called for roll call vote. **Motion was approved by a 5 AYES, 0 ABSENT, 0 NOES.**

**17. Review and Discussion of Existing District Contractual Agreements.**

President Green asked General Manager to introduce this item for discussion. GM Gentry gave a brief overview of the written report in Board's Agenda packet. The report represents a comprehensive review of existing contractual agreements for professional services utilized by the District.

GM provided details about this first "global" review of existing service-related agreements. The purpose of this review is to provide a comprehensive report and status of these existing contractual agreements and to do so on a regular basis. The District has entered into a number of professional contractual service agreements since its formation in 2000. This is the first of planned regular reviews of contractual agreements by the Board and the Organization & Personnel Standing Committee at its November 4, 2016 meeting.

GM gave a brief overview of the existing service related agreements currently in effect. GM highlighted the written report details concerning the 3 categories of service agreements: Legal, Accounting/Finance and Professional Services. He described each service agreement in detail for Board discussions and highlighted areas where there were feasible options or actions to be considered for the District.

GM pointed out that legal services with present firm is approximately one year and satisfactory performance has been realized. There are options for controlling some of legal expenses, including the expanded use of electronic technology for video conferencing.

GM next pointed out that accounting/financial services currently provided are for the annual audit. He stated that the Board and Finance & Budget Committee have all stated their frustration and disappointment in the performance of the present auditing firm, including late delivery and slowness to initiate current audit work. GM stated that "as difficult as it may be, there is a need to make a change in these services using the RFP process for soliciting new services after terminating the present contract.

GM described the existing professional service agreements in effect for Administration, Engineering and Fire. GM pointed out that the Engineering agreement, current one, since 2014 but the Wallace Group has provided these services since the District formation in 2000.

District has begun an RFP process to evaluate potential new engineering services available. The direction of the District has evolved given the need for future GSA functions as well as evolving utility services and management needs. GM stated that he anticipates bringing recommendations

on this matter forward to the Board as early as January. The option here was described by GM to add value to the District and potentially lower hourly rate costs wherever possible.

Fire protection services, as described by GM, include the Fire Chief and Assistant Fire Chief contract positions. The Chief has an existing 3-year agreement but the Assistant Chief negotiations have been stalled for some time. Both positions are essentially on call basis but the Assistant Chief position is held by a District employee. There are options available to these services which need to be evaluated by Board unless the Board chooses to continue negotiations on Assistant Chief contract terms. The multi-functional duties are not ideal to any agency, regardless of size but circumstances may dictate such a use. When possible and feasible an agency should examine option that break apart such multi-functional duties, especially to preclude any potential conflicts of interests.

GM next discussed the alternatives available for each category and presented recommendations for consideration and discussions. GM asked the Board if there were any questions regarding the report or analysis.

Director Kalvans stated his support to make a change in auditing services and to make any selection process a “fast track”. He also stated that it is important to hear an overall consensus by the full Board on these matters.

Director Dawes stated his ongoing frustration and disappointment about the financial auditing services and agrees that it is time to make a change. He asked for feedback about terminating the current agreement, specifically if there are any current charges due to auditor.

Director Buckman commented that the Fire Department needs to be strengthen because there is a continuing need in the community for services. He wants to see the Board keep that in mind in its discussions. He stated reluctant support for making auditing service change. He spoke in favor of changing the engineering services, especially if there can be added value of services rendered and achieve a lower hourly rate cost.

Director Green stated his concerns about fire expenses, especially for the contract positions but favors changing the auditing services immediately and exploring other engineering services as well. He agrees with GM assessment about splitting multi-functional duties especially for fire services. He views the Chief and Assistant Chief positions as the 2 most important positions when there is an incident response being made. “one or both of those positions should be making the response calls received since they have the greatest depth of experience and knowledge.”

Director Green urged fellow Board members to look at the additional changes and accountability that can be achieved by splitting the multi-functional duties.

Board discussed with Fire Chief what implications are there if multi-function duties are split. Chief Roberson replied that his and Assistant Chief are contract positions and there is logic to doing a

contract agreement since the Assistant Chief is also a District employee and generally available for emergency calls during the weekday hours. He will work with GM to provide some options.

Board questioned the Chief about when most calls are occurring for our responses. Chief re-described his monthly report statistics as an indicator. Chief pointed out that some multi-functional duties occur simultaneously for the Assistant Chief and in his District employee status.

Director Green questioned how there is accountability for time spent in each functional duty. Chief described the incident log tracking that is done but admitted that there were other duties done which involved multi-functions. He suggested that if cost is a factor that the Board explore the possibility of paying part of salary costs from Fire Department budget. He believes that the District and residents would lose the present response benefit associated with Assistant Chief position.

President Green asked if there were any public requests to speak on this matter.

**Public Comment:**

Laverne Buckman, resident, stated the fire coverage and services is more than the “Assistant Chief/Utility Supervisor position”. She commented that the Board, in its examination, fully examine what responses are being made; the times and days of responses and how would coverage be handled. She hopes that the Board considers all the information before acting. She stated that a change in auditing services is needed, regrettably.

President Green asked if there were any further Board questions or comments. He also asked GM if there were specific actions needed at this meeting. GM responded that if there is consensus and support for the actions needed on auditing and engineering services, then the follow-up will be to proceed with RFP processes and bring recommendations to the Board.

GM stated that if the Board needs additional information regarding the discussions about options for fire services, coverage then that should be continued for a follow-up Board meeting in January.

Board members agreed that the need for making changes in auditing and engineering are worth exploring, especially terminating existing audit services for poor performance is warranted.

President Green stated that the Board should look at the options available for fire services but favors an evaluation of splitting the multi-functional duties currently performed in order to achieve added value to the District and most importantly, accountability and transparency.

Board agreed and gave direction to General Manager to bring back additional information on options for fire services and provide new information regarding engineering and auditing services. Board requested that these items be brought back in January for further consideration and/or action.

**18. Review and Approve Resolution No 2016-37 adopting District Strategic Financial and Capitalization Policies**

President Green asked General Manager to introduce this item for discussion. GM Gentry gave a brief overview of the written report in Board's Agenda packet. This item was reviewed by F & B Committee at its October 25<sup>th</sup> meeting and provided a recommendation that the Board approve the Policies but also recommended that Board consider some modifications during its discussions.

GM Gentry reported that the need for a capitalization policy documents was made evident during the recent financial audit and would help the District address specific GASB requirements.

Director Dawes pointed out that the F & B Committee recommended that the Board discuss some modifications, especially regarding the estimated useful lives as described for assets on page 3 of the policy document. He also pointed that these policies will improve the District's future audit statement by removing past "dings" for GASB statements required.

Board members discussed modifications to the asset class useful life periods as lead by Director Dawes. Board discussed changing building class from 40 years to 80 years; modifying furnishings to a range of years instead of a fixed period of 10 years; changing the office equipment as a class to a range of 5-20 years instead of a fixed period of 5 years; modifying the time period for wells from a fixed period of 25 years to a range of 25-40 years, and added an asset class for fire apparatus/vehicles with a range of 10-20 years.

President Green asked if there were any public questions or comments on this item. There were no requests to speak or comments made.

President Green asked if there was a motion to be made. Director Reuck made a motion to accept the amended useful life periods discussed by the Board and modify the Capitalization Policy accordingly with the approval of Resolution NO. 2016-37 adopting these policies, Seconded by Director Kalvans. **Motion was approved by a roll call vote by 5 AYES, 0 NOES and 0 ABSENT.**

**XIII. BOARD COMMENT:**

President Green asked if there were any Board comments to be made. Director Dawes commented about first year Directors should not being Board President because there is a lot to learn. He found it so and strongly urged fellow Board members to weigh this suggestion in the upcoming new Director terms.

He also asked that the next Finance & Budget Committee agenda include a review of standard operating practices for finance/accounting.

**XIV. ADJOURNMENT:**

President Green adjourned the Board meeting at 9:54 PM.

###



SAN MIGUEL COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
DECEMBER 1, 2016 SPECIAL MEETING MINUTES

MEETING HELD AT DISTRICT OFFICES  
1150 MISSION STREET  
SAN MIGUEL, CA 93451

**I. Call to Order:**

Meeting called to order by President Green at 6:00 PM

**II. Pledge of Allegiance:**

Director Green lead the Pledge of Allegiance.

**III. Roll Call:** Directors Present: Buckman, Dawes, Green and Reuck. Absent: Kalvans

District Staff Attending: General Manager Gentry and District General Counsel Schweikert (attended via Skype video conferencing)

Others in Attendance: Director-Elect Parent

**IV. Adoption of Special Meeting Agenda**

Director Reuck made a motion to adopt Special Meeting Agenda as presented, Seconded by Director Buckman. Motion was approved by voice vote of 4 AYES, 1 ABSENT and 0 NOES.

**V. Public Comment and Communications (for items not on the agenda):**

There were no public requests or persons wishing to speak to the Board.

President Green announced that now is the time for any person to address the Board on any item on the Agenda or ask the Board any questions.

**VI. Public Comment and Communications:**

There were no public requests or persons wishing to speak to the Board.

**VII. BOARD ACTION ITEMS:**

4. Review and Discuss of Job Opening Recruitments in Utility Services Department per Chapter 2, Subsection 2.2 District Personnel Guidelines.

President Green asked General Manager Gentry to introduce the Board report and Staff Recommendation on this action item. General Manager briefly reviewed the submitted

written report regarding authorizing the recruitment of 2 open job positions in the Utility Services Department. General Manager indicated that one recruitment is a new position that was budgeted in current Operations & Maintenance budget. The second recruitment is to replace an open position created by the departure of the Utility Operator 2 person.

General Manager also advised the Board that the eventual hiring of the two positions will also allow the District to examine and establish the use of an alternative work week schedule capable of providing week end coverage by Utility Services personnel.

The immediate recruitment and hiring is essential to keep potential overtime costs from being incurred due to a single, available staff person on duty. A temporary hire for a credential operator could also be used as a relief during this time of recruitment processing, otherwise, overtime costs are inevitable.

General Manager also recommended that recruitment be done for Utility Worker and Utility Operator 1 positions could be evaluated for possible 32 hours per week, part time with work week and weekend coverage being required. General Manager is recommending the recruitment of a Utility Operator 1 position and Utility Worker. The required certifications for each position were reviewed with Board.

General Manager provided an initial rationale for 2 part-time positions (Utility Worker – 32 hours and Utility Operator 1 –32 hours) and the compensation levels for each position as detailed in written report to the Board. He requested that Board authorize these requested recruitments pursuant to Board policy.

President Green asked if there were any Board questions of General Manager. Board indicated that they would like to first hear from the public in attendance.

President Green asked if there were any requests by the public to speak on this item.

**Richard Smithens**, past Board member and resident, made comments about the bureaucratic nature of this current recruitment process when time was essential to getting adequate Utility Services personnel in place. He stated that he did not understand or agree with the rationale or practice of having these types of administrative functions having to be brought before the Board. He questioned why the General Manager cannot be delegated certain authority when it comes to recruitment of personnel. He believed that what the Board has done with the current policy is “hamstring” the General Manager and not utilizing his responsibilities as General Manager for the District.

There was Board comments by Director Buckman to Mr. Smithens commenting about the past history and problems that were created in the way the District Board currently monitors recruitment. Director Green spoke about this current policy being a means to provide monitoring by the Board and GM Gentry presented the situation in a timely manner for immediate action.

**Director-Elect Joe Parent** addressed the Board as an incoming Board member and made comments about the impracticality of using part-time operators, especially if public health could be jeopardized or threaten. He spoke passionately about the real need to strengthen the Utility Services crew in terms of numbers but failed to see the reality of using part-time positions to do so. He believed that such an effort was doomed to fail and encouraged the Board to reconsider or cause the General Manager to fill the Operator position as a full time recruitment, not part-time as presented as an option in the report.

He concurred with previous speaker that this process of getting Board authorization is at best cumbersome and overly bureaucratic. He closed his remarks by stating that he believes there is a need to making some changes and looks forward to being in place in January 2017.

President Green thanked both speakers and asked if the Board had asked if there were any questions of the speakers, noting that Mr. Parent had left the Meeting Room before there was a chance to ask any questions or make comments about remarks given. There were no questions by Board members of the remaining public speaker.

President Green brought discussion back to the Board Members.

Director Buckman commented about the past history and problems involving recruitments, hiring and salary compensation increases that lead to the current policies. He stated his comments about the loss of the Operator 2 person due to “slowness” in review process and how a few more dollars could have kept the person here.

Director Reuck commented that he too hated to see the loss of the Operator 2 person who he believed had done a terrific job for the District. He expressed some concern about pay levels in general and how it might be difficult in recruiting and hiring.

Director Kalvans commented that he also agreed with comments about Operator 2 person but wanted to know about how successful this recruitment might be. GM Gentry replied that there are certified persons available but salary level may be a problem in getting enough interested applicants. GM stated that as advised in previous Board discussions, the District pay levels are either the lowest or one of the lowest in the region, especially for water and wastewater personnel. This existing pay makes it non-competitive within this industry.

He also commented about Director-Elect Parent remarks about the practical reasons for part-time personnel, instead of full-time. GM replied that the option of using 2 part-time persons was a response to a question about what is the impact of this course of action. The initial evaluation shows that there are potential cost-savings, especially with the use of an alternative work week schedule for the weekend coverage. GM also indicated that there is

a slight reduction in cost with hiring of Operator 1 instead of an Operator 2 position, even using person as full-time due to salary level difference.

Director Kalvans stated that he supported using a full-time and a part-time person as originally discussed in budget review.

Director Dawes commented that the budget was set with the new position of Utility Worker so he can support that recruitment and knows the need is immediate. The replacement recruitment, while unfortunate, he does not believe that the District should overreact to greater compensation levels at other public agencies. The upcoming Prop 218 process should enable the District to identify whether or not its costs, including salaries, are competitive enough to bring qualified personnel to do the jobs needed. He asked both GM Gentry and General Counsel Schweikert to comment on this statement. GM and General Counsel responded that yes, a Prop 218 rate study evaluation will assess whether or not rates are adequate to cover all costs, including maintaining competitive salary levels for key job functions, especially water and wastewater treatment.

Director Dawes stated his support for allowing the recruitment process to include both part-time and full-time with the final decision being made by GM for presentation to the Board for the job offering to a selected person.

Director Green asked about whether or not the District could do temporary hires as a means of determining qualified persons for permanent hiring. He also stated that he could support the approach of evaluating both part-time and full time for Operator 1 position with the final decision being made prior to a job offer being extended. GM stated that prior to a job offer being given to a selected candidate, the Board must review and confirm the appointment as recommended by GM.

There was Board discussion about whether or not this request needed a Board motion and vote. Board determined to concur with recruitment process beginning and provided further direction to GM about part-time versus full-time for Operator 1 position.

#### **VIII. BOARD COMMENT:**

President Green asked if there were any Board comments. He also commented that there are interesting days ahead for the Board given the remarks received tonight.

There were no further Board comments.

#### **IX. ADJOURNMENT:**

President Green adjourned the meeting at 6:56 PM.

###



## San Miguel Community Services District

### Regular Board Meeting Staff Report

DECEMBER 22, 2016

AGENDA ITEMS: XII 16

**SUBJECT:** Discuss and Approve **Resolution No 2016-42** establishing calendar year 2017  
Regular Board of Director Meeting Dates

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**STAFF RECOMMENDATION:**

Approve **Resolution 2016-38** establishing Regular Board Meeting Dates for calendar year 2017

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**BACKGROUND:**

The requirements of the District's Board of Director bylaws and also State laws specify setting local agency meetings by elected boards, city councils, special districts and other agencies to with regular scheduled public meetings.

The proposed schedule and resolution is based on the District requirements to hold its monthly meetings on the fourth Thursday of each month, except in November and December 2016, when holidays affect those regular meeting dates.

The attached resolution will set the schedule for Calendar Year 2017 Regular Board meetings by date.

PREPARED BY:

*Darrell W. Gentry*

Darrell W. Gentry,  
General Manager

**Attachment: Resolution No. 2016-42**  
Exhibit "A" Meeting Dates



**RESOLUTION 2016-42**

**EXHIBIT "A"  
CALENDAR YEAR 2017**

**REGULAR BOARD OF DIRECTOR MEETING DATES AND TIMES**

Meeting Times shall begin at 7pm, every Thursday of each month, unless otherwise noticed

**THURSDAY-- JANUARY 26, 2017**

**THURSDAY--FEBRUARY 23, 2017**

**THURSDAY--MARCH 23, 2017**

**THURSDAY-- APRIL 27, 2017**

**THURSDAY--MAY 25, 2017**

**THURSDAY--JUNE 22, 2017**

**THURSDAY--JULY 27, 2017**

**THURSDAY--AUGUST 24, 2017**

**THURSDAY—SEPTEMBER 28, 2017**

**THURSDAY—OCTOBER 26, 2017**

**THURSDAY—NOVEMBER 16, 2017 \*\***

**THURSDAY—DECEMBER 14, 2017 \*\***

\*\* = This meeting date is not the regular 4<sup>th</sup> Thursday of the month due to conflict with Thanksgiving holidays on November 23 and 24<sup>th</sup>, 2017 and Christmas holidays on December 22<sup>nd</sup> and 25<sup>th</sup>.

Special Board meeting dates and times may be established or set by the Board of Directors pursuant to adopted Board policy and applicable procedures.

Adopted by Board Action on: \_\_\_\_\_



**RESOLUTION NO. 2016-42**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SAN MIGUEL COMMUNITY SERVICES DISTRICT ESTABLISHING  
BOARD OF DIRECTOR REGULAR MEETING DATES AND TIMES FOR  
2017 CALENDAR YEAR**

**WHEREAS**, San Miguel Community Services District (“SMCSD”) authority for fire protection, water, wastewater, solid waste collection/disposal and street lighting infrastructure and services within the district,

**WHEREAS**, (“SMCSD”) Board of Directors (“Board”) is required by District ordinance to hold and conduct regular monthly public business meetings, hereby determines its intent to establishing calendar year dates and times for regular Board of Director meetings for 2017, and

**NOW THEREFORE, BE IT RESOLVED**, the Board does, hereby, adopts the 2017 Calendar for Regular Board of Director Meeting Agenda dates and times as set forth on Exhibit “A” attached hereto.

**BE IT FURTHER RESOLVED**, this Resolution shall remain in full force and effect until rescinded by the Board by resolution.

On the motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_ and on the following roll call vote, to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINING:**

The foregoing Resolution is hereby passed and adopted this 22nd day of December, 2016.

\_\_\_\_\_  
John Green, President  
Board of Directors

ATTEST:

APPROVED AS TO FORM:

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Darrell W. Gentry, General Manager  
Secretary to the Board

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Doug White, District General Counsel

Attachments:

**Exhibit A: 2017 Calendar Year – Board Meeting Dates**

I, Darrell W Gentry, Secretary of the Board of Directors of the San Miguel Community Services District, hereby certify the foregoing to be a full, true and correct copy of the record of the action of the action as the same appears in the Official Minutes of Board of Directors at its meeting of December 22, 2016.



## San Miguel Community Services District Board of Directors

### Staff Report

December 22, 2016

AGENDA ITEM: XII 17

**SUBJECT: Monthly Financial Reports—October 2016**

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#### **STAFF RECOMMENDATION:**

Review and Discuss October 2016 YTD/Monthly Financial Reports & Cash Report. **Action Requested.**

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#### **BACKGROUND:**

The Finance & Budget Committee reviewed the October 2016 Monthly and YTD financial reports at its November 14<sup>th</sup> meeting. The Committee has not met since that date to review and discuss the November monthly and year to date reports.

The November and December reports are to be provided to the Board in January. The October Monthly and YTD reports show that District total revenues and expenditures are consistent with the adopted budget projections with revenues slightly less because first half property tax revenues were yet recorded for Fire, Street Lighting and Wastewater accounts. Investment revenues are higher than anticipated due to changes in yields.

Expenses are high for some line items due to one-time payments due at the beginning of fiscal year which results in a skewed picture of expenses. It is anticipated that these expenses will flatten out by January-February. The 2<sup>nd</sup> half shifting of appropriations for legal expenses will also be reflected in January-February reports which will level out budgeted expenses.

The Committee and staff continue reducing past data entry errors in Black Mountain accounting while building more data for all accounting/finance functions. The Committee discussed terminating the Chevron account due to charges and fees associated with a monthly credit rating of that account. As a result, there are some charges anticipated in this account to completely close that will show for November. Staff anticipates substituting a new credit card account as a replacement with Board approval of the change.

The Statements of Revenue and Expense reports are attached for Board review. A Cash Report is also attached as October 31, 2016.

Board members should review the attached monthly financial reports and approve the October

monthly and YTD reports using any of the following decision options:

1. Approve as presented,
2. Conditionally Approval with changes or amendments,
3. Reject, or
4. Request additional information prior to recommendation to Board.

**PREPARED BY:**

Darrell W. Gentry

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General Manager

Attachments:

- Item V. 1 a Claims Detail Report for October 2016
- Item V. 1 b Statements of Revenues and Expenses—Budget vs. Actual
- Item V. 1.c Cash Report as of October 31, 2016

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
10	ADMINISTRATION DEPARTMENT 61000 Administration	126 GREEN, JOHN	Sept 2016 Board Mtg	100.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	441 REUCK, LARRY	Sept 2016 Stipend	100.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	453 DAWES, TRAVIS	Sept 2016 Board Mtg	100.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	406 KALVANS, ANTHONY	Sept 2016 Board Mtg	100.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	510 LOCAL IT EXPERTS	Remote Managed IT Se	850.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	247 SDRMA	September 2016 Inter	137.93
10	ADMINISTRATION DEPARTMENT 61000 Administration	403 DEPARTMENT OF TREASURY	Notice CP504B / 2015	695.13
10	ADMINISTRATION DEPARTMENT 61000 Administration	93 DODDS, KELLY	Mthly Cell Phone Rei	35.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	328 PARENT, TAMARA	Mthly Cell Phone Rei	35.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	534 STREAMLINE	Webpage Monthly Fee	200.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	534 STREAMLINE	Webpage Annual Fee	2,400.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	Ethernet 5-Port Giga	26.86
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	Wireless Keyboard	53.20
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	15' Patch Cable	23.20
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	27"monitor/external	403.88
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	Cloud storage mobile	150.24
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	Office 365/6 license	1,440.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	Jungle Disk/Server b	24.37
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	3 - 29" Monitors	756.69
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	Webcam	88.71
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	15' USB cable	16.15
10	ADMINISTRATION DEPARTMENT 61000 Administration	301 US BANK	GoDaddy - Domain Hos	108.63
10	ADMINISTRATION DEPARTMENT 61000 Administration	290 TRACEY, DAVID	Mthly Cell Phone Rei	35.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	17 N REX AWALT CORPORATION	Finance charge	1.90
10	ADMINISTRATION DEPARTMENT 61000 Administration	67 CHARTER COMMUNICATIONS	Internet/Voice	328.47
10	ADMINISTRATION DEPARTMENT 61000 Administration	482 CHEVRON AND TEXACO	Credit Risk Assessme	19.05
10	ADMINISTRATION DEPARTMENT 61000 Administration	482 CHEVRON AND TEXACO	Transaction Fee	4.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	33 BLACK MOUNTAIN	Asset Manager Module	1,012.50
10	ADMINISTRATION DEPARTMENT 61000 Administration	473 CHURCHWELL WHITE LLP	General Counsel	19,610.81
10	ADMINISTRATION DEPARTMENT 61000 Administration	473 CHURCHWELL WHITE LLP	Steinbeck v. SLO	1,382.80
10	ADMINISTRATION DEPARTMENT 61000 Administration	473 CHURCHWELL WHITE LLP	Water (Specialized)	530.80
10	ADMINISTRATION DEPARTMENT 61000 Administration	473 CHURCHWELL WHITE LLP	SLOCEA v. San Miguel	4,625.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	473 CHURCHWELL WHITE LLP	Employment PERB Clai	400.00
10	ADMINISTRATION DEPARTMENT 61000 Administration	529 DELL BUSINESS CREDIT	(6) Dell Precision T	6,008.43
10	ADMINISTRATION DEPARTMENT 61000 Administration	352 STAPLES CREDIT PLAN	toner,staples,highli	689.21
			Total for Fund:	42,492.96
20	FIRE PROTECTION 62000 Fire	533 SLO COUNTY TAX COLLECTOR	Assessment 021-221-0	133.78
20	FIRE PROTECTION 62000 Fire	134 HELPING HAND HEALTH	CPR Renewal Course	80.00
20	FIRE PROTECTION 62000 Fire	506 MEDPOST URGENT CARE -	Patient #616224112 T	100.00
20	FIRE PROTECTION 62000 Fire	247 SDRMA	Workers Comp	2,275.90
20	FIRE PROTECTION 62000 Fire	492 TIMECLOCK PLUS by DATA	TimeClock Plus/Mo. L	12.50
20	FIRE PROTECTION 62000 Fire	226 ROBERSON, ROB	Mthly Cell Phone Rei	35.00
20	FIRE PROTECTION 62000 Fire	80 ROBERT P. CROSBY	Indpendent Financial	1,287.00
20	FIRE PROTECTION 62000 Fire	301 US BANK	Wal Mart - TV/fire t	791.20
20	FIRE PROTECTION 62000 Fire	301 US BANK	Wal Mart - Fire supp	9.53
20	FIRE PROTECTION 62000 Fire	301 US BANK	Lowe's/woodchips	19.40
20	FIRE PROTECTION 62000 Fire	301 US BANK	Fire Prevention Day/	575.25
20	FIRE PROTECTION 62000 Fire	301 US BANK	Emergency Medical Pr	93.76
20	FIRE PROTECTION 62000 Fire	301 US BANK	Disney's Wild about	43.98
20	FIRE PROTECTION 62000 Fire	301 US BANK	Amazon/Safety Video	9.14

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
20 FIRE PROTECTION	62000 Fire	506 MEDPOST URGENT CARE -	Resp. Clearance - Ro	255.00
20 FIRE PROTECTION	62000 Fire	506 MEDPOST URGENT CARE -	Resp Clearance - Tus	280.00
20 FIRE PROTECTION	62000 Fire	492 TIMECLOCK PLUS by DATA	TimeClock Plus/Mo. L	8.25
20 FIRE PROTECTION	62000 Fire	482 CHEVRON AND TEXACO	Vehicle #8630 Asst F	122.96
20 FIRE PROTECTION	62000 Fire	482 CHEVRON AND TEXACO	Fire Chief - Vehicle	232.90
20 FIRE PROTECTION	62000 Fire	258 SLO COUNTY FIRE - SOUTH	FSTEP Certificate -	180.00
20 FIRE PROTECTION	62000 Fire	289 TOTALFUNDS BY HASLER	Postage	101.51
20 FIRE PROTECTION	62000 Fire	280 TEMPLETON UNIFORMS	shirt, pants, belt,	318.37
20 FIRE PROTECTION	62000 Fire	209 PG&E	Old Fire Station / 1	20.76
20 FIRE PROTECTION	62000 Fire	209 PG&E	Landscape/Streetligh	238.06
20 FIRE PROTECTION	62000 Fire	209 PG&E	New Fire Station 115	0.00
20 FIRE PROTECTION	62000 Fire	165 MAILFINANCE INC.	Qtrly Lease of maili	171.72
Total for Fund:				7,395.97
30 LIGHTING DEPARTMENT	63000 Lighting	247 SDRMA	Workers Comp	482.77
30 LIGHTING DEPARTMENT	63000 Lighting	492 TIMECLOCK PLUS by DATA	TimeClock Plus/Mo. L	12.50
30 LIGHTING DEPARTMENT	63000 Lighting	80 ROBERT P. CROSBY	Independent Financial	273.00
30 LIGHTING DEPARTMENT	63000 Lighting	492 TIMECLOCK PLUS by DATA	TimeClock Plus/Mo. L	1.75
30 LIGHTING DEPARTMENT	63000 Lighting	208 PG&E	12th & K Street - 85	11.04
30 LIGHTING DEPARTMENT	63000 Lighting	208 PG&E	Tract 2605 - 8565976	41.54
30 LIGHTING DEPARTMENT	63000 Lighting	208 PG&E	Mission Heights - 85	193.86
30 LIGHTING DEPARTMENT	63000 Lighting	208 PG&E	9898 River Rd. - 856	409.65
30 LIGHTING DEPARTMENT	63000 Lighting	208 PG&E	9898 River Rd. - 856	51.89
30 LIGHTING DEPARTMENT	63000 Lighting	208 PG&E	9898 River Rd. - 856	235.12
30 LIGHTING DEPARTMENT	63000 Lighting	208 PG&E	9898 River Rd. - 856	85.32
30 LIGHTING DEPARTMENT	63000 Lighting	208 PG&E	9898 River Rd. - 856	54.44
30 LIGHTING DEPARTMENT	63000 Lighting	208 PG&E	9898 River Rd. - 856	24.37
30 LIGHTING DEPARTMENT	63000 Lighting	209 PG&E	NEM Charges	1,864.07
30 LIGHTING DEPARTMENT	63000 Lighting	165 MAILFINANCE INC.	Qtrly Lease of maili	30.30
Total for Fund:				3,771.62
40 WASTEWATER/SANITARY	10350 HOB - Capital Reserve	340 C&N TRACTORS	KUB U35-4R1A Excavat	22,946.42
40 WASTEWATER/SANITARY	64000 Sanitary	533 SLO COUNTY TAX COLLECTOR	Assessment 021-051-0	15.62
40 WASTEWATER/SANITARY	64000 Sanitary	107 FARM SUPPLY	Ditrac Ground Squirr	190.25
40 WASTEWATER/SANITARY	64000 Sanitary	247 SDRMA	Workers Comp	5,517.33
40 WASTEWATER/SANITARY	64000 Sanitary	492 TIMECLOCK PLUS by DATA	TimeClock Plus/Mo. L	12.50
40 WASTEWATER/SANITARY	64000 Sanitary	80 ROBERT P. CROSBY	Independent Financial	3,120.00
40 WASTEWATER/SANITARY	64000 Sanitary	301 US BANK	Blanks USA/No cut do	58.75
40 WASTEWATER/SANITARY	64000 Sanitary	301 US BANK	C&N Tractor/primer b	2.39
40 WASTEWATER/SANITARY	64000 Sanitary	238 SAN MIGUEL GARBAGE	WWTP Monthly trash d	47.74
40 WASTEWATER/SANITARY	64000 Sanitary	308 FRONTIER COMMUNICATIONS	Backup for alarm	34.35
40 WASTEWATER/SANITARY	64000 Sanitary	492 TIMECLOCK PLUS by DATA	TimeClock Plus/Mo. L	20.00
40 WASTEWATER/SANITARY	64000 Sanitary	327 VALLI INFORMATION SYSTEMS	Web Posting, Online	44.34
40 WASTEWATER/SANITARY	64000 Sanitary	482 CHEVRON AND TEXACO	Utility Vehicle #863	125.58
40 WASTEWATER/SANITARY	64000 Sanitary	125 GREAT WESTERN ALARM	Answering Service	36.00
40 WASTEWATER/SANITARY	64000 Sanitary	289 TOTALFUNDS BY HASLER	Postage	203.01
40 WASTEWATER/SANITARY	64000 Sanitary	206 PERRY'S ELECTRIC	repair 7.5/3.33HP 3P	2,270.22
40 WASTEWATER/SANITARY	64000 Sanitary	313 WALLACE GROUP	972 K Street, Dollar	81.75
40 WASTEWATER/SANITARY	64000 Sanitary	511 VERIZON	Laptop / 805-423-759	20.04
40 WASTEWATER/SANITARY	64000 Sanitary	61 CCI CENTRAL	Ink Cartridge for IM	96.96

SAN MIGUEL COMMUNITY SERVICES DISTRICT  
Claim Details by Fund, Account  
For the Accounting Period: 10/16

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
40 WASTEWATER/SANITARY	64000 Sanitary	147 JB DEWAR	250 gal ULS Diesel	381.58
40 WASTEWATER/SANITARY	64000 Sanitary	209 PG&E	N St / WWTP	5,916.82
40 WASTEWATER/SANITARY	64000 Sanitary	165 MAILFINANCE INC.	Qtrly Lease of maili	404.06
40 WASTEWATER/SANITARY	64000 Sanitary	429 COUNTY OF SAN LUIS OBISPO	Hazmat Disclosure -	327.00
40 WASTEWATER/SANITARY	64000 Sanitary	175 MIKE ROACH ELECTRIC	Troubleshoot Aerator	495.00
40 WASTEWATER/SANITARY	64000 Sanitary	308 FRONTIER COMMUNICATIONS	SCADA	26.32
Total for Fund:				42,394.03
50 WATER DEPARTMENT	10350 HOB - Capital Reserve	340 C&N TRACTORS	KUB U35-4R1A Excavat	22,946.41
50 WATER DEPARTMENT	65000 Water	533 SLO COUNTY TAX COLLECTOR	Assessment 021-221-0	81.26
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	EPA 551.1/EPA 552.2	170.00
50 WATER DEPARTMENT	65000 Water	247 SDRMA	Workers Comp	5,517.33
50 WATER DEPARTMENT	65000 Water	349 SHORE-TEK TRENCH &	Plate,Trench 6x10/de	406.24
50 WATER DEPARTMENT	65000 Water	492 TIMECLOCK PLUS by DATA	TimeClock Plus/Mo. L	12.50
50 WATER DEPARTMENT	65000 Water	80 ROBERT P. CROSBY	Indpndent Financial	3,120.00
50 WATER DEPARTMENT	65000 Water	301 US BANK	Blanks USA/No cut do	58.75
50 WATER DEPARTMENT	65000 Water	301 US BANK	C&N /primer bulb/wee	2.38
50 WATER DEPARTMENT	65000 Water	301 US BANK	Lowe's/small tools &	89.70
50 WATER DEPARTMENT	65000 Water	109 FERGUSON ENTERPRISES	LF 2 BRS Thrd Inline	248.33
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Metals, Total-As	42.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Sampling-Pickup	25.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Metals, Total-As	42.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Sampling-Pickup	25.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Metals, Total-As	42.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Sampling-Pickup	25.00
50 WATER DEPARTMENT	65000 Water	129 HACH	Chlorine free CL17	120.27
50 WATER DEPARTMENT	65000 Water	129 HACH	Chlorine free CL17	120.27
50 WATER DEPARTMENT	65000 Water	129 HACH	Chlorine free CL17	120.27
50 WATER DEPARTMENT	65000 Water	17 N REX AWALT CORPORATION	2" Sch 80 45 El / 2"	41.30
50 WATER DEPARTMENT	65000 Water	238 SAN MIGUEL GARBAGE	WWTP Monthly trash d	47.73
50 WATER DEPARTMENT	65000 Water	303 USA BLUEBOOK	Stenner#7 pump/cam/t	253.62
50 WATER DEPARTMENT	65000 Water	378 SWIFT TECHTONICS, INC.	Patch & Pave - 11th	910.00
50 WATER DEPARTMENT	65000 Water	378 SWIFT TECHTONICS, INC.	expose/backfill H201	3,920.00
50 WATER DEPARTMENT	65000 Water	308 FRONTIER COMMUNICATIONS	Backup for alarm	34.36
50 WATER DEPARTMENT	65000 Water	492 TIMECLOCK PLUS by DATA	TimeClock Plus/Mo. L	20.00
50 WATER DEPARTMENT	65000 Water	327 VALLI INFORMATION SYSTEMS	Web Posting, Online	44.34
50 WATER DEPARTMENT	65000 Water	482 CHEVRON AND TEXACO	Utility Vehicle #863	125.58
50 WATER DEPARTMENT	65000 Water	349 SHORE-TEK TRENCH &	Plate,Trench 4x8/del	490.00
50 WATER DEPARTMENT	65000 Water	63 CED	Wire	55.84
50 WATER DEPARTMENT	65000 Water	63 CED	2P 30A Contactor/ter	181.84
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Coliform-Colilert-P/	80.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Sampling-Pickup	25.00
50 WATER DEPARTMENT	65000 Water	125 GREAT WESTERN ALARM	Answering Service	36.00
50 WATER DEPARTMENT	65000 Water	125 GREAT WESTERN ALARM	Monthly Alarm Monito	30.00
50 WATER DEPARTMENT	65000 Water	289 TOTALFUNDS BY HASLER	Postage	203.01
50 WATER DEPARTMENT	65000 Water	313 WALLACE GROUP	972 K Street, Dollar	81.75
50 WATER DEPARTMENT	65000 Water	511 VERIZON	Laptop / 805-423-759	20.04
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Coliform-Colilert-P/	45.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Wet Chemistry-Color,	45.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Wet Chemistry-Color,	110.00
50 WATER DEPARTMENT	65000 Water	61 CCI CENTRAL	Ink Cartridge for IM	96.96

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SAN MIGUEL COMMUNITY SERVICES DISTRICT  
Claim Details by Fund, Account  
For the Accounting Period: 10/16

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Fund	Department Name (Account)	Vendor #/Name	Description	Amount
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Metals, Total-As	42.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Sampling-Pickup	25.00
50 WATER DEPARTMENT	65000 Water	147 JB DEWAR	250 gal ULS Diesel	381.58
50 WATER DEPARTMENT	65000 Water	209 PG&E	Water Works #1 / Wel	1,223.79
50 WATER DEPARTMENT	65000 Water	209 PG&E	Bonita Pl & 16th / W	2,008.71
50 WATER DEPARTMENT	65000 Water	209 PG&E	14th St. & K St.	48.38
50 WATER DEPARTMENT	65000 Water	209 PG&E	SLT Well Drink Water	41.81
50 WATER DEPARTMENT	65000 Water	209 PG&E	Mission Heights Boos	10.48
50 WATER DEPARTMENT	65000 Water	209 PG&E	2HP Booster Station	10.19
50 WATER DEPARTMENT	65000 Water	429 COUNTY OF SAN LUIS OBISPO	Hazmat Disclosure -	327.00
50 WATER DEPARTMENT	65000 Water	429 COUNTY OF SAN LUIS OBISPO	Hazmat Disclosure -	327.00
50 WATER DEPARTMENT	65000 Water	429 COUNTY OF SAN LUIS OBISPO	Hazmat Disclosure -	327.00
50 WATER DEPARTMENT	65000 Water	165 MAILFINANCE INC.	Qtrly Lease of maili	404.06
50 WATER DEPARTMENT	65000 Water	298 UNIVAR USA INC	SOD HYPO 12.5 % Liqu	869.40
50 WATER DEPARTMENT	65000 Water	298 UNIVAR USA INC	SOD HYPO 12.5 % Liqu	595.60
50 WATER DEPARTMENT	65000 Water	109 FERGUSON ENTERPRISES	Isolation Valve / 11	1,053.90
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Coliform-Colilert-P/	100.00
50 WATER DEPARTMENT	65000 Water	112 FGL - ENVIRONMENTAL	Wet Chemistry-Color,	125.00
50 WATER DEPARTMENT	65000 Water	308 FRONTIER COMMUNICATIONS	SCADA	26.32
			Total for Fund:	48,059.30
			Total:	144,113.88

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SAN MIGUEL COMMUNITY SERVICES DISTRICT  
Fund Summary for Claims  
For the Accounting Period: 10/16

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Fund/Account	Amount
10 ADMINISTRATION DEPARTMENT	
10200	\$42,492.96
20 FIRE PROTECTION DEPARTMENT	
10200	\$7,395.97
30 LIGHTING DEPARTMENT	
10200	\$3,771.62
40 WASTEWATER/SANITARY DEPARTMENT	
10200	\$42,394.03
50 WATER DEPARTMENT	
10200	\$48,059.30
Total:	\$144,113.88

Funds 10- 60 % of Revenue

Fund	Account	Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	Received %
10 ADMINISTRATION DEPARTMENT						
40370	Myers Restitution - Unrealized Earnings	0.00	0.00	10.00	10.00	0 %
46010	Transfer In	101,665.00	101,665.00	0.00	-101,665.00	** %
46020	Transfer In -Fire (16.5%)	0.00	0.00	58,150.00	58,150.00	0 %
46030	Transfer In -Lighting (3%)	0.00	0.00	44,425.00	44,425.00	0 %
46040	Transfer In -Sewer (40%)	0.00	0.00	82,041.00	82,041.00	0 %
46050	Transfer In -Water (40%)	0.00	0.00	82,041.00	82,041.00	0 %
46060	Transfer In- Solid Waste (0.5%)	0.00	0.00	508.00	508.00	0 %
	Fund Total:	101,665.00	101,665.00	267,175.00	165,510.00	38 %
20 FIRE PROTECTION DEPARTMENT						
40220	Weed Abatement Fees	0.00	0.00	450.00	450.00	0 %
40300	Fireworks Permit Fees	0.00	0.00	800.00	800.00	0 %
40320	Fire Impact Fees	0.00	7,579.92	10.00	-7,569.92	*** %
40420	Ambulance Reimbursement	0.00	1,111.61	3,200.00	2,088.39	35 %
40440	CDBG Grant	0.00	0.00	105,000.00	105,000.00	0 %
40500	VFA Assistance Grant	0.00	8,424.12	10.00	-8,414.12	*** %
42200	Fire Recovery Program	0.00	0.00	5.00	5.00	0 %
43000	Property Taxes Collected	5,579.84	15,196.04	308,300.00	293,103.96	5 %
44000	Forestry & Fire Protection Reimbursement	0.00	0.00	30,000.00	30,000.00	0 %
46000	Revenues & Interest	0.00	70.04	50.00	-20.04	140 %
46010	Transfer In	0.00	0.00	90,375.00	90,375.00	0 %
46100	Realized Earnings	0.00	331.67	0.00	-331.67	** %
46150	Miscellaneous Income	0.00	100.00	0.00	-100.00	** %
46151	Refund/Adjustments	369.75	578.63	0.00	-578.63	** %
46155	Will Serve Processing Fees	0.00	0.00	10.00	10.00	0 %
46175	Sale of Surplus Property	0.00	0.00	10.00	10.00	0 %
	Fund Total:	5,949.59	33,392.03	538,220.00	504,827.97	6 %
30 LIGHTING DEPARTMENT						
43000	Property Taxes Collected	1,540.23	7,685.98	80,000.00	72,314.02	10 %
46000	Revenues & Interest	0.00	14.85	30.00	15.15	50 %
46100	Realized Earnings	0.00	70.37	0.00	-70.37	** %
46151	Refund/Adjustments	78.43	122.74	0.00	-122.74	** %
46180	Public Records Requests	0.00	0.00	10.00	10.00	0 %
	Fund Total:	1,618.66	7,893.94	80,040.00	72,146.06	10 %
40 WASTEWATER/SANITARY DEPARTMENT						
40850	Wastewater Hook-up Fees	0.00	41,660.00	10.00	-41,650.00	*** %
40900	Wastewater Sales	28,365.92	113,066.50	350,000.00	236,933.50	32 %
40910	Wastewater Late Charges	540.71	2,101.45	4,000.00	1,898.55	53 %
43000	Property Taxes Collected	852.32	2,654.31	47,200.00	44,545.69	6 %
46000	Revenues & Interest	0.00	169.76	50.00	-119.76	340 %

Funds 10- 60 % of Revenue

Fund	Account	Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	Received %
40 WASTEWATER/SANITARY DEPARTMENT						
46010	Transfer In	0.00	0.00	41,375.00	41,375.00	0 %
46100	Realized Earnings	0.00	804.04	0.00	-804.04	** %
46151	Refund/Adjustments	896.38	1,402.74	1,000.00	-402.74	140 %
46153	Plan Check Fees	0.00	0.00	100.00	100.00	0 %
46155	Will Serve Processing Fees	0.00	0.00	10.00	10.00	0 %
46175	Sale of Surplus Property	0.00	0.00	10.00	10.00	0 %
46180	Public Records Requests	0.00	0.00	10.00	10.00	0 %
	Fund Total:	30,655.33	161,858.80	443,765.00	281,906.20	36 %
50 WATER DEPARTMENT						
41000	Water Sales	31,588.80	137,261.19	345,000.00	207,738.81	40 %
41001	Water Connection Fees	1,800.00	4,050.00	10.00	-4,040.00	*** %
41005	Water Late Charges	1,990.62	7,376.88	2,000.00	-5,376.88	369 %
41010	Water Meter Fees	0.00	47,450.00	20,500.00	-26,950.00	231 %
44005	State/Federal Grants	0.00	0.00	10.00	10.00	0 %
46000	Revenues & Interest	0.00	173.09	150.00	-23.09	115 %
46010	Transfer In	0.00	0.00	64,375.00	64,375.00	0 %
46100	Realized Earnings	0.00	804.04	0.00	-804.04	** %
46151	Refund/Adjustments	896.38	1,402.74	10.00	-1,392.74	*** %
46152	Recycling	0.00	125.00	250.00	125.00	50 %
46153	Plan Check Fees	0.00	0.00	2,060.00	2,060.00	0 %
46155	Will Serve Processing Fees	0.00	0.00	515.00	515.00	0 %
46175	Sale of Surplus Property	0.00	0.00	10.00	10.00	0 %
46180	Public Records Requests	0.00	0.00	10.00	10.00	0 %
	Fund Total:	36,275.80	198,642.94	434,900.00	236,257.06	46 %
60 SOLID WASTE DEPARTMENT						
46005	Franchise Fees	2,447.10	10,346.37	28,714.00	18,367.63	36 %
	Fund Total:	2,447.10	10,346.37	28,714.00	18,367.63	36 %
	Grand Total:	178,611.48	513,799.08	1,792,814.00	1,279,014.92	29 %

SAN MIGUEL COMMUNITY SERVICES DISTRICT  
Statement of Expenditure - Budget vs. Actual Report  
For the Accounting Period: 10 / 16

10 ADMINISTRATION DEPARTMENT

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
61000 Administration							
61000 Administration							
	111 BOD Stipend	400.00	1,400.00	5,000.00	5,000.00	3,600.00	28 %
	305 Operations and maintenance	0.00	105.99	0.00	0.00	-105.99	%
	310 Phone and fax expense	328.47	1,552.38	4,710.00	4,710.00	3,157.62	33 %
	315 Postage, shipping and freight	0.00	0.00	10.00	10.00	10.00	%
	320 Printing and reproduction	0.00	695.18	300.00	300.00	-395.18	232 %
	324 Professional Svcs- Consulting	0.00	0.00	10,000.00	10,000.00	10,000.00	%
	327 Professional svcs - Legal	26,549.41	88,866.10	165,500.00	165,500.00	76,633.90	54 %
	328 Insurance - prop and liability	0.00	22,068.60	24,000.00	24,000.00	1,931.40	92 %
	340 Meetings and conferences	0.00	0.00	1,200.00	1,200.00	1,200.00	%
	345 Mileage expense reimbursement	0.00	79.92	400.00	400.00	320.08	20 %
	351 Repairs and maint - equip	0.00	580.10	0.00	0.00	-580.10	%
	352 Repairs and maint - structures	0.00	0.00	2,750.00	2,750.00	2,750.00	%
	375 Internet expenses	0.00	126.58	4,116.00	4,116.00	3,989.42	3 %
	376 Webpage- Upgrade/Maint	2,600.00	2,600.00	2,400.00	2,400.00	-200.00	108 %
	385 Dues and subscriptions	0.00	0.00	5,130.00	5,130.00	5,130.00	%
	386 Education and training	0.00	0.00	4,800.00	4,800.00	4,800.00	%
	394 LAFCO Allocations	0.00	5,540.64	5,500.00	5,500.00	-40.64	101 %
	405 Software	1,012.50	5,343.50	5,100.00	5,100.00	-243.50	105 %
	410 Office Supplies	689.21	1,631.00	0.00	0.00	-1,631.00	%
	415 Office Equipment	0.00	4,489.49	5,000.00	5,000.00	510.51	90 %
	465 Cell phones, radios and pagers	105.00	350.00	1,680.00	1,680.00	1,330.00	21 %
	475 Computer supplies and upgrades	9,950.36	27,415.65	24,118.00	24,118.00	-3,297.65	114 %
	715 Licenses, permits and fees	0.00	50.00	0.00	0.00	-50.00	%
	910 Tax Penalties & Late Fees	695.13	1,398.25	0.00	0.00	-1,398.25	%
	911 Finance Charges/Late Fees	1.90	1.90	0.00	0.00	-1.90	%
	920 Credit Card Service Fees	23.05	35.52	0.00	0.00	-35.52	%
	930 Interest Fees	137.93	137.93	0.00	0.00	-137.93	%
	960 Property tax expense	230.66	230.66	0.00	0.00	-230.66	%
	Account Total:	42,723.62	164,699.39	271,714.00	271,714.00	107,014.61	61 %
	Account Group Total:	42,723.62	164,699.39	271,714.00	271,714.00	107,014.61	61 %
	Fund Total:	42,723.62	164,699.39	271,714.00	271,714.00	107,014.61	61 %

20 FIRE PROTECTION DEPARTMENT

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
62000	Fire						
62000	Fire						
105	Salaries and Wages	5,175.24	16,276.09	75,350.00	75,350.00	59,073.91	22 %
120	Workers' Compensation	2,275.90	4,984.71	7,474.00	7,474.00	2,489.29	67 %
121	Physicals	635.00	890.00	1,600.00	1,600.00	710.00	56 %
125	Volunteer firefighter stipends	7,570.50	21,930.76	44,281.00	44,281.00	22,350.24	50 %
126	Strike Team Pay - VFF	72.98	25,573.21	37,523.00	37,523.00	11,949.79	68 %
130	Payroll Tax - Fed W/H	0.00	0.00	22,096.00	22,096.00	22,096.00	%
135	Payroll Tax - FICA	465.24	2,491.62	0.00	0.00	-2,491.62	%
140	Payroll Tax - Medicare	185.86	924.65	1,850.00	1,850.00	925.35	50 %
155	Payroll Tax - SUI	217.73	2,021.31	6,220.00	6,220.00	4,198.69	32 %
160	Payroll Tax - ETT	12.62	63.67	55.00	55.00	-8.67	116 %
165	Payroll Tax - FUTA	274.23	2,306.46	0.00	0.00	-2,306.46	%
205	Insurance - Health	0.00	263.70	5,694.00	5,694.00	5,430.30	5 %
210	Insurance - Dental	6.10	25.98	609.00	609.00	583.02	4 %
215	Insurance - Vision	0.98	4.16	100.00	100.00	95.84	4 %
225	Retirement - PERS expense	30.97	453.92	5,090.00	5,090.00	4,636.08	9 %
305	Operations and maintenance	191.12	1,793.71	2,900.00	2,900.00	1,106.29	62 %
315	Postage, shipping and freight	101.51	211.27	625.00	625.00	413.73	34 %
320	Printing and reproduction	0.00	0.00	200.00	200.00	200.00	%
325	Professional svcs - Accounting	1,287.00	1,287.00	2,500.00	2,500.00	1,213.00	51 %
335	Meals - Reimbursement	0.00	59.84	500.00	500.00	440.16	12 %
340	Meetings and conferences	0.00	0.00	750.00	750.00	750.00	%
345	Mileage expense reimbursement	0.00	0.00	350.00	350.00	350.00	%
351	Repairs and maint - equip	0.00	900.86	1,500.00	1,500.00	599.14	60 %
352	Repairs and maint - structures	0.00	5,933.00	350.00	350.00	-5,583.00	*** %
354	Repairs and maint - vehicles	0.00	2,392.01	9,500.00	9,500.00	7,107.99	25 %
370	Dispatch services	0.00	8,081.92	8,082.00	8,082.00	0.08	100 %
380	Utilities - alarm service	0.00	0.00	285.00	285.00	285.00	%
381	Utilities - electric	258.82	995.97	1,850.00	1,850.00	854.03	54 %
382	Utilities - propane	0.00	0.00	250.00	250.00	250.00	%
385	Dues and subscriptions	0.00	1,100.00	1,975.00	1,975.00	875.00	56 %
386	Education and training	180.00	933.21	11,526.00	11,526.00	10,592.79	8 %
388	Education and training: CPR/FIRST AID	133.12	133.12	0.00	0.00	-133.12	%
389	Education and training: CPR/FIRST AID	0.00	484.16	0.00	0.00	-484.16	%
393	Advertising and public notices	0.00	0.00	1,025.00	1,025.00	1,025.00	%
395	Community Outreach	0.00	0.00	923.00	923.00	923.00	%
400	Supplies	9.53	9.53	0.00	0.00	-9.53	%
420	Equipt. & Supplies	791.20	925.95	0.00	0.00	-925.95	%
440	Vehicle Replacement Fund	0.00	0.00	30,000.00	30,000.00	30,000.00	%
450	EMS supplies	93.76	435.03	2,500.00	2,500.00	2,064.97	17 %
455	Fire Safety Gear & Equipment	0.00	0.00	10,600.00	10,600.00	10,600.00	%
465	Cell phones, radios and pagers	35.00	70.00	0.00	0.00	-70.00	%
470	Communication equipment	0.00	16.96	15,050.00	15,050.00	15,033.04	%
485	Fuel expense	355.86	1,092.27	6,500.00	6,500.00	5,407.73	17 %
490	Small tools and equipment	0.00	0.00	1,500.00	1,500.00	1,500.00	%
495	Uniform expense	318.37	318.37	4,610.00	4,610.00	4,291.63	7 %
503	Weed Abatement Costs	0.00	0.00	2,810.00	2,810.00	2,810.00	%
505	Fire Training Grounds	0.00	0.00	2,900.00	2,900.00	2,900.00	%
510	Fire station addition	0.00	0.00	49,000.00	49,000.00	49,000.00	%
710	County hazmat dues	0.00	2,000.00	2,000.00	2,000.00	0.00	100 %

SAN MIGUEL COMMUNITY SERVICES DISTRICT  
Statement of Expenditure - Budget vs. Actual Report  
For the Accounting Period: 10 / 16

20 FIRE PROTECTION DEPARTMENT

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
	715 Licenses, permits and fees	20.75	33.25	350.00	350.00	316.75	10 %
	820 Fireworks Clean Up	0.00	0.00	1,000.00	1,000.00	1,000.00	%
	905 Transfer out	0.00	0.00	58,150.00	58,150.00	58,150.00	%
	920 Credit Card Service Fees	0.00	74.74	0.00	0.00	-74.74	%
	950 Promo materials and supplies	575.25	575.25	0.00	0.00	-575.25	%
	960 Property tax expense	0.00	0.00	735.00	735.00	735.00	%
	999 Fire Impact fees	0.00	0.00	10.00	10.00	10.00	%
	Account Total:	21,274.64	108,067.66	440,748.00	440,748.00	332,680.34	25 %
	Account Group Total:	21,274.64	108,067.66	440,748.00	440,748.00	332,680.34	25 %
70000	Transfer Out						
	70000 Transfer Out						
	327 Professional svcs - Legal	16,775.00	16,775.00	0.00	0.00	-16,775.00	%
	Account Total:	16,775.00	16,775.00	0.00	0.00	-16,775.00	%
	Account Group Total:	16,775.00	16,775.00	0.00	0.00	-16,775.00	%
	Fund Total:	38,049.64	124,842.66	440,748.00	440,748.00	315,905.34	28 %

30 LIGHTING DEPARTMENT

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
63000 Lighting							
63000 Lighting							
	105 Salaries and Wages	438.43	1,405.40	12,520.00	12,520.00	11,114.60	11 %
	120 Workers' Compensation	482.77	1,057.37	750.00	750.00	-307.37	141 %
	130 Payroll Tax - Fed W/H	0.00	0.00	1,430.00	1,430.00	1,430.00	%
	135 Payroll Tax - FICA	21.06	74.67	664.00	664.00	589.33	11 %
	140 Payroll Tax - Medicare	6.37	20.37	182.00	182.00	161.63	11 %
	155 Payroll Tax - SUI	1.07	1.07	120.00	120.00	118.93	1 %
	160 Payroll Tax - ETT	0.43	1.34	200.00	200.00	198.66	1 %
	165 Payroll Tax - FUTA	1.19	1.19	869.00	869.00	867.81	%
	205 Insurance - Health	0.00	0.00	1,050.00	1,050.00	1,050.00	%
	210 Insurance - Dental	1.30	2.61	115.00	115.00	112.39	2 %
	215 Insurance - Vision	0.21	0.42	20.00	20.00	19.58	2 %
	225 Retirement - PERS expense	6.57	202.38	1,035.00	1,035.00	832.62	20 %
	305 Operations and maintenance	30.30	530.30	3,700.00	3,700.00	3,169.70	14 %
	320 Printing and reproduction	0.00	0.00	75.00	75.00	75.00	%
	325 Professional svcs - Accounting	273.00	273.00	750.00	750.00	477.00	36 %
	340 Meetings and conferences	0.00	0.00	300.00	300.00	300.00	%
	351 Repairs and maint - equip	0.00	0.00	500.00	500.00	500.00	%
	353 Repairs & Maint- Infrastructure	0.00	0.00	500.00	500.00	500.00	%
	381 Utilities - electric	2,971.30	6,471.56	15,000.00	15,000.00	8,528.44	43 %
	440 Vehicle Replacement Fund	0.00	0.00	10,000.00	10,000.00	10,000.00	%
	485 Fuel expense	0.00	12.88	0.00	0.00	-12.88	%
	490 Small tools and equipment	0.00	0.00	500.00	500.00	500.00	%
	500 Capital Outlay	0.00	0.00	12,500.00	12,500.00	12,500.00	%
	715 Licenses, permits and fees	14.25	26.75	0.00	0.00	-26.75	%
	905 Transfer out	0.00	0.00	44,430.00	44,430.00	44,430.00	%
	Account Total:	4,248.25	10,081.31	107,210.00	107,210.00	97,128.69	9 %
	Account Group Total:	4,248.25	10,081.31	107,210.00	107,210.00	97,128.69	9 %
70000 Transfer Out							
70000 Transfer Out							
	327 Professional svcs - Legal	3,050.00	3,050.00	0.00	0.00	-3,050.00	%
	Account Total:	3,050.00	3,050.00	0.00	0.00	-3,050.00	%
	Account Group Total:	3,050.00	3,050.00	0.00	0.00	-3,050.00	%
	Fund Total:	7,298.25	13,131.31	107,210.00	107,210.00	94,078.69	12 %

40 WASTEWATER/SANITARY DEPARTMENT

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
64000	Sanitary						
64000	Sanitary						
	105 Salaries and Wages	8,701.71	45,838.82	32,816.00	32,816.00	-13,022.82	140 %
	109 Stand-by Hours	387.75	387.75	0.00	0.00	-387.75	%
	120 Workers' Compensation	5,517.33	12,084.13	8,325.00	8,325.00	-3,759.13	145 %
	130 Payroll Tax - Fed W/H	0.00	0.00	38,200.00	38,200.00	38,200.00	%
	135 Payroll Tax - FICA	240.79	1,364.10	0.00	0.00	-1,364.10	%
	140 Payroll Tax - Medicare	131.34	668.20	2,050.00	2,050.00	1,381.80	33 %
	155 Payroll Tax - SUI	12.32	31.70	12,150.00	12,150.00	12,118.30	%
	160 Payroll Tax - ETT	9.11	46.27	2,670.00	2,670.00	2,623.73	2 %
	165 Payroll Tax - FUTA	13.70	35.24	0.00	0.00	-35.24	%
	205 Insurance - Health	591.43	2,642.23	13,788.00	13,788.00	11,145.77	19 %
	210 Insurance - Dental	49.28	230.23	1,476.00	1,476.00	1,245.77	16 %
	215 Insurance - Vision	7.86	36.64	245.00	245.00	208.36	15 %
	225 Retirement - PERS expense	563.10	3,289.94	12,445.00	12,445.00	9,155.06	26 %
	305 Operations and maintenance	638.65	1,464.43	5,500.00	5,500.00	4,035.57	27 %
	310 Phone and fax expense	80.71	212.93	0.00	0.00	-212.93	%
	315 Postage, shipping and freight	203.01	675.72	2,600.00	2,600.00	1,924.28	26 %
	320 Printing and reproduction	58.75	58.75	400.00	400.00	341.25	15 %
	324 Professional Svcs- Consulting	0.00	0.00	1,000.00	1,000.00	1,000.00	%
	325 Professional svcs - Accounting	3,120.00	3,120.00	2,500.00	2,500.00	-620.00	125 %
	326 Professional svcs - Engineering	81.75	683.25	3,000.00	3,000.00	2,316.75	23 %
	340 Meetings and conferences	0.00	0.00	300.00	300.00	300.00	%
	345 Mileage expense reimbursement	0.00	110.43	200.00	200.00	89.57	55 %
	351 Repairs and maint - equip	2.39	22,509.10	14,000.00	14,000.00	-8,509.10	161 %
	352 Repairs and maint - structures	0.00	0.00	925.00	925.00	925.00	%
	353 Repairs & Maint- Infrastructure	0.00	297.75	3,700.00	3,700.00	3,402.25	8 %
	354 Repairs and maint - vehicles	0.00	365.75	1,500.00	1,500.00	1,134.25	24 %
	355 WW - Testing & Supplies	0.00	441.00	3,750.00	3,750.00	3,309.00	12 %
	380 Utilities - alarm service	36.00	144.85	1,125.00	1,125.00	980.15	13 %
	381 Utilities - electric	5,916.82	28,424.65	67,000.00	67,000.00	38,575.35	42 %
	382 Utilities - propane	0.00	0.00	350.00	350.00	350.00	%
	383 Utilities - trash	47.74	190.96	625.00	625.00	434.04	31 %
	385 Dues and subscriptions	0.00	0.00	1,500.00	1,500.00	1,500.00	%
	386 Education and training	0.00	307.50	1,250.00	1,250.00	942.50	25 %
	393 Advertising and public notices	0.00	0.00	100.00	100.00	100.00	%
	410 Office Supplies	96.96	96.96	750.00	750.00	653.04	13 %
	420 Equipt. & Supplies	0.00	0.00	2,800.00	2,800.00	2,800.00	%
	440 Vehicle Replacement Fund	0.00	0.00	3,000.00	3,000.00	3,000.00	%
	459 Scada	0.00	15,066.70	1,000.00	1,000.00	-14,066.70	*** %
	485 Fuel expense	507.16	1,831.17	3,175.00	3,175.00	1,343.83	58 %
	490 Small tools and equipment	0.00	44.56	675.00	675.00	630.44	7 %
	495 Uniform expense	0.00	121.49	550.00	550.00	428.51	22 %
	553 Manholes and Valve Raising	0.00	0.00	2,000.00	2,000.00	2,000.00	%
	570 Repairs, Maint. and Video Sewer Lines	0.00	0.00	9,975.00	9,975.00	9,975.00	%
	582 WWTP Plant Maintenance	2,765.22	6,334.78	9,000.00	9,000.00	2,665.22	70 %
	585 Sludge Removal Project	0.00	164.75	250.00	250.00	85.25	66 %
	705 Waste Discharge Fees/Permits	0.00	0.00	25,000.00	25,000.00	25,000.00	%
	715 Licenses, permits and fees	359.50	1,288.50	2,500.00	2,500.00	1,211.50	52 %
	805 Refundable Water/Sewer/Hydrant Deposit	0.00	89.00	0.00	0.00	-89.00	%
	905 Transfer out	0.00	0.00	82,047.00	82,047.00	82,047.00	%

40 WASTEWATER/SANITARY DEPARTMENT

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
	920 Credit Card Service Fees	0.00	74.74	0.00	0.00	-74.74	%
	925 Bank service charges	0.00	998.70	0.00	0.00	-998.70	%
	960 Property tax expense	0.00	0.00	150.00	150.00	150.00	%
	Account Total:	30,140.38	151,773.67	378,362.00	378,362.00	226,588.33	40 %
	Account Group Total:	30,140.38	151,773.67	378,362.00	378,362.00	226,588.33	40 %
70000	Transfer Out						
	70000 Transfer Out						
	327 Professional svcs - Legal	40,666.00	40,666.00	0.00	0.00	-40,666.00	%
	Account Total:	40,666.00	40,666.00	0.00	0.00	-40,666.00	%
	Account Group Total:	40,666.00	40,666.00	0.00	0.00	-40,666.00	%
	Fund Total:	70,806.38	192,439.67	378,362.00	378,362.00	185,922.33	51 %

50 WATER DEPARTMENT

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
65000 Water							
65000 Water							
	105 Salaries and Wages	10,070.77	51,135.67	141,150.00	141,150.00	90,014.33	36 %
	109 Stand-by Hours	387.75	387.75	0.00	0.00	-387.75	%
	120 Workers' Compensation	5,517.33	12,084.13	8,270.00	8,270.00	-3,814.13	146 %
	130 Payroll Tax - Fed W/H	0.00	0.00	23,177.00	23,177.00	23,177.00	%
	135 Payroll Tax - FICA	240.79	1,406.18	6,235.00	6,235.00	4,828.82	23 %
	140 Payroll Tax - Medicare	151.01	744.37	4,480.00	4,480.00	3,735.63	17 %
	155 Payroll Tax - SUI	12.32	31.71	2,549.00	2,549.00	2,517.29	1 %
	160 Payroll Tax - ETT	10.46	51.55	2,670.00	2,670.00	2,618.45	2 %
	165 Payroll Tax - FUTA	13.70	35.24	0.00	0.00	-35.24	%
	205 Insurance - Health	790.42	3,312.39	13,788.00	13,788.00	10,475.61	24 %
	210 Insurance - Dental	60.16	266.96	1,476.00	1,476.00	1,209.04	18 %
	215 Insurance - Vision	9.54	42.42	245.00	245.00	202.58	17 %
	225 Retirement - PERS expense	727.04	3,843.18	12,337.00	12,337.00	8,493.82	31 %
	305 Operations and maintenance	448.40	1,417.94	4,500.00	4,500.00	3,082.06	32 %
	310 Phone and fax expense	80.72	212.90	0.00	0.00	-212.90	%
	315 Postage, shipping and freight	203.01	675.71	2,108.00	2,108.00	1,432.29	32 %
	320 Printing and reproduction	58.75	58.75	575.00	575.00	516.25	10 %
	325 Professional svcs - Accounting	3,120.00	3,120.00	2,500.00	2,500.00	-620.00	125 %
	326 Professional svcs - Engineering	81.75	1,300.00	3,500.00	3,500.00	2,200.00	37 %
	340 Meetings and conferences	0.00	0.00	750.00	750.00	750.00	%
	345 Mileage expense reimbursement	0.00	25.65	300.00	300.00	274.35	9 %
	351 Repairs and maint - equip	2.38	93.08	3,500.00	3,500.00	3,406.92	3 %
	352 Repairs and maint - structures	0.00	318.00	1,000.00	1,000.00	682.00	32 %
	353 Repairs & Maint- Infrastructure	6,821.44	10,950.03	8,000.00	8,000.00	-2,950.03	137 %
	354 Repairs and maint - vehicles	0.00	365.75	1,500.00	1,500.00	1,134.25	24 %
	356 Testing & Supplies-Well #3	165.27	918.91	2,000.00	2,000.00	1,081.09	46 %
	357 Testing & Supplies-Well #4	165.27	921.93	2,000.00	2,000.00	1,078.07	46 %
	358 Testing & Supplies-SLT Well	388.27	1,452.61	5,000.00	5,000.00	3,547.39	29 %
	359 Testing & Supplies-Other	610.00	2,746.34	7,800.00	7,800.00	5,053.66	35 %
	362 Cross-Connection Control Svcs.	0.00	292.80	1,200.00	1,200.00	907.20	24 %
	380 Utilities - alarm service	66.00	264.85	0.00	0.00	-264.85	%
	381 Utilities - electric	3,343.36	17,605.03	31,000.00	31,000.00	13,394.97	57 %
	382 Utilities - propane	0.00	0.00	350.00	350.00	350.00	%
	383 Utilities - trash	47.73	190.92	650.00	650.00	459.08	29 %
	385 Dues and subscriptions	0.00	0.00	6,875.00	6,875.00	6,875.00	%
	386 Education and training	0.00	307.50	1,200.00	1,200.00	892.50	26 %
	393 Advertising and public notices	0.00	0.00	210.00	210.00	210.00	%
	400 Supplies	0.00	0.00	150.00	150.00	150.00	%
	410 Office Supplies	96.96	96.96	750.00	750.00	653.04	13 %
	420 Equipt. & Supplies	0.00	0.00	8,000.00	8,000.00	8,000.00	%
	425 Well #3 Rehab - Capital Project	501.95	501.95	0.00	0.00	-501.95	%
	440 Vehicle Replacement Fund	0.00	0.00	3,000.00	3,000.00	3,000.00	%
	459 Scada	0.00	59,944.30	1,000.00	1,000.00	-58,944.30	*** %
	470 Communication equipment	0.00	0.00	100.00	100.00	100.00	%
	481 Chemicals- Well #3	595.60	780.90	2,500.00	2,500.00	1,719.10	31 %
	482 Chemicals-Well #4	869.40	1,844.66	2,500.00	2,500.00	655.34	74 %
	483 Chemicals-SLT Well	0.00	344.13	1,550.00	1,550.00	1,205.87	22 %
	485 Fuel expense	507.16	1,202.61	3,200.00	3,200.00	1,997.39	38 %
	490 Small tools and equipment	89.70	89.70	800.00	800.00	710.30	11 %

SAN MIGUEL COMMUNITY SERVICES DISTRICT  
Statement of Expenditure - Budget vs. Actual Report  
For the Accounting Period: 10 / 16

50 WATER DEPARTMENT

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
495	Uniform expense	0.00	0.00	550.00	550.00	550.00	%
500	Capital Outlay	0.00	3,651.70	0.00	0.00	-3,651.70	%
516	Water Projects Well 3	237.68	237.68	0.00	0.00	-237.68	%
520	Water Main Valves Replacement	0.00	0.00	4,250.00	4,250.00	4,250.00	%
525	Water meter replacement	0.00	3,421.34	23,000.00	23,000.00	19,578.66	15 %
535	Water Lines Repairs	0.00	0.00	3,000.00	3,000.00	3,000.00	%
553	Manholes and Valve Raising	0.00	0.00	1,200.00	1,200.00	1,200.00	%
605	USDA Loan Payment	0.00	41,480.59	41,000.00	41,000.00	-480.59	101 %
710	County hazmat dues	981.00	981.00	0.00	0.00	-981.00	%
715	Licenses, permits and fees	32.50	1,021.49	7,500.00	7,500.00	6,478.51	14 %
805	Refundable Water/Sewer/Hydrant Deposit	0.00	655.17	200.00	200.00	-455.17	328 %
905	Transfer out	0.00	0.00	82,041.00	82,041.00	82,041.00	%
920	Credit Card Service Fees	0.00	74.74	0.00	0.00	-74.74	%
925	Bank service charges	0.00	998.70	0.00	0.00	-998.70	%
960	Property tax expense	0.00	0.00	100.00	100.00	100.00	%
	Account Total:	37,505.59	233,907.87	489,286.00	489,286.00	255,378.13	48 %
	Account Group Total:	37,505.59	233,907.87	489,286.00	489,286.00	255,378.13	48 %
70000	Transfer Out						
70000	Transfer Out						
327	Professional svcs - Legal	40,666.00	40,666.00	0.00	0.00	-40,666.00	%
	Account Total:	40,666.00	40,666.00	0.00	0.00	-40,666.00	%
	Account Group Total:	40,666.00	40,666.00	0.00	0.00	-40,666.00	%
	Fund Total:	78,171.59	274,573.87	489,286.00	489,286.00	214,712.13	56 %

60 SOLID WASTE DEPARTMENT

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
66000 SOLID WASTE							
66000 SOLID WASTE							
	325 Professional svcs - Accounting	0.00	0.00	2,500.00	2,500.00	2,500.00	%
	340 Meetings and conferences	0.00	0.00	500.00	500.00	500.00	%
	384 Trash Recepticles	0.00	0.00	900.00	900.00	900.00	%
	385 Dues and subscriptions	0.00	0.00	100.00	100.00	100.00	%
	393 Advertising and public notices	0.00	0.00	250.00	250.00	250.00	%
	905 Transfer out	0.00	0.00	508.00	508.00	508.00	%
	Account Total:	0.00	0.00	4,758.00	4,758.00	4,758.00	%
	Account Group Total:	0.00	0.00	4,758.00	4,758.00	4,758.00	%
70000 Transfer Out							
70000 Transfer Out							
	327 Professional svcs - Legal	508.00	508.00	0.00	0.00	-508.00	%
	Account Total:	508.00	508.00	0.00	0.00	-508.00	%
	Account Group Total:	508.00	508.00	0.00	0.00	-508.00	%
	Fund Total:	508.00	508.00	4,758.00	4,758.00	4,250.00	11 %
	Grand Total:	237,557.48	770,194.90	1,692,078.00	1,692,078.00	918,987.68	46 %

SAN MIGUEL COMMUNITY SERVICES DISTRICT  
Cash Report by Fund/Account  
For the Accounting Period: 10/16

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
<b>10 ADMINISTRATION DEPARTMENT</b>						
10150 Cash in SLO County	-11.56	11.56	0.00	0.00	0.00	0.00
10200 HOB - General	-659,343.34	0.00	101,665.00	0.00	42,755.43	-600,433.77
10250 HOB - Payroll	342,865.29	0.00	0.00	0.00	0.00	342,865.29
10260 Vehicle Replacement	0.01	0.00	0.00	0.00	0.00	0.01
10350 HOB - Capital Reserve Acct.	44,061.84	0.00	0.00	0.00	0.00	44,061.84
10400 HOB - USDA Reserve	-41,047.39	0.00	0.00	0.00	0.00	-41,047.39
10450 LAIF Investment	-136,825.26	0.00	0.00	0.00	0.00	-136,825.26
10460 Cantella & Co. Investment Acct.	136,000.00	0.00	0.00	0.00	0.00	136,000.00
Total Fund	-314,300.41	11.56	101,665.00		42,755.43	-255,379.28
<b>20 FIRE PROTECTION DEPARTMENT</b>						
10150 Cash in SLO County	2,697.82	0.00	0.00	0.00	0.00	2,697.82
10200 HOB - General	297,581.83	5,949.59	0.00	0.00	41,793.94	261,737.48
10250 HOB - Payroll	-55,177.50	0.00	17,374.00	0.00	14,012.45	-51,815.95
10260 Vehicle Replacement	125.01	0.00	0.00	0.00	0.00	125.01
10350 HOB - Capital Reserve Acct.	133,779.87	32.05	0.00	0.00	0.00	133,811.92
10460 Cantella & Co. Investment Acct.	520.14	0.00	0.00	0.00	0.00	520.14
Total Fund	379,527.17	5,981.64	17,374.00		55,806.39	347,076.42
<b>30 LIGHTING DEPARTMENT</b>						
10150 Cash in SLO County	751.17	0.00	0.00	0.00	0.00	751.17
10200 HOB - General	253,065.46	1,618.66	0.00	0.00	9,117.40	245,566.72
10250 HOB - Payroll	-17,273.95	0.00	1,190.00	0.00	476.63	-16,560.58
10260 Vehicle Replacement	125.00	0.00	0.00	0.00	0.00	125.00
10350 HOB - Capital Reserve Acct.	100,818.82	6.81	0.00	0.00	0.00	100,825.63
10460 Cantella & Co. Investment Acct.	110.35	0.00	0.00	0.00	0.00	110.35
Total Fund	337,596.85	1,625.47	1,190.00		9,594.03	330,818.29
<b>40 WASTEWATER/SANITARY DEPARTMENT</b>						
10150 Cash in SLO County	6,046.75	0.00	0.00	0.00	0.00	6,046.75
10200 HOB - General	633,090.34	29,243.36	22,500.00	37.09	122,126.31	562,670.30
10250 HOB - Payroll	-204,525.86	0.00	13,600.00	0.00	10,708.39	-201,634.25
10260 Vehicle Replacement	125.00	0.00	0.00	0.00	0.00	125.00
10350 HOB - Capital Reserve Acct.	179,323.49	77.68	0.00	0.00	22,500.00	156,901.17
10460 Cantella & Co. Investment Acct.	1,265.74	3.47	0.00	0.00	0.00	1,269.21
Total Fund	615,325.46	29,324.51	36,100.00	37.09	155,334.70	525,378.18
<b>50 WATER DEPARTMENT</b>						
10200 HOB - General	405,194.53	43,023.53	22,602.12	30.64	168,078.91	302,710.63
10250 HOB - Payroll	-106,556.00	0.00	13,600.00	0.00	12,473.96	-105,429.96
10260 Vehicle Replacement	125.00	0.00	0.00	0.00	0.00	125.00
10340 HOB - Water Projects 6598	23,549.88	0.00	0.00	0.00	0.00	23,549.88
10350 HOB - Capital Reserve Acct.	151,468.33	77.68	0.00	0.00	22,500.00	129,046.01
10400 HOB - USDA Reserve	67,125.10	1.12	0.00	0.00	0.00	67,126.22
10450 LAIF Investment	136,825.26	0.00	0.00	0.00	0.00	136,825.26
10460 Cantella & Co. Investment Acct.	1,260.87	0.00	0.00	0.00	0.00	1,260.87
Total Fund	678,992.97	43,102.33	36,202.12	30.64	203,052.87	555,213.91
<b>60 SOLID WASTE DEPARTMENT</b>						
10200 HOB - General	29,219.13	2,447.10	0.00	0.00	508.00	31,158.23
<b>71 PAYROLL CLEARING FUND</b>						
10200 HOB - General	-3,695.50	0.00	0.00	0.00	0.00	-3,695.50

SAN MIGUEL COMMUNITY SERVICES DISTRICT  
Cash Report by Fund/Account  
For the Accounting Period: 10/16

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
10250 HOB - Payroll	293,380.79	0.00	37,671.43	32,075.54	0.00	298,976.68
Total Fund	289,685.29		37,671.43	32,075.54		295,281.18
73 CLAIMS CLEARING FUND						
10200 HOB - General	161,158.45	0.00	236,848.87	0.00	0.00	398,007.32
10250 HOB - Payroll	28,675.76	0.00	0.00	0.00	0.00	28,675.76
Total Fund	189,834.21		236,848.87			426,683.08
Totals	2,205,880.67	82,492.61	467,051.42	32,143.27	467,051.42	2,256,230.01

\*\*\* Transfers In and Transfers Out columns should match. There are a couple exceptions to this: 1) Canceled Electronic Checks and 2) Payroll Journal Vouchers that include local deductions set up with receipt accounting. Please see cash reconciliation procedure in manual or call for more details.



## San Miguel Community Services District Board of Directors

### Staff Report

December 22, 2016

AGENDA ITEM: XII. 18

**SUBJECT:** Acceptance of Fire Hydrant Replacement Project Improvements and Approve **Resolution No. 2016-41** authorizing the filing a Notice of Completion with County Clerk

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#### **STAFF RECOMMENDATION:**

Approve **Resolution No. 2016-41** accepting completion of fire hydrant replacement improvements and authorize the filing of a Notice of Completion with County Clerk.

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#### **BACKGROUND:**

The District initiated a fire hydrant replacement project, as a part of a reallocation of CDBG funding, to install new hydrants and valves throughout the District. The work performed was done by Whitaker Construction as awarded by Board action on December 2015. All construction has been completed and inspected by District Fire personnel and other staff as authorized representatives. As of December 7, 2016, the District Utility Supervisor has determined that all work performed under the contract is substantially complete.

**Resolution No. 2016-41**, once approved by the Board, will authorize the filing of a Notice of Completion with the County Clerk office as well as advising County CDBG officials to release the final payment of \$105,000 to the District for this project. Filing and recording of the Notice of Completion also indicates that the District assumes full responsibility and possession of the project.

#### **ACTION DISCUSSION:**

Board should consider approval of the attached Resolution accepting the project improvements and authorizing the filing and recordation of a Notice of Completion for the fire hydrant replacement project.

PREPARED BY:

---

Darrell W. Gentry,  
General Manager

Attachment: **Resolution No. 2016-41**



**RESOLUTION NO. 2016-41**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL  
COMMUNITY SERVICES DISTRICT ACCEPTING FIRE HYDRANT  
REPLACEMENT IMPROVEMENTS AND AUTHORIZING THE FILING OF A  
NOTICE OF COMPLETION WITH COUNTY CLERK.**

**WHEREAS**, the San Miguel Community Services District (“District”) entered into an agreement, December 2015, with the County of San Luis Obispo to utilize CDBG funding to replace existing, aged fire hydrants and associated valves located at specified locations throughout the District; and

**WHEREAS**, the District hereby determines that work performed under this contract has been inspected by authorized representatives of the District and is determined to be substantially complete in accordance with District specifications; and

**WHEREAS**, the District hereby accepts the project fire hydrant and associated valves replacement improvements as complete and assume full possession and authorizes the General Manager to file a Notice of Completion with County Clerk for recordation.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors hereby accepts the completion of work performed under this contract as satisfactory and accepted. The Board of Directors authorizes the filing of a Notice Completion with the County Clerk.

**PASSED AND ADOPTED BY THE** Board of Directors on a motion of Director \_\_\_\_\_  
\_\_\_\_\_, Seconded by Director \_\_\_\_\_ by the following roll call vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

The foregoing Resolution is hereby passed and adopted this 22<sup>nd</sup> day of December, 2016.

\_\_\_\_\_  
John Green, Board President

**ATTEST:**

**APPROVED AS TO FORM:**

---

Darrell Gentry, General Manager  
and Secretary to the Board of Directors

---

Doug White, District General Counsel

I, Darrell W Gentry, Secretary of the Board of Directors of the San Miguel Community Services District, hereby certify the foregoing to be a full, true and correct copy of the record of the action of the action as the same appears in the Official Minutes of Board of Directors at its meeting of December 22, 2016.



# San Miguel Community Services District Board of Directors

## Staff Report

December 22, 2016

AGENDA ITEM: XII. 19

**SUBJECT:** Discuss and Approve **Resolution No 2016-39** Award of Contract to Bartle Wells Associates for a Utility Rate Study and Appropriate Funding.

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### STAFF RECOMMENDATION:

Discuss and Recommend that the Board of Directors approve **Resolution No. 2016-39** awarding a bid contract to Bartle Wells Associates to prepare a utility Rate Study analysis and to appropriate funding for the rate study project from capital reserves.

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### BACKGROUND

The Finance & Budget Committee, at its November 21<sup>st</sup> meeting, unanimously recommended that the Board approve the selection of Bartle Wells Associates as lowest, most responsive and qualified contractor for this rate study and award a bid contract with an appropriation of necessary funding from capital reserves.

The purpose of this study is to assist and advise the Board of Directors in determining and setting new service charges for lighting, water and sewer services. The consultant shall provide the Board with written report and analysis of the cost of services that meets the requirements of Proposition 218 for increasing property and non-property related fees or charges. To that end, the cost of services study shall provide analysis sufficient to demonstrate that the District is or can generate sufficient funds to meet operating costs, fund capital improvements and debt service costs and maintain reserves at adequate levels for emergencies and other unanticipated costs. Staff requested, for bidding purposes, that a 5-year term for any proposed rates be including as a part of the study evaluation.

### OTHER FACTORS TO CONSIDER

The District has completed a Loading Analysis Study which indicates the need to plan and organize resources for an expansion of the Machado Treatment Plant facility. Staff is working with State DWR officials and a 3<sup>rd</sup> party agent for DWR, Rural Communities Assistance Corporation for a Prop 1 grant funding to perform a required expansion design study. This funding is estimated at \$400,000. Ultimate construction of any plant expansion is initially estimated at \$3 million.

Recent water line breaks in 10<sup>th</sup> and 11<sup>th</sup> Street locations point to a need for significant investment in water and wastewater system infrastructure as replacement of an aging and deteriorating water

and wastewater systems, much of which is older than 50 years and beyond end of life periods. Staff anticipates that a commitment to infrastructure replacement will be ongoing for the next 5-10 years.

These and other capital projects will need to be borne by a supporting rate structure that also pays for ongoing operating costs and debt service. The current rate structure is trending toward negative net incomes from governmental and enterprise funds. This situation has been somewhat mitigated by very modest growth in the community, but such growth is limited and unsustainable for any scenario involving long-term revenue growth and higher operational costs.

### **RATE STUDY BIDS**

The Board adopted a fiscal year budget with a requirement for initiating and completing a utility rate study. The last rate study completed was done in 2007, approximately 10 years ago. There have been significant changes in operating costs. Deferred maintenance issues that now must be addressed for restoring system operational integrity and function needs.

There were 18 firms invited to participate. Several were located in San Luis Obispo but the submitting firms are located outside of San Luis Obispo County. These firms have special district and/or municipal governmental finance advisory backgrounds and have sufficient staffing to provide the requested services. The firms submitting bids were:

1. **Bartle Wells Associates**, Public Finance Advisors, Berkeley Ca
2. **Raftelis Financial Consultants**, Los Angeles Ca

The bids received should be deemed sufficient for bid responses and determined as qualified for requested scope of services. The Finance & Budget Committee agreed that a single firm be recommended for contract award by the Board. The Committee recommended Bartle Wells. Committee also determined that Raftelis Financial bid proposal was well qualified for the requested scope of work but was the highest bid cost at in excess of \$94,000.

**Bartle Wells** has 50 years' experience in advising local governments and providing professional services involving utility rate and fee studies, and project financing. Their firm has done recent work for Cambria CSD, South SLO Sanitation District, Cities of Paso Robles and Morro Bay as well as other agencies throughout California.

The RFP required a bidding firm was asked to submit a scope of services, work schedule, hourly rate schedule, personnel qualifications, personnel assigned to perform professional services to District Board and General Manager, knowledge and experience with CSD's or Special Districts. Bartle Wells Associates has complied with this RFP requirement.

A cost pricing sheet is separately included with the firm's bid proposal. A project work schedule for this firm is included with the proposal. They propose completing a final report by April-May 2017. They do not propose use of technology to control costs and unnecessary travel for meetings, but are receptive to such use.

A cost pricing sheet is separately included, as required by RFP, with the firm's bid proposal. The purpose of this study is to assist and advise the Board of Directors in determining and setting new rate/service charges.

**Deliverables By Bartle Wells Associates:**

The consultant shall provide the Board with written report and analysis of the cost of services that meets the requirements of Proposition 218 for increasing property and non-property related fees or charges and provide direct preparation of 218 hearing process as a part of their contract scope of work.

To that end, the cost of services study shall provide analysis sufficient to demonstrate that the District is or can generate sufficient funds to meet operating costs, fund capital improvements, address staffing and ability to handle debt service costs as well as maintain reserves at adequate levels for emergencies and other unanticipated costs. Staff requested, for bidding purposes, that a 5-year term for any proposed rates be evaluated. The consultant will also provide a 10-year financial plan assessment as a part of their work program.

**FISCAL IMPACT:**

The Board must appropriate funding from capital reserves for a not-to-exceed cost of \$65,000 from Lighting-4% (= \$2,600), Water-48% (= \$31,200) and Wastewater-48% (= \$31,200) reserves. It was anticipated, during FY 2016-17 Board budget discussions, that a rate study might cost \$50,000+.

**STAFF RECOMMENDATION:**

Staff recommends that Board approve **Resolution No 2016- 39** awarding a contract to **Bartle Wells Associates**, as lowest, responsive, qualified bidder, for preparing a utility rate study and financial plan with an appropriation cost not-to-exceed \$65,000 from capital reserves.

**PREPARED BY:**

*Darrell W. Gentry*

---

General Manager

Attachments: Bid Proposal for: (provided as a separate handout to the Board)

1. Bartle Wells Associates



**RESOLUTION No 2016-39**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SAN MIGUEL COMMUNITY SERVICES DISTRICT  
APPROVING A CONTRACT AGREEMENT WITH BARTLE WELLS ASSOCIATES  
TO PREPARE A UTILITY RATE STUDY AND APPROPRIATE FUNDING FROM  
CAPITAL RESERVES FOR THE SPECIFIED FINANCIAL SERVICES**

**WHEREAS**, the San Miguel Community Services District (“the District”) desires to employ the services of Bartle Wells Associates (“the Firm”) to prepare a utility rate study for utility charges pursuant to the requirements of the Prop 218 prior to any consideration or action by Board for utility rates; and

**WHEREAS**, the Firm desires to be engaged, by contractual agreement, for the specified financial services related to the preparation of a rate study analysis, providing support and documentation for a Prop 218 procedure and a 10-year financial plan; and

**WHEREAS**, the Firm desires to be engaged, by contractual agreement, for these specified financial services as set forth in the District’s Request for Proposal (RFP) documentation used to solicit the selected bid provided by Bartle Wells Associates; and.

**THEREFORE, BE IT RESOLVED**, by the Board of Directors of the District does hereby resolve the following:

1. To award a bid to Bartle Wells Associates to prepare a Prop 218 rate study analysis, assistance with the Prop 218 procedures and requirements as well as prepare a 10-year financial plan for the District at a not-to-exceed cost of \$64,880.
2. The District’s General Manager is hereby authorized to execute this Agreement on behalf of the San Miguel Community Services District.

On a motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_,  
and on the following Roll Call vote, to wit:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAINING:**

---

John Green, President  
Board of Directors

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Darrell W. Gentry, General Manager and  
Secretary to the Board of Directors

\_\_\_\_\_  
Doug White,  
District General Counsel

I, Darrell W Gentry, Secretary of the Board of Directors of the San Miguel Community Services District, hereby certify the foregoing to be a full, true and correct copy of the record of the action of the action as the same appears in the Official Minutes of Board of Directors at its meeting of December 22, 2016.

**EXHIBIT "A"**

**ACKNOWLEDGMENT FORM**

RFP for Utility Rate Study Services

**PART A**

The proposing Firm warrants the following:

1. That it will not delegate or subcontract its responsibilities under contract without the express, prior written permission from San Miguel Community Services District
2. That all information provided in connection with this Proposal is true and correct.
3. That it will acknowledge and agree with all terms and conditions stated in this Request for Proposal.

Firm Name (Respondent to RFP):

Address: City: State: Zip:

Contact Name: Title:

Telephone No: Email:

Signature

**PART B**

The above listed Firm is responding to a Request for Proposals for a qualified and experienced Firm to provide consulting services to prepare and evaluate utility rates for potential adjustment by the Board of Directors.

**THIS COMPLETED FORM MUST BE RETURNED TO SAN MIGUEL COMMUNITY SERVICES DISTRICT BY THE RESPONDENT WITH THEIR PROPOSAL.**

**RETURN PROPOSAL PRIOR TO 4:00 P.M. October 25, 2016**

**San Miguel Community Services District  
1150 Mission Street  
San Miguel, CA 93451**

**Attn: Darrell W. Gentry  
General Manager**



**BARTLE WELLS ASSOCIATES**  
INDEPENDENT PUBLIC FINANCE ADVISORS

1889 Alcatraz Avenue  
Berkeley, CA 94703  
T: 510-653-3399  
www.bartlewells.com

October 31, 2016

San Miguel Community Services District  
1150 Mission Street  
San Miguel, California 93451

Attn: Darrell Gentry, General Manager

Re: Cost Proposal for a Cost of Service and Utility Rate Design Study for Street Lighting,  
Domestic Water and Wastewater Treatment

Bartle Wells Associates (BWA) is pleased to submit this proposal for a Cost of Service and Utility Rate Design Study to the San Miguel Community Services District (District). Our cost proposal (attached) is based on our scope of services, which is provided as a separate document. BWA and the District can work together to finalize a scope of services and corresponding budget that meets the District's objectives. The attached cost proposal includes:

- Cost Proposal by Task
- Statement of Availability
- Billing Rate Schedule
- Schedule of Insurance

If you have any questions or need additional information, please do not hesitate to contact me at (510) 653-3399, ext. 115.

Sincerely,

Alison Lechowicz  
Bartle Wells Associates Vice President

## COST PROPOSAL

Provided below is our draft cost proposal based on our scope of services. BWA will work with the District to develop a final budget to ensure project costs are in line with the District's objectives and expectations.

PROJECT TASK	Hours	Project Manager	Assessment Engineer	Technical Advisor	Financial Analyst	Total
		Lechowicz	Dove	Handlers	Flaherty	
		\$205/hr	\$245/hr	\$245/hr	\$145/hr	
<b>TASK A: Data Collection</b>	12	2	2	2	6	<b>\$2,260</b>
<b>TASK B: Financial Plan</b>	54	24	4	8	18	<b>\$10,470</b>
<b>TASK C: Cost of Service Allocation</b>	76	36	12	10	18	<b>\$15,380</b>
<b>TASK D: Rate Design</b>	62	24	12	10	16	<b>\$12,630</b>
<b>TASK E: Implementation</b>	108	48	24	12	24	<b>\$22,140</b>
<b>Total</b>	312	134	54	42	82	<b>\$62,880</b>
<b>ESTIMATED DIRECT EXPENSES</b>						
Travel (6 meetings)						<b>\$1,800</b>
Copies/binding/phone/fax/mail						<b>\$200</b>
<b>Subtotal</b>						<b>\$2,000</b>
<b>TOTAL PROJECT COSTS</b>						<b>\$64,880</b>



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## STATEMENT OF AVAILABILITY

1. Bartle Wells Associates is prepared to begin work upon the District's authorization to proceed.
2. During the project development period, we will be available at all reasonable times and on reasonable notice for meetings and for consultation with District staff, attorneys, consulting engineers, and others as necessary.
3. Bartle Wells Associates perform all work related to the assignment. Alison Lechowicz, a firm vice president, will be assigned as project leader on this assignment. She will serve as the lead contact person for BWA and will be involved with the project a day-to-day basis.
4. The fees for services outlined in this proposal will not exceed \$64,880.  
The fee is based on the following assumptions:
  - a. The project will be completed before September 1, 2017 or other mutually agreeable date preferred by the District. BWA will work to meet all District scheduling requirements and deadlines.
  - b. All necessary information will be provided by the District and/or its other consultants in a timely manner.
  - c. Development of draft, final draft, and final versions of tables. Time and expenses involved in revising tables and assumptions may constitute additional services if not achievable within the budget.
  - d. The fee is based on a total of up to six (6) trips to the District for meetings and presentations.
5. Progress payments are payable monthly on a time and materials basis as the work proceeds as provided in our Billing Rate Schedule 2016, which will remain in effect for this project.
6. In addition to the services provided under this proposal, the District may authorize the project team to perform additional services for which the District will compensate us based on consultants' hourly rates at the time the work is performed, plus direct expenses. Additional services may include, but are not limited to:
  - Meetings or presentations in excess of six (6) scheduled meetings/presentations
  - Changes in project scope
  - Delays in project schedule
  - Any other services not specified
7. Bartle Wells Associates will maintain in force, during the full term of the assignment, insurance.
8. If the project is terminated for any reason, Bartle Wells Associates is to be reimbursed for professional services and direct expenses incurred up to the time notification of such termination is received.

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# **BARTLE WELLS ASSOCIATES**

## **BILLING RATE SCHEDULE 2016**

Rates Effective 1/1/2016

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### **Professional Services**

Financial Analyst I .....	\$105 per hour
Financial Analyst II.....	\$125 per hour
Financial Analyst III .....	\$145 per hour
Senior Financial Analyst.....	\$175 per hour
Senior Consultant .....	\$205 per hour
Principal Consultant .....	\$245 per hour

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The professional time rates include all overhead and indirect costs. Bartle Wells Associates does not charge for administrative support services and internal computer time. Expert witness, legal testimony, or other special limited assignment will be billed at one and one-half times the consultant's hourly rate.

### **Direct Expenses**

Subconsultants will be billed at cost plus ten percent. Word processing and computer-assisted services related to official statement production are charged as direct expenses at \$60 per hour. Other reimbursable direct expenses incurred on behalf of the agency will be billed at cost plus ten percent. These reimbursable costs include, but are not limited to:

- Travel, meals, lodging
- Long distance telephone and fax
- Printing and report binding
- Special statistical analysis
- Outside computer services
- Bond ratings
- Automobile mileage
- Messenger services and mailing costs
- Photocopying
- Graphic design and photography
- Special legal services
- Legal advertisements

### **Insurance**

Bartle Wells Associates maintains insurance in the amounts and coverage as provided in the attached schedule of insurance. Additional or special insurance, licensing, or permit requirements beyond what is shown on the schedule of insurance are billed in addition to the contract amount.

### **Payment**

Fees will be billed monthly for the preceding month, and will be payable within 30 days of the date of the invoice. A late charge of 1.0 percent per month may be applied to balances unpaid after 60 days.

## SCHEDULE OF INSURANCE

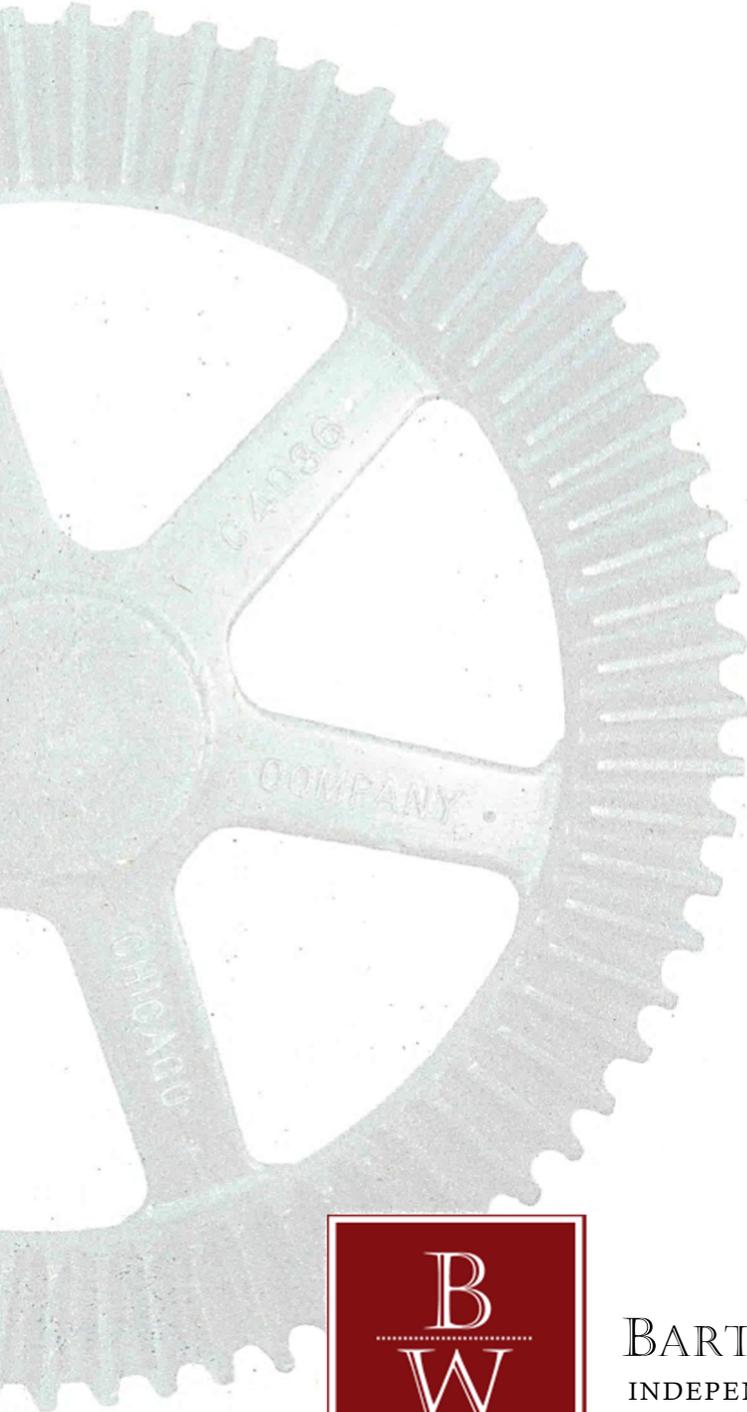
BWA will maintain in effect the following insurance throughout the duration of the project.

Insured: BARTLE WELLS ASSOCIATES

*Bartle Wells Associates will maintain in force, during the full term of the assignment, insurance in the amounts and coverage as provided in this schedule. If additional insurance is required, and the insurer increases the premium as a result, then the amount of the increase will be added to the contract price.*

TYPE OF INSURANCE	COMPANY POLICY NUMBER	COVERAGES AND LIMITS	EXP. DATE
Commercial General Liability	Hartford Insurance Company Policy #35-SBA PA6857	<ul style="list-style-type: none"> <li>▪ \$2,000,000 General Aggregate</li> <li>▪ \$2,000,000 Products Comp/Op Aggregate</li> <li>▪ \$2,000,000 Personal &amp; Advertising Injury</li> <li>▪ \$1,000,000 Each Occurrence</li> </ul>	6/1/17
Excess/Umbrella Liability	Hartford Insurance Company Policy #35-SBA PA6857	<ul style="list-style-type: none"> <li>▪ \$1,000,000 Aggregate</li> <li>▪ \$1,000,000 Each Occurrence</li> </ul>	6/1/17
Automobile Liability	Hartford Insurance Company Policy #35-UEC VU2842	<ul style="list-style-type: none"> <li>▪ \$1,000,000 Combined Single Limit</li> </ul>	6/1/17
Workers Compensation & Employers' Liability	Hartford Underwriters Insurance Company Policy #35-WEC FG7858	<p>Workers' Compensation: Statutory Limits for the State of California. Employers' Liability:</p> <ul style="list-style-type: none"> <li>▪ Bodily Injury by Accident - \$1,000,000 each accident</li> <li>▪ Bodily Injury by Disease - \$1,000,000 each employee</li> <li>▪ Bodily Injury by Disease - \$1,000,000 policy limit</li> </ul>	6/1/17
Professional Liability	Chubb & Son, Inc. BINDO94045	<p>Solely in the performance of services as municipal financing consultants for others for a fee.</p> <p>Limit: \$2,000,000 Per Occurrence &amp; Aggregate (including defense costs, charges, and expenses)</p>	6/1/17

# SAN MIGUEL COMMUNITY SERVICES DISTRICT



## TECHNICAL PROPOSAL Cost of Service and Utility Rate Design Study

October 31, 2016



BARTLE WELLS ASSOCIATES  
INDEPENDENT PUBLIC FINANCE ADVISORS



**BARTLE WELLS ASSOCIATES**  
INDEPENDENT PUBLIC FINANCE ADVISORS

1889 Alcatraz Avenue  
Berkeley, CA 94703  
T: 510-653-3399  
www.bartlewells.com

## SECTION 1: COVER LETTER

October 31, 2016

San Miguel Community Services District  
1150 Mission Street  
San Miguel, California 93451

Attn: Darrell Gentry, General Manager

Re: Technical Proposal for a Cost of Service and Utility Rate Design Study for Street Lighting, Domestic Water and Wastewater Treatment

Bartle Wells Associates (BWA) is pleased to submit this proposal for a Cost of Service and Utility Rate Design Study to the San Miguel Community Services District (District). BWA specializes in providing utility rate consulting and independent financial advisory services to California water and wastewater agencies. We have extensive expertise developing long-term financial plans, utility rates, and development impact fees for a wide range of public agencies. Established in 1964, Bartle Wells Associates has served more than 500 public agencies of all sizes throughout California, completing well over 1,000 utility rate and fee studies.

Bartle Wells Associates has extensive experience providing rate and fee studies for central coast agencies. Our project team conducted water and wastewater rate studies for the Cities of Morro Bay and Guadalupe, a drought water rate study for Cambria Community Services District, and a wastewater capacity fee study for the City of Paso Robles. In regards to street light rate experience, our firm is the rate consultant for the California City-County Street Light Association (an ad-hoc group of municipalities and districts). Our role is to submit expert witness testimony reviewing proposed energy cost pass-throughs of Pacific Gas & Electric before the California Public Utilities Commission. BWA understands how street light systems are operated, the process surrounding electric rate increases, and the challenges associated with adjusting landscape and lighting assessments. We will bring our knowledge gained from working on these other water, sewer, and street lighting projects to our work for San Miguel CSD.

Our approach to the District's scope of services focuses on the following tasks:

Financial Plan: A key step in the rate study is the development of a financial plan. The District should generate sufficient funds to meet operating costs, fund capital improvements and debt service costs, and maintain emergency reserves. We will develop several options to explore the financial impacts of capital funding and the drought. BWA staff are certified independent municipal advisors and our firm is registered with the Securities and Exchange Commission. We are happy to perform additional debt tests and provide assistance to bond counsel.

Rate Design: BWA's rate recommendations are designed to cover the cost of providing service while being fair and reasonable to customers. For the water rates, we will provide a cost justification for the District's tiered rate structure compliant with the rulings of recent court cases. For sewer rates, we will evaluate the price differentials between residential and commercial customers. For street lighting, BWA will provide an updated assessment report that reflects the current costs of operations.

Implementation: Our ultimate goal for the rate study will be to offer the District a fiscally sound rate plan that is easy to understand and easy to implement. BWA's focus is to provide practical advice for the next 5-year planning horizon. Throughout this project, we will work closely with the District to gain ongoing input, evaluate alternatives, develop recommendations, and guide the District through the Proposition 218 process.

BWA hopes our proposal provides a suitable basis for our selection. Our cost proposal is provided in a separate sealed envelope. Alison Lechowicz will serve as the principal-in-charge and project manager. She is legally authorized to contract on behalf of BWA. BWA accepts the District's Contract for Professional Services Agreement terms.

FIRM INFORMATION

Bartle Wells Associates  
1889 Alcatraz Avenue  
Berkeley, CA 94703

LEAD CONTACT

Alison Lechowicz, Vice President  
510.653.3399 (ext. 115)  
alison@bartlewells.com



Alison Lechowicz, CIPMA  
Bartle Wells Associates Vice President



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**Exhibit A: Acknowledgment Form**

## 1. Background and Experience

### Contact Information



Alison Lechowicz, Vice President  
Bartle Wells Associates  
1889 Alcatraz Avenue  
Berkeley, CA 94703  
alison@bartlewells.com  
Tel: 510.653.3399, ext. 115  
Fax: 510.653.3769



Our offices are located in Berkeley, in a circa 1900 Victorian Building.

Bartle Wells Associates is a California Corporation that is owned and managed by its principal consultants.

### Firm History

Bartle Wells Associates (BWA) is an independent financial advisor to public agencies with expertise in water, recycled water, wastewater, and electric (street light) rates and finance. Our firm was established in 1964 and is owned and managed by its principal consultants. We have 50 years of experience advising local governments on the complexities and challenges in public finance. We have advised over 500 public agency clients in the western United States, predominantly in California. We have a diversity of abilities and experience to evaluate all types of financial issues faced by local governments and to recommend the best practical solutions. Bartle Wells Associates has a well-qualified professional team with education and backgrounds in finance, civil engineering, public administration, public policy, and economics.

### Principal Activities

BWA specializes in three professional services: utility rate and fee studies, financial plans, and project financing. We are the only independent financial advisor providing *all three* of these interrelated services to public agencies.

**RATE AND FEE STUDIES** Our *rate studies* employ a cost-of-service approach and are designed to maintain the long-term financial health of a utility enterprise while being fair to all customers. We often phase in rate adjustments over time to minimize the impact on

ratepayers. We also have extensive experience developing impact fees that equitably recover the costs of infrastructure required to serve new development. BWA has completed hundreds of water, recycled water, and wastewater rate and fee studies. We have helped communities implement a wide range of water and sewer rate structures and are knowledgeable about the legal requirements governing rates and impact fees including Proposition 218 and Government Code 66000. We develop clear, effective presentations and have represented public agencies at hundreds of public hearings to build consensus for our recommendations.

**FINANCIAL PLANS** Our *financial plans* provide agencies with a flexible roadmap for funding long-term operating and capital needs. We evaluate the wide range of financing options available and develop a plan that recommends the best financing approach. We also help agencies develop prudent financial policies, such as fund reserve targets, to support sound financial management. BWA has developed over 2,000 water, recycled water, and wastewater enterprise financial plans to help public agencies fund their operating and capital programs, meet debt service requirements, and maintain long-term financial health.



**BWA Key Services**

- *Financial Plans*
- *Rate & Fee Studies*
- *Project Financing*

**PROJECT FINANCING** Our *project financing* experience includes over 300 bond sales and numerous bank loans, lines of credit, and various state and federal grant and loan programs. To date, we have helped California agencies obtain over \$5 billion of bond financing, \$500 million in low-rate SRF loans and grants, and hundreds of millions in bank loans and lines of credit. We work only for public agencies; we are independent financial advisors and do not buy, trade, or resell bonds. Our work is concentrated on providing independent advice that enables our clients to finance their projects on the most favorable terms—lowest interest rates, smallest issue size, and greatest flexibility.



Bartle Wells Associates is a charter member of the *National Association of Municipal Advisors* (NAMA), which establishes strict criteria for independent advisory firms. All of our lead consultants are *Certified Independent Public Municipal Advisors*.

### Experience with Small Agencies

Throughout our 50 years in business, Bartle Wells Associates has worked with a number of small water and sewer utilities throughout the state. Provided below is a listing of our consulting assignments for small agencies (3,000 accounts or fewer) over the past five years.

Agency	Number of Accounts	Assignment
Garberville Sanitary District	400	Water and Wastewater Rate Studies (2011)
Napa Berryessa RID	570	Water and Sewer Assessment Report (2012)
Grizzly Flats CSD	600	Water Rate Study (2016)
Town of Yountville	800	Many assignments over a number of years
City of Emeryville	1,000	Sewer Rate Study (2016)
Malaga County Water District	1,200	Water and Wastewater Rate Studies (2015)
Rio Alto Water District	1,300	Water Rate Study (2016)
City of Rio Dell	1,400	Sewer Rate and Capacity Fee Study (2014)
Denair CSD	1,600	Water Rate Study (2013)
Home Gardens Sanitation District	1,600	Sewer Rate and Capacity Fee Study (2014)
City of Angels Camp	1,600	Water and Sewer Rate Studies (ongoing)
Heber Public Utility District	1,800	Water and Sewer Rate Studies (2016)
City of Hughson	2,000	Many assignments over a number of years
City of Guadalupe	2,000	Water and Wastewater Rate Studies (2015)
Eastern Sierra CSD	2,600	Many assignments over a number of years
Helendale CSD	2,800	Many assignments over a number of years
City of Lindsay	2,900	Water Rate Study (2015)

CSD – Community Services District; RID – Resort Improvement District



## 2. Consultants

BWA uses a team approach for most projects, typically assigning two to four consultants to each assignment, including at least one principal consultant. BWA proposes to assign Alison Lechowicz, as Project Manager and Lead Financial Analyst for this engagement. Alison has conducted many utility rate studies for small public utilities throughout the state including the Cities of Rio Dell and Emeryville, Denair CSD and Town of Discovery Bay CSD, and the Home Gardens Sanitation District. Ms. Lechowicz is also an expert witness on street light rate design for the California City-County Street Light Association and is actively involved in PG&E’s current general electric rate case.



Alison will be assisted by Douglas Dove. Doug is BWA’s President and has over 26 years of experience developing financial plans and utility rate and fee studies for California water and wastewater agencies. He is a Certified Independent Public Municipal Advisor and registered Professional Engineer (PE) with expertise in evaluating financing alternatives for capital improvement programs. Doug will stamp the District’s Landscape and Lighting Assessment Engineer’s Report.



Alex Handlers is a BWA principal who will serve as technical advisor for this assignment. Alex recently completed assignments for the City of Paso Robles and the Cambria Community Services District. He will advise the project group on alternative rate design and drought rate structures.



Paul Flaherty will serve as a support Financial Analyst. Paul holds a joint BA in Finance and Economics and an MSc in Finance from the Dublin Institute of Technology. Paul brings a wealth of financial knowledge and a creative analysis approach to projects, with a background in private sector financials. Paul will be responsible for data gathering and financial modeling.



Our project team organizational chart is shown below. Alison, Alex, and Doug’s resumes are provided on the following pages.



## SAN MIGUEL COMMUNITY SERVICES DISTRICT

### District Staff Roles and Responsibilities:

- Articulate District goals and objectives
- Respond to data requests
- Review draft and final project submittals
- Attend meetings with the consultant project team
- Provide guidance on the Board of Directors' concerns, questions, and policy objectives



## BARTLE WELLS ASSOCIATES

**Alison Lechowicz**  
Project Manager & Lead Financial Analyst

- Financial plan
- Cost allocation
- Rate calculation
- Draft and final reports

**Doug Dove, P.E.**  
Assessment Engineer

- Landscape and Lighting Engineer's Report
- Legal requirements

**Alex Handlers**  
Technical Advisor

- Rate structure alternatives
- Methodological review

**Paul Flaherty**  
Financial Analyst

- Data collection
- Rate survey
- Financial modeling



### **Project Manager**

Alison M. Lechowicz is Vice President and a principal consultant of Bartle Wells Associates. She works closely with public agencies, engineers, legal counsel, and other consultants to develop water and sewer rates and assessments, development impact fees, and long-term financial plans for utility enterprises. Alison also helps agencies evaluate financing alternatives for public works projects, coordinates state and federal grant and loan applications, and evaluates bond refinancing opportunities. She has consulted for a range of public agencies throughout California and her background in public administration is helpful in understanding the California legislative and policy setting environment and in conducting analyses tailored to meet the needs of diverse communities. Alison is also an expert witness on electric rate design and has testified before the California Public Utilities Commission.

### **Recent Assignments**

**California City-County Street Light Association:** Expert witness regarding marginal cost and rate design for street lights and traffic controls. Long-term ongoing contract services to provide testimony in PG&E, SCE, and SDG&E general rate cases at the CA Public Utilities Commission.

**Cambria Community Services District:** Comprehensive user fee study for the District.

**Root Creek Water District (Madera County):** Financial plan for the District's groundwater basin and agricultural water service. Water, sewer, and storm drain rates and capacity fees for a development area.

**Denair Community Services District:** Metered water rate study (transition from unmetered service). Financial plan to phase-in volume rate structure over a number of years.

**Town of Discovery Bay Community Services District:** Water and sewer rate and capacity fee studies; assisted Town in negotiations with developers.

**City of Lindsay:** Water rate study that included analysis of drought conditions, utility franchise fees, and outside City service areas.

**City of Clovis:** Water rate study. Review of capacity, volume, and peaking costs. Rate design included cost allocation to three volume tiers.

**City of Lancaster:** Street light system valuation study. Determined the fair market value of street lights owned by Southern California Edison and assisted the City with purchasing the lamps.

### **Education**

M.P.A. - Columbia University

B.S. - University of California, Berkeley

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## DOUGLAS R. DOVE, CIPMA, PE



### Assessment Engineer

Douglas R. Dove is President of Bartle Wells Associates and a principal consultant with over twenty five years of infrastructure finance and cost of service ratemaking experience. He specializes in strategic financial planning, bond marketing, utility rate setting, and development impact fees. Since joining BWA in 1990, he has worked for a wide variety of public agencies and developed financing plans to support over 100 public works capital programs. Doug is a registered, professional engineer in the state of California.

### Recent Assignments

**City of Monterey:** Sewer rate study. Evaluated capital funding needs and existing debt. Adjusted flow generation rates for multifamily customers. Developed five rate design alternatives.

**City of Guadalupe:** Water and sewer rate studies and financial plans.

**City of Hughson:** Metered water rate study (transition from unmetered service). Grant and loan application assistance.

**Root Creek Water District (Madera County):** Financial plan for the District's groundwater basin and agricultural water service. Water, sewer, and storm drain rates and capacity fees for a development area. Acreage assessment report.

**Napa-Berryessa Resort Improvement District:** Developed financing plan for water and wastewater public-private partnership (P3). Prepared assessment engineers report. Formed an assessment district and secured \$11.1 million in federal funding from US Department of Agriculture.

**Malaga County Water District:** Long range financial plan for water, sewer, and solid waste utilities. Evaluated alternatives for financing capital improvements.

**Grizzly Flats Community Services District:** Water rate and connection fee study. Simplified the District's rate structure from 24 water rate tiers to a uniform consumption rate for all use.

**Helendale Community Services District:** Water and sewer rate studies and financings over a number of years. Adjusted tiered water rates to better reflect drought conditions. Also evaluated standby charges for undeveloped properties.

### Education

M.S., Civil Engineering, University of California, Berkeley

### Certifications

Certified Independent Public Municipal Advisor (CIPMA), and registered Professional Engineer (PE) in California

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## ALEX T. HANDLERS, CIPMA



### Technical Advisor

Alex T. Handlers is a principal of Bartle Wells Associates with expertise in the areas of utility rates and finance. He develops long-term financial plans, utility rates, and capacity charges for water, wastewater, recycled water, and storm water enterprises. He has managed projects for a wide range of California cities, counties, and special districts and completed over 150 consulting assignments.

Mr. Handlers has helped agencies implement a wide variety of utility rate and fee structures and is knowledgeable about the legal requirements of Prop. 218, AB1600, and Prop. 26. He also specializes in evaluating financing alternatives for capital improvement programs and securing project financing. He is a Certified Independent Public Finance Advisor who has helped California agencies obtain over \$2 billion in financing via bonds, COPs, bank loans, lines of credit, and various state and federal grant and loan programs.

### Recent Assignments

**City of Paso Robles:** Wastewater capacity fee study. Provided alternative approaches for calculating capacity charges, valuing infrastructure, and accounting for debt.

**City of Morro Bay:** Developed long-term water and wastewater financial plans, rate studies, and development impact fee updates. Developed final recommendations with input from a citizen-based Public Works Advisory Committee and City Council.

**Cambria Community Services District:** Developed new water and sewer capacity fees designed to recover the full costs of infrastructure and assets benefiting new development. Updated the District's miscellaneous fees and charges.

**South San Luis Obispo County Sanitation District:** Developed long-term financial plan and wastewater rate recommendations supporting the funding of a major capital upgrade to a regional wastewater treatment plant serving the Cities of Arroyo Grande, Pismo Beach, and the Oceano Community Services District.

**Soquel Creek Water District:** Developed long-term financial plan and water rate recommendations supporting funding of a potential regional seawater desalination plant to be jointly operated with the City of Santa Cruz. Recommended rate modifications designed to increase conservation incentive and developed emergency rates for various levels of required water cutbacks.

### Education

M.P.A. - University of Washington

B.A. - Lehigh University



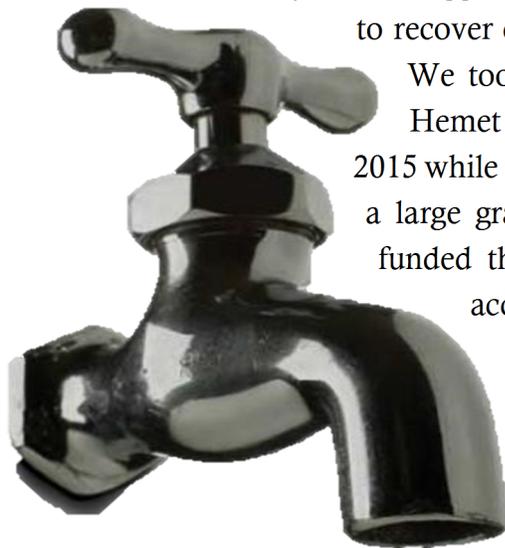
# 4

## DESCRIPTION OF ANALYSIS

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### 1. Approach

BWA understands that the District is interested in evaluating a water budget rate structure. Our scope of services and price quote for this proposal reflects traditional rate structures. A fully comprehensive budget rate study would require additional budget and scope items. Budget rate structures typically require one to two years to complete due to customer data gathering (number of people per home, landscaped area per parcel, type of vegetation at each parcel, variances, etc.). Our proposal and fee reflect the review and implementation of a potential alternative rate structure. However, if the District proceeds with a budget rate structure alternative, we would need to further refine the project scope and fee due to the level of effort involved.



Ultimately, BWA suggests that the District conduct a traditional rate study now to recover costs while planning for a future budget rate structure.

We took this approach in our recent work with the City of Hemet – the City implemented BWA’s interim rate plan in 2015 while applying for grants. About a year later, the City received a large grant to conduct a budget water rate study. The grant funded the collection of aerial data, billing system upgrades, access to weather data, and BWA consulting services to develop a new budget rate structure. Based on this recent experience, BWA suggests that the San Miguel CSD develop an implementation plan and cost estimate prior to initiating a budget rate structure.

### 2. Methodology

Bartle Wells Associates’ rate study will be tailored to the local conditions of the San Miguel CSD service area. The District’s sources of water supply and water conservation targets will potentially impact how we allocate costs to tiered rates. Our financial plan will reflect the District’s current debt, credit rating, and capacity for new obligations. Included in our scope is outreach to customers. An important step in the rate study is listening to concerns and

adjusting our methodology as appropriate. Ultimately, our recommendations will be tailored to reflect the needs of the community.

### **3. Alternative Water Rate Structures**

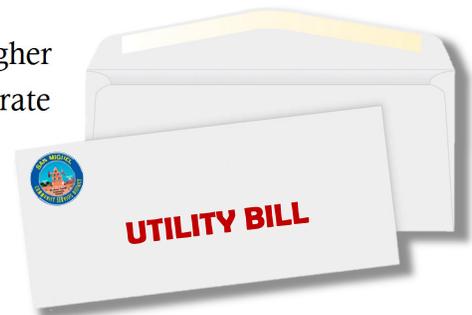
Bartle Wells Associates understands that the District is interested in reviewing alternative water rate structures. Throughout our fifty years in business, BWA has conducted rate studies using a variety of rate design approaches. Provided below is a preliminary list of rate structures that could be considered in the San Miguel CSD's study. We will review rate design options with the District, evaluate advantages and disadvantages of each, and provide a recommendation in consultation with the District.

#### **Uniform Rate**

This rate structure is the easiest to understand and the easiest to implement. There are no tiers and all water use is charged the same rate. Uniform rates encourage conservation by charging the customer for each unit of water consumed.

#### **Tiered Rates**

The District currently employs a tiered rate structure. Higher levels of water use are charged at a higher rate. This rate structure provides additional conservation incentive over the uniform rate structure. Tiered rates have come under legal scrutiny in recent years. The courts have ruled that each tier must be individually cost justified.



#### **Budget Rates**

Budget rate structures are primarily used in Southern California where there is a hotter climate and a greater need for outdoor irrigation. Budget rate structures allocate water use to each tier based on the characteristics of each customer. A typical budget rate structure would include the following tiers: tier 1 – efficient indoor use based on number of people per home, tier 2 – efficient outdoor use based on landscaped area and evapotranspiration, tier 3 – inefficient outdoor use and tier 4 – excessive use.

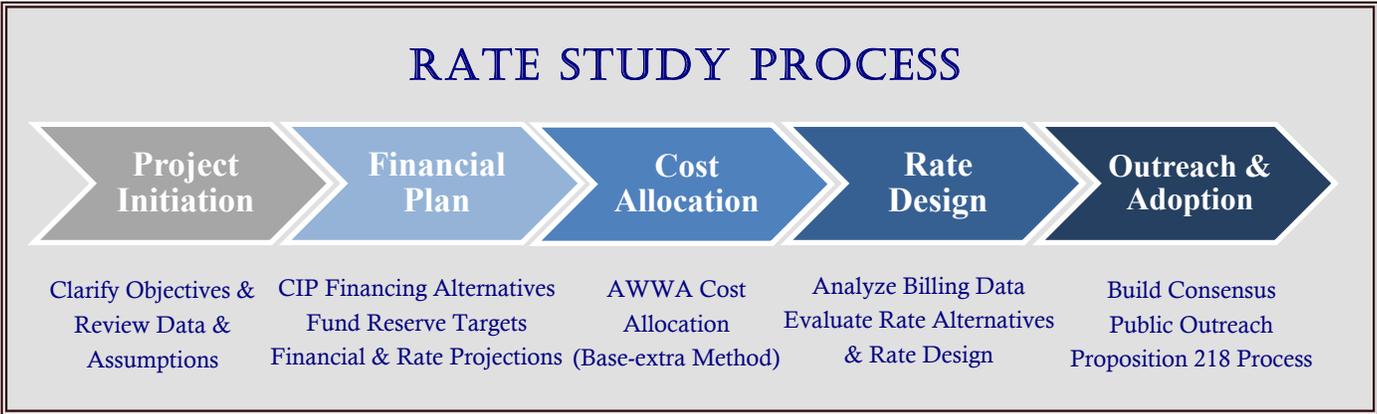
#### **Excessive Use Charges and/or Conservation Penalties**

Many conservation penalty rates across the state are not fully cost justified and compliant with recent court cases. BWA and the District could evaluate sources of water supply and allocate the high-cost source of water to an excessive use charge or other conservation rate.

# 5

# WORK PLAN

This section presents our proposed scope of services that we believe forms a sound basis for completing this assignment. We will work with San Miguel CSD to finalize a scope of services that meets the project team’s objectives and schedule.



As discussed throughout this proposal, if the District proceeds with a budget rate structure, BWA will request additional scope items and a project budget adjustment. At the conclusion of the study, BWA will provide an electronic database with rate and fee information for each parcel.

## TASK A. Project Initiation & Data Collection

### 1. Project Team Orientation

To initiate our work, hold a kickoff meeting with District staff and others as appropriate, to accomplish the following:

- Identify members of staff, District Board members/subcommittees, engineering consultants, and other consultants/advisors who will participate in the project
- Determine the roles and responsibilities of all project participants
- Identify other parties who may have a significant interest in the project, such as community groups, business organizations, and large customers
- Establish project schedule and key milestone dates
- Confirm the key goals and expectations of the project team

## 2. Investigation and Data Collection

Assemble the information necessary to understand the water and wastewater system, finances, customers and usage, rate and fee structures, and legal agreements with other agencies. Assistance and cooperation of District staff will be needed to assemble the relevant background information. The objectives of investigation and data collection are to develop a complete understanding of each utility and its costs, and to reach an agreement on basic assumptions to be used in the study.

### **Task A. Deliverables Include:**

Project team contact list  
Information needs list  
Meeting #1: Kickoff Meeting



## **TASK B. 10-Year Financial Plan**

### **1. Develop Forecasts and Projections**

Based on evaluation of the data assembled and input provided by staff and other members of the project team, prepare forecasts and projections to be used in the development of financial projections for the water and wastewater utilities. Develop projections for the following areas (and others as appropriate):

- **Capital Improvements Including Long-Term Capital Repairs & Replacements:** Identify future capital costs or alternatives to include in the financial analysis and determine a reasonable amount to include for future, ongoing capital repairs and replacements. BWA often recommends that agencies phase in funding for long-term system rehabilitation.
- **Water Demand, Supply, and Cost:** With District input, forecast water demand, future conservation projections, sources of supply, and financial impacts of water supply and pricing during a drought.
- **Wastewater Flow and Pollutant Loading:** Analyze the relationship between water use and wastewater flow generation. Review pollutant loading observed at the treatment plant and assumed pollutant loading of various customer types. Review any wastewater issues such as increased permit requirements and/or inflow and infiltration.

- **Growth and Development/Redevelopment:** Evaluate historical growth trends and develop appropriate and conservative assumptions for future development and redevelopment that can be incorporated into the financial plan/rate model.
- **Cost Escalation Factors:** Review historical cost trends and work with project team to develop reasonable cost escalation factors for both operating and capital expenditures.

Review projections and alternatives with staff for agreements on assumptions, interpretation of data, and completeness of approach.

## 2. Evaluate Financing Alternatives for Capital Improvements

Evaluate options for financing proposed capital improvement projects. Our evaluation will:

- Estimate the amount and timing of any debt, if needed, to finance capital projects.
- Evaluate the alternative borrowing methods available including bonds, COPs, state and federal loan programs, bank loans and lines of credit, and other options.
- If appropriate, recommend type of debt, term and structure, and estimate debt service.
- Include additional debt tests to establish debt capacity.

## 3. Develop 10-Year Financial Projections

Develop cash flow projections showing the financial position of the water, wastewater, and street light enterprises over the next 10 years. The cash flows will project fund balances, revenues, expenses, and will incorporate the forecasts developed with staff input. At minimum, the financial projections will include a base option (no rate increase), a rate increase with no additional debt, and a rate increase with future financings.

### **Task B. Deliverables Include:**

Evaluation of financing alternatives  
 Recommendation for fund reserve targets  
 Development of 10-year projections  
 1) No rate change  
 2) No new debt  
 3) Future financings  
 Additional debt tests and certification to bond counsel



## TASK C. Cost of Service Allocation

Task C is the “heart” of the rate study that will provide the legal justification for the rates and charges of the District. BWA will allocate costs based on the American Water Works Association base-extra capacity method. BWA will provide a detailed, functional cost allocation for operating, capital, debt service, fixed and variable costs, water supply, wastewater treatment, and street light operating costs. Functionalized cost categories may include basic service, extra capacity, fire protection and customer services.

Determine the units of service and assign costs to each unit of service. Example units of service for the water utility could include number of accounts, efficient indoor water use, outdoor use, excessive use, and lot size. Typical units of service for the wastewater utilities are sewer flow and pollutant loading (BOD and TSS). Street light units of service will include parcel size, location, and the traffic generation rates of various landuses.

### Task C. Deliverables Include:

- Cost allocation to fixed and variable charges
- Cost allocation justifying water usage rates
- Cost allocation justifying wastewater treatment charges
- Cost allocation justifying street light assessments
- Meeting #2: Progress Meeting 1



## TASK D. Rate Design

The functionalized cost categories developed in Task C will serve as the basis for rate design in Task D and ensure that customers are paying fair rates.

### 1. Review Billing Data & Current Rates

Review three years of District billing data including customer counts, number of meters by size, and water use. Review number of wastewater customers and assumed pollutant loading. Review existing landscape and lighting district assessments. Determine typical customer usage and current customer bills under drought and non-drought conditions. BWA will review the fixed and volume rate revenue recovery and compliance with water conservation best management practices. Determine drought impacts on wastewater flow and treatment (if applicable). Review District ordinances and analyze existing rates with conformance with current best practices.

## 2. Legal Review

Provide a legal review describing how the proposed rates comply with Proposition 218, Proposition 26, the California Government Code, and recent court case rulings. Our final rate study report will serve as the administrative record for the development of the rates and charges. Our legal review will include guidance on longer-term inflationary rate increases.

## 3. Recommend Rate Alternatives

In consultation with the District, recommend rate alternatives for water and wastewater service. Potential water rate alternatives could include capital charges, water usage tiers, and/or developing drought or excess usage fees. Potential sewer rate alternatives will include review of flow generation rates and pollutant loading. Likely street light rate design could include a cost review of standard technology vs. LED lamps and impacts on customers. BWA will discuss the advantages and disadvantages of rate alternatives including with the District before making our final recommendation. Oftentimes, we revise our draft recommendations to mitigate impacts on customers and to phase-in rate increases over a few years.

Typically, we provide three rate structure alternatives in our rate studies. For this assignment, our scope and fee assumes development of traditional rate structures that do not include budget rates. However, we will provide general advice regarding the advantages and disadvantages of budget rates (please see Section 4.1 Approach) in addition to fully developing three other rate alternatives.

## 4. Conduct Rate Fee Survey of Comparable Utility Agencies

Review and summarize other regional and/or comparable agencies. Summarize results in easily understandable tables and/or charts.

### **Task D. Deliverables Include:**

- Analysis of billing data
- Legal review of rate design
- Rate alternatives
- Meeting #3: Progress Meeting 2



## **TASK E. Implementation & Reports**

### **1. Meetings/Presentations**

Present draft and final results to senior staff and/or the District Board. Presentations will provide brief background and study objectives, make a clear case why rate adjustments are needed, describe the rate structure (and potentially key alternatives) approved by the project team, show rate impacts on various customer profiles, present findings of the rate survey, and discuss related financial and policy recommendations. We have substantial experience in presenting our findings to both technical and governing boards and to audiences without a background in utility rates or finances. We will assist staff with the rate approval process. As needed, BWA staff will draft the Proposition 218 notice and present the rates at the public hearing.

### **2. Prepare Draft & Final Reports**

Submit a draft summary report for District review and feedback. The report will summarize key findings and recommendations and discuss key alternatives when applicable. Receive input on draft report from the District's project team and District Board. Prepare final reports incorporating feedback received. We will provide printed copies and electronic versions of both the draft and final reports and the excel models supporting all tasks. Our final report will describe legal requirements and industry standard practice, the District's current cost allocation and rate recovery, our project methodology and approach, detailed worksheets of the functionalized cost categories, allocation to units of service, rate design alternatives, drought impacts, customer impacts, and our final recommendations. The final report will include detailed appendices that will serve as the District's administrative record for the rate study. We will provide printed copies to the District as needed. We will draft and stamp an assessment engineer's report for the street light rate study.

#### **Task E. Deliverables Include:**

Draft and Final Water and Wastewater Reports  
Street Light Assessment Engineer's Report  
Electronic rate model and electronic parcel database  
Proposition 218 public hearing notice  
Meeting #4: Rate Workshop with City Council  
Meeting #5: Initiate rate adoption process  
Meeting #6: Proposition 218 Public Hearing





# PRICE ESTIMATE

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## **1. Price Estimate**

As requested by the District, BWA’s price estimate is provided in a separate seal envelope.

Bartle Wells Associates is willing to accept the terms of the District’s Agreement for Professional Services.

Bartle Wells Associates’ price quote reflects the entirety of the District’s “Request for Proposals (RFP) for COST OF SERVICE AND UTILITY RATE DESIGN STUDY, Street Lighting, Domestic Water and Wastewater Treatment.”

Bartle Wells Associates acknowledges that the proposal included herein and the RFP referenced above will jointly become the Scope of Professional Consultant Services for this project.

## **2. Exceptions to the District’s Request for Proposals**

Bartle Wells Associates takes no exceptions to the District’s RFP.

## **3. Statements of Compliance**

All federal laws and regulations shall be adhered to notwithstanding any state or local laws and regulations. In case of conflict between federal, state, or local laws or regulations, the strictest shall be adhered to.

Bartle Wells Associates will allow all authorized federal, state, county, and SMCS D officials’ access to place of work, books, documents, papers, fiscal, payroll materials, and other relevant contract records pertinent to this project. All relevant records shall be retained for at least three years in the consultant’s place of business.

Bartle Wells Associates does not and will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

Bartle Wells Associates will comply with the California Labor Code.

Bartle Wells Associates will comply with the Copeland Anti-Kickback Act (18 USC 847 C) and the implementation regulation (29 CFR 3).



## EXPERIENCE SUMMARY

### **Cambria Community Services District**

#### **Water and Sewer Rate and Fee Studies**

The Cambria Community Services District provides water, wastewater, parks and recreation, and fire protection services to a population of approximately 6,400 in and around the unincorporated community of Cambria in San Luis Obispo County, California. In 2014, BWA assisted the District with development of Emergency Water Supply Charges designed to provide funding for a brackish-water desalination facility needed to provide emergency water supply. BWA developed and evaluated a number of fee alternatives with District input and ultimately recommended two charge components: 1) ongoing charges for financing construction of the desalination facility and basic upkeep, 2) temporary charges to fund operations during periods of facility use. The charges enabled the District to successfully obtain financing for its desalination facility, which is now operational.

In 2015, BWA developed long-term financial plans and water and sewer rate studies designed to restore financial stability, provide funding for capital needs, and support long-term financial health. BWA worked with District staff and the District Board's Ad Hoc committee to evaluate rate structure and rate increase alternatives. Final recommendations included a number of modifications to the District's water and sewer rates designed to equitably recover costs of service and comply with the legal requirements of Proposition 218. During the study, BWA made a number of presentations to the community and Board to discuss findings and recommendations, gain input, and build consensus for final recommendations.

### CONTACT INFORMATION



Jerry Gruber  
General Manager  
805.927.6223

## City of Guadalupe

### Water and Wastewater Rate Studies

The City of Guadalupe is located at the Northwestern corner of Santa Barbara County, CA. The City provides water and wastewater utility service to a population of over 7,000 and local businesses. The City's largest water customer was a produce washing and packing operation. Bartle Wells Associates completed rate studies for the water and wastewater utilities in 2016.

Bartle Wells Associates conducted a comprehensive analysis of the City's water rates. In light of the 2015 San Juan Capistrano court ruling, the City sought to ensure the legality of the rates. In reviewing the City's water sources and cost structure, BWA and City staff determined that a uniform-block water rate structure was most appropriate for the City. The City was facing \$3.5 million in water capital project funding needs so BWA recommended the City pursue State grants and Drinking Water State Revolving Fund (SRF) loans to fund the projects.

Bartle Wells Associates also conducted a comprehensive analysis of the City's wastewater rates. We recommended several scenarios that would increase rates in order to cover five years of capital project funding and operating revenue requirements. The City was facing \$7 million in wastewater capital funding needs and BWA recommended the City pursue State grants and Clean Water SRF loans to fund the projects.



Andrew Carter  
City Administrator  
805.356.3891

## Malaga County Water District

### Water and Sewer Rate and Fee Studies

Malaga County Water District provides water, wastewater, solid waste, and parks and recreation services to a diverse mix of approximately 1,200 residential, commercial, and industrial customers. The District encompasses about four square miles and is located in Fresno County, in the heart of the San Joaquin Valley.

The District commissioned Bartle Wells Associates to conduct an independent long-range financing plan and rate review for its water, sewer, and solid waste enterprises. The study recommended a series of annual rate increases for each enterprise and increases to the water and sewer capacity fees. BWA also recommended minimum fund reserve targets to provide a financial cushion in emergencies. The water enterprise was in good financial condition; however, current rates and fees were inadequate to cover future priority capital needs on a pay-as-you-go basis. BWA developed 10-year cash flow projections to estimate future revenues and expenses and show necessary water rate, fire-line service, and capacity fee increases. The water connection fee was updated and calculated based on the value of the current system, expansion-related capital project costs, and total capacities of existing and future customers. BWA also recommended that the water capacity fees for larger metered customers should be based on American Water Works Association meter ratio standards.

The District's sewer enterprise had experienced overall deficits in the past few years. Our study developed sewer rates to meet long-term budgetary requirements, including debt service to finance capital outlays. BWA recommended that sewer service unit assignments should be reviewed periodically to ensure the assignment accurately reflects wastewater discharge.



Russ Holcomb  
General Manager  
559.485.2341

## Soquel Creek Water District

### Water Rate Study

The Soquel Creek Water District provides water service to a population of approximately 38,000 in Santa Cruz County, California. BWA has served as financial advisor to the District since 2004. Our work has included development of a long-term financial plan to support the District's capital improvement program and the District's share of funding for a potential regional seawater desalination plant to be jointly owned and operated with the City of Santa Cruz. We have also assisted the District in evaluation of financial and rate impacts of various levels of funding for an aggressive water conservation program. Recent assignments include update of the 10-year financial plan and comprehensive water rate study in 2013. Recommendations included a series of gradual annual rate increases coupled with modifications to the District's water rate structure to increase conservation incentive. BWA also developed a series of emergency drought rates corresponding with escalating water shortages identified in the District's Urban Water Management Plan. Recommendations were unanimously adopted by the Board in February 2013. Most recently, BWA assisted the District in 2015 with an update to the District's long-term financial plan incorporating funding of a potential recycled water project.

BWA has also served as independent financial advisor on the issuance of \$40 million of competitively bid bonds, COPs and bank loans issued to fund District capital improvements and refinance prior debt for savings. Most recently, BWA coordinated the issuance of \$17.5 million of 2013 Water Revenue Certificates of Participation to fund high-priority water system improvements identified in the District's recently-updated Capital Improvement Program.



Ron Duncan  
General Manager  
831.475.8501 x144

## CA City-County Street Light Association

### Electric Rate Case Expert Testimony

For over twenty years, Bartle Wells Associates has served as the expert witness for the California City-County Street Light Association (CALSLA). CALSLA is ad-hoc group of cities, counties, and special districts in California that take electric service from Pacific Gas & Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E). CALSLA was formed to challenge rate street light and traffic control rate increases proposed by the utilities in general rate cases submitted to the California Public Utilities Commission (CPUC).

Our expert witness work involves submitting testimony in the general electric rate cases on street light issues. We analyze the utilities' proposals regarding street light capital and operating programs, marginal cost, revenue allocation, facilities charges, and electric rate design. BWA files data requests and reviews PG&E written testimony as well as electronic workpapers. We then file counter-proposals to the utility's recommended rate increase. As needed, our staff have appeared before the CPUC to testify before an Administrative Law Judge on rate issues.

As part of our consulting services, we have also advised CALSLA on LED conversion programs. Assembly Bill 719 (AB719) required investor owned utilities to provide a rate structure that would incentivize the conversion of utility-owned street lights to LED. BWA found that SCE's rate plan was untenable and would have increased the monthly bills of participating customers. Through our intervention at the CPUC, we were able to achieve lower LED rates that are economical for customers.



Jean Bonander  
Executive Director  
56 Hacienda Drive  
Tiburon, CA 94920  
415.508.7527

As part of the rate study, BWA will conduct a legal review of the District's existing cost of service allocation, rate model, resolutions and ordinances, and financial policies. BWA's final rate report will serve as the District's administrative record and provide narrative and tables explaining each step of the rate process. We feel confident in our legal review. No BWA rate study has ever been overturned following legal challenge. BWA rate consultants are regularly engaged to provide peer review of work conducted by other rate consultants and to provide litigation support. We will bring our experience working with other water agencies to our work with the District. Please see the summary of our litigation support assignments:

**Palmdale Water District:** In 2011, the District lost a legal challenge to its rate structure that was developed by a prior consultant. BWA conducted a subsequent water rate study with heavy involvement from the District's legal counsel.

**City of Glendale:** Water rate study to correct modeling errors and revenue shortfalls caused by the City's prior rate consultant.

**San Diego County Water Authority:** Litigation support for the Authority to challenge the wholesale water rates charged by the Metropolitan Water District of Southern California.

**Montecito Water District:** Peer review of the District's 2013 water rate study conducted by a prior consultant.

**City of Davis:** Conducted a water rate study using an innovative rate structure developed in coordination with the City's Water Advisory Committee. Our rate structure was subject to a legal challenge and was upheld by the judge's ruling.

**City of Modesto:** Litigation support for a legal challenge from a large industrial customer to the City's wastewater rates. Developed a cost of service analysis for the industrial service process flow vs. municipal wastewater flow.

**Newhall County Water District:** Peer review of Castaic Lake Water Agency's wholesale water rate proposal to the Newhall County Water District. Provided successful litigation support to the District.

**EXHIBIT "A"**

**ACKNOWLEDGMENT FORM**

RFP for Utility Rate Study Services

**PART A**

The proposing Firm warrants the following:

1. That it will not delegate or subcontract its responsibilities under contract without the express, prior written permission from San Miguel Community Services District
2. That all information provided in connection with this Proposal is true and correct.
3. That it will acknowledge and agree with all terms and conditions stated in this Request for Proposal.

Firm Name (Respondent to RFP): Bartle Wells Associates  
Address: City: State: Zip: 1889 Alcatraz Avenue, Berkeley, CA 94703  
Contact Name: Title: Alison Lechowicz, Vice President  
Telephone No: Email: 510-653-3399 ext 115, alison@bartlewells.com  
Signature

**PART B**

The above listed Firm is responding to a Request for Proposals for a qualified and experienced Firm to provide consulting services to prepare and evaluate utility rates for potential adjustment by the Board of Directors.

**THIS COMPLETED FORM MUST BE RETURNED TO SAN MIGUEL COMMUNITY SERVICES DISTRICT BY THE RESPONDENT WITH THEIR PROPOSAL.**

**RETURN PROPOSAL PRIOR TO 4:00 P.M. October 25, 2016**

**San Miguel Community Services District  
1150 Mission Street  
San Miguel, CA 93451**

**Attn: Darrell W. Gentry  
General Manager**



## San Miguel Community Services District Board of Directors Staff Report

December 22, 2016

AGENDA ITEM: XII. 20

**SUBJECT:** Review and Discuss a Sole Source Award for Engineering Design Work related to SLT Blending Well Line proposed as a 2016-17 CDBG grant funded water quality improvement project.

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### **STAFF RECOMMENDATION:**

Review and Discuss a Sole Source Award to Wallace Group for Engineering Design Work related to the SLT Blending Well Line CDBG water quality improvement project.

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### **BACKGROUND:**

This item was reviewed by the F & B Committee meetings in October and November. The Committee recommended that the Board approve a sole source contract to Wallace Group based on analysis provided in staff report and based on Board policy for issuing a sole source contract.

The proposed Sole Source Award is for engineering design services only as a part of a re-allocated CDBG project awarded by the County earlier this year. The total CDBG award is \$150,000 with a line item expense for engineering design work at \$25,000. The Wallace Group proposed a not-to-exceed cost of \$18, 123.

There were questions raised by the Committee at its October meeting which were answered at the November meeting and are included in this report to the Board.

### **Additional Background:**

The District adopted Purchasing Policies in early 2015, which allow for procurement of professional services based on qualifications. The specific policy sections that are applicable are stated herein:

### **“Section 6.0 PROFESSIONAL SERVICES**

*The procurement of professional services shall be based on qualifications. Such professional services shall include, but not be limited to, those provided by:*

*engineers, management services for construction projects, architects, urban planners, geologists, hydrologists, land surveyors, landscape architects, rate consultants and assayers, real estate appraisers, licensed environmental assessors and ecologists, accountants and providers of financial services, actuaries, personnel and insurance consultants, psychologists, medical doctors, entertainers and performers, claims consultants, and attorneys at law.*

*If the cost of the work to be performed is of an estimated value in excess of \$10,000, the Manager shall obtain the approval of the Board of Directors prior to issuing a purchase order pursuant to Section 4.0.*

*If the cost of the work to be performed is estimated to not exceed \$10,000, the Manager may issue a purchase order pursuant to Section 4.0 without Board of Directors concurrence, unless the Manager determines that such services warrant a Board concurrence prior to award.”*

The cost of the proposed services exceeds \$10,000, therefore, requires Board approval. These costs are reimbursable from the CDBG grant funds awarded to the District for this project, but are front-ended by the District.

**“Section 7.0 SOLE SOURCE VENDORS**

*In the case of sole source vendors, quotation and bid requirements may be waived by the Manager and/or the Board of Directors when in his/her/their judgment the District is best served by a particular vendor.*

*A purchase order and a written explanation for justification of sole sourcing shall be submitted to the Manager and/or the Board of Directors for approval. If approved, a copy of the written explanation shall be attached to the copy of the purchase order.”*

This CDBG project is a water quality improvement project that will tie-in the SLT well water to the East side reservoir tank with a direct service line. This direct line will facilitate the blending of two water supplies, the SLT and other well water with higher water quality (reduced arsenic and nitrate constituents by blending with other water achieves lower arsenic and other constituents’ ppm levels

**Sole Source Justification:**

The proposal by Wallace Group was submitted in response as ongoing work that they had already performed for this CDBG project including funding application. Wallace Group has compiled preliminary data for the Blending Well line project in past years and would use much of it to perform these service.

The scope of service is provided on the attached scope of services and cost proposal presented by Wallace Group for consideration. It should also be pointed out that these services and costs have been modified to reduce costs and more precisely identify the services needed. Any other tasks needed will be done by District staff unless technical, such as a biological report or other similar technical/environmental documents needed by the CDBG process.

One task that the District will assume throughout this project is more project management and construction coordination functions as well as CDBG documentation. To the extent that geotechnical or survey work & services may be needed for the project, the District may need to procure those services separately.

Wallace Group can proceed with scope of work once the Board approves a contract and authorizes the issuance of purchase order for said services. Wallace Group will be providing technical engineering design services, including construction drawings coordination with District and County staff and provide engineering support during construction phase. The cost for these services is proposed at a not-to-exceed \$18,123.

Staff believes the sole source procurement of these services as proposed by Wallace Group is warranted given their ongoing work with the CDBG funding process, project knowledge and background for this work

**Fiscal Impact:**

The total proposed cost of \$18,123 is proposed as an appropriation from Water Capital Reserves. When the CDBG project is completed, there will be a reimbursement of total capital funds expended by District for this Water Quality Improvement project up to the award amount of \$150,000. If construction bids/costs exceed this maximum award, then the District expends its own funds. The next step will be a competitive bidding process for construction cost.

**Staff Recommendation:**

Staff recommends that the Board approve **Resolution No 2016-39** awarding a sole source contract to Wallace Group to prepare the specified engineering design plans and authorize an appropriation of \$18,123 from Water Capital Reserves.

PREPARED BY:  
*Kelly Dodds*

APPROVED BY:  
*Darrell Gentry*

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Kelly Dodds, Utility Supervisor

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Darrell W. Gentry, General Manager

Attachments:

- a) SLT Blending Well Line Design proposal by Wallace Group
- b) Supplemental Information and Report by Utility Supervisor
- c) **Resolution No 2016-39**



**RESOLUTION No 2016-38**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SAN MIGUEL COMMUNITY SERVICES DISTRICT  
APPROVING A SOLE SOURCE CONTRACT AGREEMENT TO WALLACE GROUP  
AS DISTRICT ENGINEER FOR ENGINEERING DESIGN PLANS FOR SLT  
BLENDING WELL LINE.**

**WHEREAS**, the San Miguel Community Services District (“the District”) desires to employ the services of The Wallace Group (“the Firm”) to prepare engineering design plans for the SLT Blending Well Line project; and

**WHEREAS**, the Firm desires to be engaged, by contractual agreement, for the specified engineering design plan work; and.

**WHEREAS**, the District has determined that the District Purchasing Policies provide for sole source award of contract with justification as specified in Attachment “A” to this Resolution; and

**WHEREAS**, the District does hereby determine that these engineering design services are necessary to completion of a CDBG construction grant funded, water quality improvement project.

**THEREFORE, BE IT RESOLVED**, by the Board of Directors of the District does hereby resolve the following:

1. To approve the Contract Service Agreement (the “Agreement”), attached hereto as Attachment “B”, between the District and the Firm to prepare the specified engineering design services and plans.

2. The District’s General Manager is hereby authorized to execute this Agreement on behalf of the San Miguel Community Services District.

On a motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and on the following Roll Call vote, to wit:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

The foregoing Resolution is hereby passed and adopted this 22<sup>th</sup> day of December 2016.

---

John Green, President  
Board of Directors

**ATTEST:**

**APPROVED AS TO FORM:**

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Darrell W. Gentry, General Manager  
and Secretary to the Board of Directors

---

Doug White,  
District General Counsel

September 27, 2016

Mr. Darrell Gentry, General Manager  
San Miguel Community Services District  
PO Box 180  
San Miguel, California 93451

Subject: SLT Blending Well Design CDBG

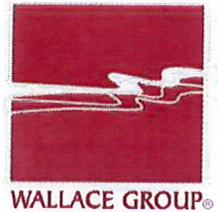
Dear Mr. Gentry:

Wallace Group appreciates the opportunity to provide you with our updated proposal for engineering services for the above referenced project. Based on our discussion, and prior request to modify this letter proposal, the following Scope of Services has been prepared for your consideration. This updated letter proposal is the third edition of this proposal; the initial letter proposal was submitted in December 2015, then was subsequently revised in August 2016 to delete the surveying component. This third edition now addresses additional comments by the District received on September 22, 2016.

**PROJECT UNDERSTANDING**

The San Miguel CSD (District) currently owns and operates an existing 300-gpm potable water well, located in the San Lawrence Terrace area of the San Miguel CSD service area, on Martinez Drive. This existing water well is one of three potable water wells serving the entire San Miguel CSD service area. Shortly after the well was constructed and started up in 2006, the arsenic levels gradually rose and exceeded the State and Federal primary maximum contaminant level (MCL) of 10 parts per billion (ppb). Arsenic levels in the District's water well have stabilized in the 12 ppb to 15 ppb range. The Division of Drinking Water (formerly California Department of Public Health (CDPH)) regulates the community's water system, and has allowed the District to operate this well under the condition that residents be notified of the arsenic issue, and that water distribution system monitoring be conducted to verify the arsenic levels, once introduced into the water system, are at or below the primary MCL of 10 ppb. DDW is requiring that the District implement a well/tank blending project, to better blend the "arsenic water" from the well with the distribution system water held in the San Lawrence Terrace (SLT) tank, a 50,000-gallon potable water tank in close proximity to the SLT well. The project will include the following:

- Construct a dedicated 8-inch diameter feed line, from the SLT well head, to the SLT tank, with an approximate length of 600 LF (see Exhibit 1);
- Extend this pipeline to the top of the SLT tank, penetrate the tank to provide a separate tank fill line with air gap separation (currently, the tank has a single fill/draw line at the bottom of the tank that does not afford adequate mixing capability), repair and re-coat tank at penetration;
- Provide new level transducer at well site, to monitor tank level (discharge pressure at well pump) and control well pump on/off operation.



CIVIL AND  
TRANSPORTATION  
ENGINEERING

CONSTRUCTION  
MANAGEMENT

LANDSCAPE  
ARCHITECTURE

MECHANICAL  
ENGINEERING

PLANNING

PUBLIC WORKS  
ADMINISTRATION

SURVEYING /  
GIS SOLUTIONS

WATER RESOURCES

WALLACE GROUP  
A California Corporation

612 CLARION CT  
SAN LUIS OBISPO  
CALIFORNIA 93401

T 805 544-4011  
F 805 544-4294

[www.wallacegroup.us](http://www.wallacegroup.us)



## SCOPE OF SERVICES

Wallace Group will provide the following services:

### Task 1: Plans and Specifications

We will provide internal coordination of the proposed services, including coordination of the design effort with District staff. This will exclude all direct coordination with the County. Direct coordination and communication with local property owners on which the existing tank lies, existing and proposed water lines, will be provided by the District.

**CDBG Documentation.** Throughout the course of the Project, Wallace Group will maintain electronic copies of key documents generated by Wallace Group during the course of design phase. The District will be responsible for collection and providing the County with all CDBG documents during the design phase that are not part of Wallace Group's design services, and all documents related to bidding and construction phases. Key Wallace Group CDBG documents will be sent individually as they are generated, to the District as part of the District's files.

**Design Review.** Wallace Group will receive written comments from the District at the 50% and 90% completion levels, and will incorporate comments into the updated design packages.

**Field Review.** We will receive the base map/topographic files from San Miguel CSD, review the information, and request any additional survey, topographic and utility information deemed necessary to complete the design. We will conduct field reconnaissance of the project area and pipeline alignment, to be used for design purposes. We will coordinate with District staff for access permission in the area of the new pipeline alignment and the tank site. We will rely on District provided records to identify any known/existing utilities in the area, depiction of right of way, and existing easements for the tank site.

We will prepare detailed design for the Project, providing 50%, and 90% design review packages. At these two milestones, Wallace Group will also provide estimates of probable construction cost. The design will include plan and profile views of the new pipeline, with elevation/invert callouts where required. The plan and profile sheet will be at 1"=20' scale (two plan "strips" per sheet); thus, we envision two plan sheets plus an estimated two detail sheets. County Public Works Standards (2014) will be referenced to the extent possible, and including San Miguel CSD revisions. The design effort will include the preparation of plans, technical specifications (book specifications will be minimized to the extent possible), and Engineer's Estimate of Probable Construction Cost. Elements of the design will include:

- Approximately 600 LF of 8-inch PVC C900 Class 150 water main, including PVC conduit for signal wire for tank level control.
- Tie-in details at the SLT well site.
- Piping penetration at existing SLT tank, including tank penetration and coating repairs. NOTE: Since Wallace Group will not be providing survey, we will rely on the District to provide confirmed elevation for tie-in to the water storage tank, above overflow elevation.
- Level transducer will be specified, and including PVC conduit noted above. Programming of tank on/off to level control will be performed by others (TESCO).



Front End Specifications. Wallace Group will prepare the front-end documents for publicly bid projects, complying with the CDBG/Federal requirements.

Technical specifications will be limited to Division 01 (general) specifications prepared in CSI 2014 format, focusing on general construction requirements for permitting, mobilization, erosion and dust control, temporary water and sanitation facilities, and other general requirements of the Contractor. We will also include development of the measurement and payment section, and recommendations and layout of the bid schedule.

**Deliverables:**

- 50% and 90% Submittals. One (1) full-size set plans, one (1) half-size set plans, one (1) hard copy Front-end and Technical Specifications, one (1) hard copy Engineer's Estimate (including Bid Schedule), one (1) PDF of all documents
- Final Bid Documents. One (1) full-size wet-signed bond set of plans, one (1) "camera-ready" wet-signed copy of Technical Specifications, one (1) hard copy Engineer's Estimate, one (1) PDF of all documents

**Task 2: Bid Phase Services.** This is proposed to be a time and materials task, performed on an as-requested basis by District staff.

The District will take the lead role during the bidding phase, and will advertise for bids, maintain the bidders' list, disseminate bid documents and addenda to prospective bidders, conduct pre-bid meeting, conduct public bid opening, review and evaluate bid responsiveness, recommend award of contract to successful bidder. Wallace Group will provide limited bid phase services when requested, including:

- Responding (to the District) to RFIs during bidding
- Preparing technical portion of Addenda for dissemination by District staff

**Deliverables:**

- Electronic PDF copies of RFI responses and addenda

**Task 3: Engineering Support During Construction**

The District will take the lead role during the construction phase. The District will coordinate the pre-construction meeting, and provide overall construction administration services. Wallace Group will provide limited construction phase services including:

- Submittal Reviews (piping, valves and fittings, tank tie-in and repair details, SLT Well tie-in details, level transducer)
- Preparation of record drawings, based on Contractor-provided field markups

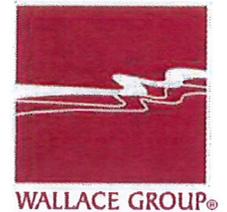
**Deliverables:**

- Electronic PDF copies of RFI responses, submittal reviews
- Record Drawings, one (1) electronic PDF copy, two (2) bond copies

**Task 4: Field Visits and Responding to RFIs During Construction**

This is proposed to be a time and materials task, performed on an as-requested basis by District staff. The District will take the lead role during the construction phase. The District will coordinate the pre-construction meeting, and provide overall construction administration services. Wallace Group will provide the following services if requested by the District, including:

- Responding (to the District) to RFIs during construction
- Periodic Site Observations (two (2) site visits at District request)



## ADDITIONAL SERVICES

At your request, additional services to the Scope of Services will be performed by Wallace Group following the signature of our Contract Amendment or the initiation of a new contract.

Wallace Group can provide the following services upon request:

- Pothole coordination services

## TO BE PROVIDED BY THE CLIENT

- A copy of the grant deed or grant of easement creating the tank site and well sites APN's 027-251-016 and 015, if available
- Topographic survey, easement descriptions if any
- Coordination with SLO County DPW staff
- Coordination during the bid phase and construction phase
- CDBG Documentation - Design documents related to services/activities not provided by Wallace Group, all CDBG documentation during bid and construction phases.
- Preparing and disseminating addenda during bidding.
- Utility research
- Existing waterline marked in field
- Access (and access coordination) to the well site, the tank site, and in-between

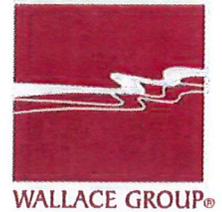
## ITEMS NOT INCLUDED IN SCOPE OF SERVICES

The following services are not included in this Scope of Services or estimate of fees:

- Potholing
- Setting monuments, Record of Survey
  - CDBG Documentation - Design documents related to services/activities not provided by Wallace Group, all CDBG documentation during bid and construction phases.
  - Coordination during the bid phase and construction phase
- On-site project meetings
- Utility Research
- Topographic Surveying
- Assembling and Organizing CDBG Documents
- Geotechnical services
- Bid phase services noted to be provided by the District, in Task 2.
- SWPPP Preparation
- CEQA/NEPA Environmental Compliance

## PROJECT FEES

Wallace Group will perform the services denoted in Tasks 1 and 3 of the proposed Scope of Services in accordance with the attached Standard Billing Rates (Exhibit A). These services will be invoiced monthly on an accrued cost basis, and our total fees, including reimbursables will not exceed our estimated fee of \$15,032 without receiving written authorization from the Client.



On a Time-and-materials basis, and as requested by the Client, Wallace Group will provide services for Task 2 and 4, for an estimated budget of \$3,091.

The following summarizes the Task Fee breakdown:

Task 1 Plans and Specifications	12,416
Task 2 Bid Phase Services (T&M)	1,672
Task 3 Engineering Support During Construction	2,616
Task 4 Field Visits and RFIs (T&M)	1,419
<b>TOTAL:</b>	<b>\$18,123</b>

The CDBG grant application budget, for comparison purposes, was as follows:

CDBG Task	Grant Budget, \$	Wallace Group Proposal, \$
Survey & Geotechnical	10,000	0
Engineering	12,500	\$12,416
Project & CM	7,500	\$5,707
<b>Task Total:</b>	<b>\$29,500</b>	<b>\$18,123</b>

#### TERMS AND CONDITIONS

In order to convey a clear understanding of the matters related to our mutual responsibilities regarding this proposal, the attached Standard Terms and Conditions (Exhibit B) are considered a part of our proposal agreement. If this proposal meets with your approval, please sign where indicated and return one original to our office, which will serve as our notice-to-proceed.

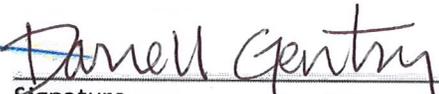
We want to thank you for this opportunity to present our proposal for civil engineering services. If you would like to discuss this proposal in greater detail, please feel free to contact me.

Sincerely,

WALLACE GROUP, a California Corporation

TERMS AND CONDITIONS ACCEPTED:

  
Steven G. Tanaka, PE C49779, CSI, CCS  
Principal Civil Engineer  
612 Clarion Court  
San Luis Obispo  
California 93401  
T 805 544-4011  
F 805 544-4294  
www.wallacegroup.us

  
Signature  
DARRELL GENTRY  
Printed Name  
General Manager  
Title  
Date

Attachments  
sr: PP15-5649, 2014, std  
Exhibit A  
Exhibit B

THIS PROPOSAL IS VALID FOR 60 DAYS FROM THE DATE OF THIS DOCUMENT.

# Standard Billing Rates

## Exhibit A



### Engineering, Design & Support Services:

Assistant Designer/Technician .....	\$ 65
Designer/Technician I - IV .....	\$ 70 - \$100
Senior Designer I - III.....	\$138 - \$148
GIS Technical Specialist .....	\$130
Senior GIS Technical Specialist.....	\$145
Associate Engineer I - II .....	\$ 90 - \$100
Engineer I - IV.....	\$135 - \$150
Senior Engineer I - III .....	\$155 - \$170
Director .....	\$170
Principal Engineer .....	\$182
Principal .....	\$190

### Support Services:

Office Assistant .....	\$ 50
Project Assistant I - III .....	\$ 70 - \$ 86

### Additional Professional Services:

Fees for expert witness preparation, testimony, court appearances, or depositions will be billed at the rate of \$300 an hour. As authorized in advance by the Client, overtime on a project will be billed at 1.5 times the employee's typical hourly rate.

### Direct Expenses:

Direct expenses will be invoiced to the client and a handling charge of 15% may be added. Sample direct expenses include, but are not limited to the following:

- travel expenses
- sub-consultant services
- agency fees
- delivery/copy services
- mileage (per IRS rates)
- other direct expenses

### Invoicing and Interest Charges:

Invoices are submitted monthly on an accrued cost basis in accordance with this Fee Schedule. A finance charge of 1.5% per month may be assessed on all balances that are thirty days past due.

### Right to Revisions:

Wallace Group reserves the right to revise this Schedule of Fees on an annual basis, personnel classifications may be added as necessary.

Exhibit B  
Standard Terms and Conditions  
Wallace Group Proposal No. PP15-5649  
Contract Agreement Date: September 27, 2016

**CLIENT:** SAN MIGUEL COMMUNITY SERVICES DISTRICT  
PO Box 180, San Miguel, California 93451

**CONSULTANT:** WALLACE GROUP, A CALIFORNIA CORPORATION  
612 Clarion Court, San Luis Obispo, California 93401

CLIENT and CONSULTANT agree that these Standard Terms and Conditions, comprised of pages 1 through 6, and the associated written Scope of Services and budget constitute the entire Agreement between the CLIENT and the CONSULTANT. It supersedes all prior communications, understandings and agreements, whether oral or written. Amendments to this Agreement must be in writing and signed by both the CLIENT and the CONSULTANT.

**ARTICLE 1. GENERAL PROVISIONS**

**1.1 Preamble**

This Agreement is based upon a mutual obligation of good faith and fair dealing between the parties in its performance and enforcement. Accordingly, the CLIENT and the CONSULTANT, with a positive commitment to honesty and integrity, agree to the following:

That each will function within the laws and statutes that apply to its duties and responsibilities; that each will assist in the other's performance; that each will avoid hindering the other's performance; that each will work diligently to fulfill its obligations; and each will cooperate in the common endeavor of the contract.

**1.2 Governing Law and Jurisdiction**

The CLIENT and the CONSULTANT agree that this Agreement and any legal actions concerning its validity, interpretation and performance shall be governed by the laws of the State of California. It is further agreed that any legal action between the CLIENT and the CONSULTANT arising out of this Agreement or the performance of the services shall be brought in a court of competent jurisdiction in San Luis Obispo, California.

**1.3 Precedence of Conditions**

Should any conflict exist between the terms herein and the form of any purchase order or confirmation issued, the Terms and Conditions herein shall prevail in the absence of CONSULTANT'S express written consent of others conditions.

**1.4 Standard of Care**

In providing services under this Agreement, the CONSULTANT will endeavor to perform said services in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

**1.5 Corporate Protection**

It is intended by the parties to this Agreement that the CONSULTANT'S services in connection with the Project shall not subject the CONSULTANT'S individual employees, officers or directors to any personal legal exposure for the risks associated with this Project. Therefore, and notwithstanding anything to the contrary contained herein, the CLIENT agrees that as the CLIENT'S sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against the CONSULTANT, a California corporation, and not against any of the CONSULTANT'S individual employees, officers or directors.

**1.6 Confidentiality**

The CONSULTANT agrees to keep confidential and not to disclose to any person or entity, other than the CONSULTANT'S employees, Subconsultants and the general Contractor and Subcontractors, if appropriate, any data or information not previously known to and generated by the CONSULTANT or furnished to the CONSULTANT and marked CONFIDENTIAL by the CLIENT. These provisions shall not apply to information in whatever form that is in the public domain, nor shall it restrict the CONSULTANT from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other legitimate authority, or if disclosure is reasonably necessary for the CONSULTANT to defend itself from any legal action or claim.

**1.7 Third-Party Beneficiaries**

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the CLIENT or the CONSULTANT. The CONSULTANT'S services under this Agreement are being performed solely for the CLIENT'S benefit, and no other party or entity shall have any claim against the CONSULTANT because of this Agreement or the performance or nonperformance of services hereunder. The CLIENT and CONSULTANT agree to require a similar provision in all contracts with Contractors, Subcontractors, Subconsultants, vendors and other entities involved in this Project to carry out the intent of this provision.

### **1.8 Timeliness of Performance**

The CLIENT and CONSULTANT are aware that many factors outside the CONSULTANT'S control may affect the CONSULTANT'S ability to complete the services to be provided under this Agreement. The CONSULTANT will perform these services with reasonable diligence and expediency consistent with sound professional practices.

### **1.9 Severability**

Any term or provision of this Agreement found to be invalid under any applicable statute or rule of law shall be deemed omitted and the remainder of this Agreement shall remain in full force and effect.

### **1.10 Survival**

Notwithstanding completion or termination of this Agreement for any reason, all rights, duties and obligations of the parties to this Agreement shall survive such completion or termination and remain in full force and effect until fulfilled.

### **1.11 Statutes of Repose and Limitation**

All legal causes of action between the parties to this Agreement shall accrue and any applicable statutes of repose or limitation shall begin to run not later than the date of Substantial Completion. If the act or failure to act complained of occurs after the date of Substantial Completion, then the date of final completion shall be used, but in no event shall any statute of repose or limitation begin to run any later than the date the CONSULTANT'S services are completed or terminated.

### **1.12 Defects in Service**

The CLIENT shall promptly report to the CONSULTANT any defects or suspected defects in the CONSULTANT'S services of which the CLIENT becomes aware, so that the CONSULTANT may take measures to minimize the consequences of such a defect. The CLIENT further agrees to impose a similar notification requirement on all Contractors in its CLIENT/Contractor contract and shall require all subcontracts at any level to contain a like requirement. Failure by the CLIENT and the CLIENT'S Contractors or Subcontractors to notify the CONSULTANT shall relieve the CONSULTANT of the costs or remedying the defects above the sum such remedy would have cost had prompt notification been given when such defects were first discovered.

### **1.13 Jobsite Safety**

Neither the professional activities of the CONSULTANT, nor the presence of the CONSULTANT or its employees or Subconsultants at a construction/project site, shall relieve the General Contractor of its obligations, duties and responsibilities including, but not limited to, constructions means, methods, sequence, techniques or procedures necessary for performing, superintending and coordinating the Work in accordance with contract documents and any health or safety precautions required by any regulatory agencies. The CONSULTANT and its personnel have no authority to exercise any control over any construction Contractor or its employees in connection with their work or any health or safety programs or procedures. The CLIENT agrees that the General Contractor shall be solely responsible for jobsite safety, and warrants that this intent shall be carried out in the CLIENT'S contract with the General Contractor. The CLIENT also agrees that the CLIENT, the CONSULTANT and the CONSULTANT'S Subconsultants shall be indemnified by the General Contractor and shall be made additional insured under the General Contractor's policies of general liability insurance.

### **1.14 Assignment: Subcontracting**

Neither CLIENT nor CONSULTANT shall assign its interest in this agreement without the written consent of the other. CONSULTANT may not subcontract any portion of the work to be performed hereunder without such consent.

### **1.15 Force Majeure**

Any delay or default in the performance of any obligation of CONSULTANT under this agreement resulting from any cause(s) beyond CONSULTANT'S reasonable control shall not be deemed a breach of this agreement. The occurrence of any such event shall suspend the obligations of CONSULTANT as long as performance is delayed or prevented thereby, and the fees due hereunder shall be equitably adjusted.

### **1.16 Disputes**

(a) Notwithstanding any other provision of this Agreement and except for the provisions of (b) and (c), if a dispute arises regarding CONSULTANT'S fees pursuant to this contract, and if the fee dispute cannot be settled by discussions between CLIENT and CONSULTANT, both the CLIENT and CONSULTANT agree to attempt to settle the fee dispute by mediation through the American Arbitration Association (or other mediation service) before recourse to arbitration. If mediation does not resolve the fee dispute, such dispute shall be settled by binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

(b) Subdivision (a) does not preclude or limit CONSULTANT'S right to elect to file an action for collection of fees if the amount in dispute is within the jurisdiction of the small claims court.

(c) Subdivision (a) does not preclude or limit CONSULTANT'S right to elect to perfect or enforce applicable mechanics lien remedies.

### **1.17 Attorneys' Fees**

In the event of any litigation arising from or related to this Agreement or the services provided under this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable costs incurred, including staff time, court costs, attorneys' fees and all other related expenses in such litigation.

### **1.18 Services by CLIENT**

CLIENT shall pay all other charges not specifically covered by the terms of this agreement, unless specifically included in the Scope of Services. The CLIENT shall furnish, at the CLIENT'S expense, all information required by this Agreement. The CONSULTANT may use such information, requirements, reports, data, surveys and instructions in performing its services and is entitled to rely upon the accuracy and completeness thereof.

### **1.19 Retention**

If any portion of CONSULTANT'S fee is held in retention, such amount shall be released within thirty days after invoicing for completion of corresponding services. Interest shall be paid at the rate of 1.5% per month on any retention amounts not paid within this thirty-day period.

## **ARTICLE 2. DEFINITIONS**

### **2.1 Burdened Labor Costs**

Burdened labor costs shown on the Standard Billing Rates include payroll taxes, worker's compensation insurance, and other overhead costs applicable to the typical standard of care.

### **2.2 Direct Expenses**

Expenditures made by the CONSULTANT, its employees or its Subconsultants in the interest of the Project. Applicable reimbursable direct expenses are defined on the Standard Billing Rates.

## **ARTICLE 3. COMPENSATION**

### **3.1 Payment Due**

Invoices shall be submitted by the CONSULTANT monthly, are due upon presentation and shall be considered past due if not paid in full within thirty (30) days of the invoice date.

### **3.2 Interest**

If payment in full is not received by the CONSULTANT within thirty (30) calendar days of the invoice date, the invoices shall bear interest at one-and-one-half (1.5) percent (or the maximum rate allowable by law, whichever is less) of the past due amount per month, which shall be calculated from the invoice due date. Payment thereafter shall first be applied to accrued interest and then to the unpaid principal.

### **3.3 Collection Costs**

If the CLIENT fails to make payments when due and the CONSULTANT incurs any costs in order to collect overdue sums from the CLIENT, the CLIENT agrees that all such collection costs incurred shall immediately become due and payable to the CONSULTANT. Collection costs shall include, without limitation, legal fees, collection agency fees and expenses, court costs, collection bonds and reasonable CONSULTANT staff costs at Standard Billing Rates for the CONSULTANT'S time spent in efforts to collect. This obligation of the CLIENT to pay the CONSULTANT'S collection costs shall survive the term of this Agreement or any earlier termination by either party.

### **3.4 Termination or Suspension of Services**

This agreement may be terminated or suspended by either party effective seven (7) days from the date of written notice, or if the CLIENT suspends the work for three (3) months. Upon receipt of a notice of termination or suspension, CONSULTANT will stop or suspend its work and provide same direction for the work of all its Subcontractors and suppliers. Failure of CLIENT to make payments when due shall be cause for suspension of services or ultimately, termination, unless and until CONSULTANT has been paid in full all amounts due for services, expenses and other approved related charges. CONSULTANT shall have no liability whatsoever to the CLIENT for any costs or damages as a result of such suspension or termination caused by any breach of this Agreement by the CLIENT. Upon payment-in-full by the CLIENT, CONSULTANT shall resume services under this Agreement, and the time schedule and compensation shall be equitably adjusted to compensate for the period of suspension plus any reasonable time and expense necessary for the CONSULTANT to resume performance.

### **3.5 Retention Discounts**

Payment of invoices shall not be subject to any discounts or retention by the CLIENT, unless agreed to in writing by the CONSULTANT. Payment to the CONSULTANT for services rendered and expenses incurred shall be due and payable regardless of any subsequent suspension or termination of this Agreement by either party.

### **3.6 Satisfaction with Services**

Payment of any invoice by the CLIENT to the CONSULTANT shall be taken to mean that the CLIENT is satisfied with the CONSULTANT'S services to the date of payment and is not aware of any deficiencies in those services.

### **3.7 Disputed Invoices**

If the CLIENT objects to any portion of any invoice, the CLIENT shall so notify the CONSULTANT in writing within ten (10) days of receipt of the invoice. The CLIENT shall identify in writing the specific cause of the disagreement and the amount in dispute and shall pay that portion of the invoice not in dispute in accordance with the other payment terms of this Agreement. Any dispute over invoiced amounts due which cannot be resolved within thirty (30) calendar days after presentation of invoice by direct negotiation between the parties shall be resolved within forty-five (45) calendar days in

accordance with the Dispute Resolution provision of this Agreement. Interest as stated above shall be paid by the CLIENT on all disputed invoice amounts that are subsequently resolved in the CONSULTANT'S favor and shall be calculated on the unpaid balance from the invoice date.

### **3.8 Payments to the CONSULTANT**

Payments to the CONSULTANT shall not be withheld, postponed or made contingent on the construction, completion or success of the project or upon receipt by the CLIENT of offsetting reimbursement or credit from other parties who may have caused additional services or expenses. No withholdings, deductions or offsets shall be made from the CONSULTANT'S compensation for any reason unless the CONSULTANT has been found to be legally liable for such amounts.

### **3.9 Advance Payment: Withholding Work Product**

CONSULTANT reserves the right to require payment in advance for work estimated to be done during a given billing period. CONSULTANT, without any liability to CLIENT, reserves the right to withhold any services and work products herein contemplated pending payment of CLIENT'S outstanding indebtedness or advance payment as required by CONSULTANT. Where work is performed on a reimbursable basis, budget may be increased by amendment to complete the Scope of Services. CONSULTANT is not obligated to provide services in excess of the authorized budget.

## **ARTICLE 4. SERVICES, ADDITIONAL SERVICES, AND AMENDMENTS**

### **4.1 Definitions**

Services and work products not expressly included with those specified in this agreement, as determined by CONSULTANT, are not covered by this agreement. Such services and work products will be provided only upon compliance with the procedures set forth in Article 4.5 of this Agreement.

### **4.2 Services During Construction**

Any construction inspection or testing provided by CONSULTANT is for the purpose of determining the Contractor's compliance with the functional provisions of the project specifications only. CONSULTANT in no way guarantees or insures Contractor's work nor assumes responsibility for methods or appliances used by the Contractor for job site safety or for Contractor's compliance with laws and regulations. CLIENT agrees that in accordance with generally accepted construction practices the construction Contractor will be required to assume sole and complete responsibility for job site conditions during the course of construction of the project including safety of all persons and property and that this responsibility shall be continuous and not be limited to normal working hours.

### **4.3 Soil Testing**

CONSULTANT makes no representations concerning soil conditions, and is not responsible for any liability that may arise out of the making or failure to make soil surveys, or sub-surface soil tests, or general soil testing. It is the CLIENT'S responsibility to obtain a soils report upon which report CONSULTANT can rely.

### **4.4 Opinion of Probable Construction Costs**

In providing opinions of probable construction cost, the CLIENT understands that the CONSULTANT has no control over cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the CONSULTANT'S opinions of probable construction costs are made on the basis of the CONSULTANT'S professional judgment and experience. CONSULTANT makes no warranty, express or implied, that bids or negotiated cost of the Work will not vary from the CONSULTANT'S opinion of probable construction cost.

### **4.5 Budget Adjustment**

Additional services or work products requiring an adjustment of CONSULTANT'S original estimated budget or fixed fee will be provided at CLIENT'S request upon execution of a written amendment to this agreement expressly referring to the same and signed by both parties.

## **ARTICLE 5. TERMINATION OF AGREEMENT**

### **5.1 Due to Default**

This agreement may be terminated by either party upon seven (7) days written notice should the other party fail to substantially perform in accordance with this agreement through no fault of the party initiating the termination.

### **5.2 Without Cause**

This agreement may be terminated by CLIENT upon at least fourteen (14) days written notice to CONSULTANT in the event that the project is abandoned.

### **5.3 Termination Adjustment: Payment**

If this agreement is terminated through no fault of the CONSULTANT, CONSULTANT shall be paid for services performed and costs incurred to the termination notice date, including reimbursable expenses due, plus an additional amount not to exceed ten percent (10%) of charges incurred to the termination notice date to cover services to orderly close the work and prepare project files and documentation, plus any additional direct expenses incurred by CONSULTANT including but limited to cancellation fees or charges. CONSULTANT will use reasonable efforts to minimize such additional charges.

## ARTICLE 6. LIMITATION OF LIABILITY: WAIVER: WARRANTY

### 6.1 Limitation of Liability

In recognition of the relative risks and benefits of the project to both the CLIENT and the CONSULTANT, the risks have been allocated such that the CLIENT agrees, to the fullest extent permitted by law, to limit the liability of the CONSULTANT to the CLIENT for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of the CONSULTANT to the CLIENT shall not exceed \$50,000.00, or the CONSULTANT'S total fee for services rendered on this project, whichever is greater. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

### 6.2 Contractor and Subcontractor Claims

The CLIENT further agrees, to the fullest extent permitted by law, to limit the liability of the CONSULTANT and the CONSULTANT'S officers, directors, partners, employees and Subconsultants to all construction Contractors and Subcontractors on the Project for any and all claims, losses, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of the CONSULTANT and the CONSULTANT'S Subconsultants to all those named shall not exceed \$50,000.00, or the CONSULTANT'S total fee for services rendered on this Project, whichever is greater. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

### 6.3 Warranty

CONSULTANT makes no warranty, either express or implied, as to CONSULTANT'S findings, recommendations, specifications, or professional advice, except that the work was performed pursuant to generally accepted standards of practice in effect at the time of performance.

If, during the term of this Agreement, circumstances or conditions that were not originally contemplated by or known to the CONSULTANT are revealed, to the extent that they affect the Scope of Services, compensation, schedule, allocation of risks or other material terms of this Agreement, the CONSULTANT may call for renegotiation of appropriate portions of this Agreement. The CONSULTANT shall notify the CLIENT of the changed conditions necessitating renegotiation, and the CONSULTANT and the CLIENT shall promptly and in good faith enter into renegotiations of this Agreement to address the changed conditions. If terms cannot be agreed to, the parties agree that either party has the absolute right to terminate this Agreement, in accordance with the Termination Provision hereof.

If the Scope of Services pursuant to this agreement does not include on-site construction review, construction management, or other construction supervision for this project, or if subsequent to this agreement CLIENT retains other persons or entities to provide such services, CLIENT acknowledges that such services will be performed by others and CLIENT will defend, indemnify and hold CONSULTANT harmless from any and all claims arising from or resulting from the performance of such services by other persons or entities except claims caused by the sole negligence or willful misconduct of CONSULTANT; and from any and all claims arising from or resulting from clarifications, adjustments, modifications, discrepancies or other changes necessary to reflect changed field or other conditions, except claims caused by the sole negligence or willful misconduct of CONSULTANT.

### 6.4 Interpretation

Limitations on liability, waivers and indemnities in this Agreement are business understandings between the parties and shall apply to all legal theories of recovery, including breach of contract or warranty, breach of fiduciary responsibility, tort (including negligence), strict or statutory liability, or any other cause of action, provided that these limitations on liability, waivers and indemnities will not apply to any losses or damages that may be found by a trier of fact to have been caused by the CONSULTANT'S sole or gross negligence or the CONSULTANT'S willful misconduct. The parties also agree that the CLIENT will not seek damages in excess of the contractually agreed-upon limitations directly or indirectly through suites against other parties who may join the CONSULTANT as a third-party defendant. "Parties" means the CLIENT and the CONSULTANT, and their officers, directors, partners, employees, Subcontractors and Subconsultants.

### 6.5 Delays

The CLIENT agrees that the CONSULTANT is not responsible for damages arising directly or indirectly from any delays for causes beyond the CONSULTANT'S control. For purposes of this Agreement, such causes include, but are not limited to, strikes or other labor disputes; severe weather disruptions or other natural disasters; fires, riots, war or other emergencies or acts of God; failure of any government agency to act in a timely manner; failure of performance by the CLIENT of the CLIENT'S Contractors or CONSULTANT'S; or discovery of any hazardous substances or differing site conditions.

## ARTICLE 7. HAZARDOUS WASTE MATERIALS

### 7.1 Liability

CONSULTANT hereby states and CLIENT hereby acknowledges that CONSULTANT has no professional liability insurance for claims arising out of the performance of or failure to perform professional services, including, but not limited to the preparation of reports, designs, drawings and specifications, related to the investigation, detection, abatement, replacement, use or specification, or removal of products, materials or processes containing substances including, but not limited to asbestos, toxic or hazardous waste, PCBs, combustible gases and materials, petroleum or radioactive materials (as each of these is defined in applicable federal statutes) or any other substances under any conditions and in such quantities as

would pose a substantial danger to persons or property exposed to such substances at or near the Project site. Accordingly, the CLIENT hereby agrees to bring no claim for negligence, breach of contract indemnity or otherwise against the CONSULTANT, its principals, employees, and agents if such claim, in any way, would involve the CONSULTANT'S services for the investigation, detection, abatement, replacement, use or specification, or removal of products, materials or processes containing asbestos, asbestos cement pipe, and/or hazardous waste materials. CLIENT further agrees to defend, indemnify and hold harmless CONSULTANT, its officers, directors, principals, employees and agents from any asbestos and/or hazardous waste material related claims that may be brought by third parties as a result of the services provided by the CONSULTANT pursuant to this agreement except claims caused by the sole negligence or willful misconduct of the CONSULTANT.

## **ARTICLE 8. OWNERSHIP AND REUSE OF DOCUMENTS**

### **8.1 CONSULTANT Ownership**

All original papers, documents, drawings, electronic media and other work product of CONSULTANT, and copies thereof, produced by CONSULTANT pursuant to this agreement shall remain the property of CONSULTANT and may be used by CONSULTANT without the consent of CLIENT. Upon request and payment of the costs involved, CLIENT is entitled to a copy of all papers, documents and drawings provided CLIENT'S account is paid current.

### **8.2 Document Reuse**

In the event the CLIENT, the CLIENT'S Contractors or Subcontractors, or anyone for whom the CLIENT is legally liable makes or permits to be made any changes to any reports, plans specifications or other construction documents prepared by the CONSULTANT without obtaining the CONSULTANT'S prior written consent, the CLIENT shall assume full responsibility for the results of such changes. Therefore the CLIENT agrees to waive any claim against the CONSULTANT and to release the CONSULTANT from any liability arising directly or indirectly from such changes. In addition, the CLIENT agrees, to the fullest extent permitted by law, to indemnify and hold harmless the CONSULTANT from any damages, liabilities or costs, including reasonable attorneys' fees and costs of defense, arising from such changes. In addition, the CLIENT agrees to include in any contracts for construction appropriate language that prohibits the Contractor or any Subcontractors of any tier from making any changes or modifications to the CONSULTANT'S construction documents without the prior written approval of the CONSULTANT and further requires the Contractor to indemnify both the CONSULTANT and the CLIENT from any liability or cost arising from such changes made without proper authorization.

### **8.3 Electronic Media Alteration and Reuse**

Because CADD information stored in electronic form can be modified by other parties, intentionally or otherwise, without notice or indication of said modifications, CONSULTANT reserves the right to remove all indicia of its ownership and/or involvement in the material from each electronic medium not held in its possession. CLIENT shall retain copies of the work performed by CONSULTANT in CADD form only for information and use by CLIENT for the specific purpose for which CONSULTANT was engaged. Said materials shall not be used by CLIENT, or transferred to any other party, for use in other projects, additions to the current project, or any other purpose for which the material was not strictly intended by CONSULTANT without CONSULTANT'S express written permission. Unauthorized modification or reuse of the materials shall be at CLIENT'S sole risk, and CLIENT agrees to defend, indemnify, and hold CONSULTANT harmless, from all claims, injuries, damages, losses, expenses, and attorney's fees arising out of the unauthorized modification or use of these materials.



# San Miguel Community Services District SLT Blending Line Project

## Staff Report

**November 4, 2016**

**SUBJECT:** SLT Blending Line project

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The Finance and Budget committee reviewed this project at their October 25<sup>th</sup> meeting and had the following questions.

The current arraignment at this site is as follows.

Currently the SLT Well is piped directly into the distribution grid. Because this well contains arsenic at levels generally exceeding the 10 PPM MCL we are required to blend it with water containing less Arsenic so that it does meet the MCL. Currently the only way we can accomplish this is to isolate the portion of the line from the well to the tank and force the well water to the tank. The issue with this is that the other main from the tank intercepts this line before the tank and they both enter at the bottom of the tank. This configuration severely limits the amount of mixing that is possible as well as creates the potential that unmixed water can bypass the tank all together and make it to customers taps. The State water board is requiring that we either install a dedicated blending line to the top of the tank, install treatment on the well to remove the arsenic, or shut down the well.

Shutting down the well is what was done almost immediately after the well was completed because of the high nitrates and arsenic. Since we have been pumping and blending this water on a regular basis we have been able to lower the nitrates to near zero and bring the arsenic to near the MCL. In the years that the well was shut down the arsenic and nitrates concentrated in the well creating very high levels of both nitrates and arsenic.

Q: Can the District staff complete this project without an engineered plan?

A: Yes, the District staff can, with District personnel, complete this project without an engineered plan. However, we still would need to complete the Kit Fox and Biological reporting for the completion of CEQA and NEPA.

Q: How much of the work can we do in house?

A: After the Biologist completes the Kit fox and Biological reports the District can complete the installation of the water line up to the tank connection. The physical connection to the tank would need to be contracted as we do not currently have the ability to penetrate and seal the tank. And we will also need to still have the surveyor provide staking for the new alignment.

Q: Why can't SCADA do the blending?

A: There are two parts to this. The first part is that the proposed line will be a dedicated line solely to pump water to the top of the water tank from the well. This action would cause the SLT Well water to be forced to mix or blend with the water that is already in the tank from the other wells. The second part of this is the we already have partial control with SCADA to allow the well to run under prescribed conditions to ensure adequate blending. We cannot simply program the well to run without having the proposed line installed because it doesn't fix the main issue which is ensuring adequate and complete blending.

Q: Describe what work we can do without compromise to safety or getting more equipment or personnel.

A: Once the board approved third utilities person is on board we can safely complete this project, with the exception of the tank connection which would have to be contracted out. Since we have other daily obligations this project would take considerably longer to complete then if it were contracted out.

Q: Can we do the work without CDBG?

A: The District at its option can decide to not utilize CDBG grant funding and pay "out of pocket" for this project. However, per governmental contracting laws require that if a project is estimated to be over \$45,000 we have to contract it out.

Q: Do we have to pay prevailing wage for CDBG?

A: Prevailing wage is a requirement of CDBG because they are federally funded through HUD. With very few exceptions all improvement projects that the district contracts for, that are in excess of \$3000, are required to be prevailing wage.

Q: Why are we recommending sole source to Wallace Group for engineering?

A: Please see the report that was included in the October 25<sup>th</sup> 2016 F&B Committee packet.

Q: What is the full amount of the CDBG grant award?

A: Although this project was actually reassigned from other projects the SLT Blending line project is funded for a total of \$150,000 in CDBG funding.

Estimated costs if the district performs the work:

Materials - \$11,100

District Labor - \$21,760

Contract labor - \$1,000

Biologist - \$1,950 (Althouse and Meade is currently fulfilling this contract)

Surveyor - \$7,100 (Twin Cities Survey is currently fulfilling this contract)

Estimated total - \$42,910 (this does not include any kit fox mitigation fees, permits, or other costs associated with crossing the private property to the tank.)

BY:

*Kelly Dodds*

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Kelly Dodds, Utility Supervisor



## San Miguel Community Services District Board of Directors

### Staff Report

December 22, 2016

AGENDA ITEM: XIII. 21

**SUBJECT: Discuss Salary Adjustment for non-management, non-confidential staff  
Member eligible for step increase in compensation**

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#### **STAFF RECOMMENDATION:**

Discuss and Approve **Resolution No 2016-35** approving salary adjustment for 1 employee member eligible for salary adjustment and authorize General Manager to make adjustment based on satisfactory annual performance evaluation.

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#### **BACKGROUND:**

Annual performance evaluation of active District personnel and salary adjustments are required by District Personnel Policies to be authorized by Board prior to any change in status, including a merit or step pay increase. This salary adjustment request was reviewed by Board at its November meeting. At that time, the Board asked the General Manager to confirm the true cost of the planned salary adjustments for the District. Finance & Budget Committee and Operations & Personnel Committee. Finance & Budget Committee made a recommendation to the Board to approve the requested merit increases retroactive. Operations & Personnel Committee forwarded the request to the Board for consideration without a recommendation to the Board.

Annual performance evaluation of the Utility Operator 2 position, has been completed. David Tracey serves as Utility Operator 2. He was last authorized for a merit increase in January 2016, which was late for the annual review and resulted in retroactive pay back to September 2015.

Mr. Tracey has completed operator certification training and testing as specified in 2015-2016 goals, a part of last year's evaluation statement. Once again, for the current performance evaluation period, specific goals in skill training and performance have been identified for achievement by the next evaluation period. His performance for the position requirements and duties performed is above expectations.

Personnel Policies state that step or merit increase in compensation may be authorized based on General Manager's recommendation with a satisfactory annual performance evaluation. This request is seeking authorization for a step increases effective with next payroll period, after Board

approval, from current Step 1 (\$17.94) to Step 2 (\$18.84) for Mr. Tracey. This increase is retroactive to September 1, 2016.

An annual performance evaluation of Bookkeeper/Accounting, Michelle Farrar's position, has also been completed. Specific objectives in skill training and work performance have been identified for her next performance evaluation period. Her performance for the position requirements and duties performed are above expectations.

Personnel Policies state that step or merit increase in compensation may be authorized based on General Manager's recommendation with a satisfactory performance evaluation. Michelle as Bookkeeper/Accounting has been reviewed for mid-introductory period. This salary adjustment will align the position and compensation step schedule to Step 1, \$21.09 hourly for that position and will become effective upon Board approval.

**FISCAL IMPACT:**

The cost of this merit or step increase was calculated at \$3,962 gross yearly or \$330.17 gross per month. Merit increases were anticipated and projected for the FY 2016-17 Personnel budget expenses. It should be noted that the Bookkeeper position is part-time and is not projected at full time position cost including benefits for retirement, healthcare, vision and dental.

The recent vacancy in the Operator 2 position will result in slightly lower cost for the District because the recruitment and hiring will be for an Operator 1 position at a compensation schedule, Step 1 salary level of \$32,235 compared to Operator 2 position at Step 1 level of \$37,316. The actual reduced costs are calculated, with District contributions included, at \$18,120 for Operator 1 part-time for balance of Fiscal Year.

Bookkeeper salary adjustment cost, with District contributions, are calculated at \$2.39 per hour more for the balance of the year, which will add \$1,199 in salary costs. The retroactive period from September to present would add \$550.00 more in salary costs for this position.

The reduced costs from Operator 2 to Operator 1 is sufficient to offset this adjustment.

**ACTION DISCUSSION:**

Staff recommends that the Board authorize the General Manager to authorize the salary adjustment for Bookkeeper/Accounting positions effective retroactive to September 1, 2016, which is originally proposed by General Manager based on satisfactory work performance.

PREPARED BY:

*Darrell W. Gentry*

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General Manager

Attachments: **Resolution No 2016-35**



**RESOLUTION NO. 2016-35**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL  
COMMUNITY SERVICES DISTRICT APPROVING SALARY ADJUSTMENT FOR 1  
DISTRICT EMPLOYEE AND AUTHORIZING A CHANGE BASED ON  
COMPENSATION STEP 1 SCHEDULE**

**WHEREAS**, the San Miguel Community Services District (“SMCSD”) has adopted District Personnel Policies, effective September 2016, require job reclassifications and/or salary adjustments to be approved by the Board of Directors (“Board”); and

**WHEREAS**, the District General Manager (“Manager”) has the administrative responsibility for recommending any change in job reclassification and compensation to the Board and the Manager has recommended adjustment in salary compensation adjustments retroactively for one (1) eligible employee for reasons identified in written reports to the Board dated November 17, 2016 and December 22, 2016 incorporated by reference hereto; and

**WHEREAS**, the Board, based on Manager’s recommendation in support of this change in salary adjustment in accordance with District compensation step schedule, does hereby approve this salary adjustment change to Step 1 for 1 eligible employee, at its Board Meeting; and

**NOW THEREFORE, BE IT RESOLVED**, by the Board approves and authorizes the General Manager to implement the specified salary adjustment retroactive to September 1, 2016 for one (1) eligible employee.

**PASSED AND ADOPTED** on December 22, 2016 by the Board of Directors on a motion of Director \_\_\_\_\_ to authorize salary adjustment for one eligible employee retroactive to September 1, 2016, Seconded by Director \_\_\_\_\_ by the following roll call vote:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAINING:**

\_\_\_\_\_  
John Green, President  
Board of Directors

**ATTEST:**

**APPROVED AS TO FORM:**

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Darrell W. Gentry, General Manager  
and Secretary to the Board

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Doug White, District General Counsel

I, Darrell W Gentry, Secretary of the Board of Directors of the San Miguel Community Services District, hereby attest the foregoing to be a full, true and correct copy of the record of the action of the action as the same appears in the Official Minutes of Board of Directors at its meeting of December 22, 2016.



## San Miguel Community Services District Board of Directors

### Staff Report

December 22, 2016

AGENDA ITEM: XIII. 22

**SUBJECT:** Discuss and Approve **Resolution No. 2016-40** authorizing an application for new commercial credit card with California Special District Association (CSDA) affiliate, Bank of West

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**STAFF RECOMMENDATION:**

Approve **Resolution No. 2016-40** authorizing an application for new commercial credit card with CSDA affiliate, Bank of West.

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**BACKGROUND:**

District staff initiated a review of commercial cards as a means to consolidate or replace existing accounts. The Finance & Budget Committee had reviewed the District's use of the Chevron commercial card and concluded that the Chevron fees were extra ordinary and could reduce present level of expenditures with the use of another commercial card.

As indicated, these conclusions have led to a termination of the Chevron gasoline commercial card account due to excessive fee charges for purchases and opportunity to buy vehicle fuel as lower prices. We found an offering presented by CSDA in partnership with Bank of West. The commercial card offered provides access to combined or pooled purchasing opportunities and commodities needed by special district, detailed statement for each purchase, low fees for card purchases and fraud protection/alerts.

This new card would use the District's logo, if desired, and identify the District as well.

**ACTION DISCUSSION:**

Board should approve **Resolution No. 2016-40** authorizing a new commercial card for District use in replacement of the Chevron commercial card.

PREPARED BY:

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Darrell W. Gentry,  
General Manager

Attachment: **Resolution No. 2016-40** and Exhibit "B"



## **RESOLUTION NO. 2016-40**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL COMMUNITY SERVICES DISTRICT AUTHORIZING PARTICIPATION WITH BANK OF THE WEST TO PARTICIPATE IN THE CSDA DISTRICT PURCHASING CARD PROGRAM**

**WHEREAS**, the San Miguel Community Services District (“SMCSD”) is a duly established community service district and authorized by State statutes governing community service district; and

**WHEREAS**, Credit cards and purchasing cards are mechanisms for purchasing goods and services for the convenience of the San Miguel Community Services District (SMCSD); and

**WHEREAS**, the California Special Districts Association (CSDA) has negotiated with Bank of the West to provide a Purchasing Card Program for vendor payments, purchasing, travel or fleet transactions, and

**WHEREAS**, the CSDA District Purchasing Card Program (Program) is available to members of the CSDA and the SMCSD is a member of the CSDA; and

**WHEREAS**, the Program requires an application for credit approval, a resolution by the SMCSD Governing Board, and District policy and procedures regarding the use of the credit cards;

**WHEREAS**, the SMCSD has a Standard Practice of procedures for using credit cards as required by the Program,

**NOW THEREFORE BE IT RESOLVED**, that the Board of Directors of the San Miguel Community Services District directs the following actions:

- 1) Authorize participation with Bank of the West in the CSDA District Purchasing Card program;
- 2) Authorize the application to the Program for credit cards or purchasing cards;
- 3) Authorize the General Manager to execute necessary agreements, approved as to legal form.

**BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED** by the Board of Directors on a motion of **Director** \_\_\_\_\_, seconded by **Director** \_\_\_\_\_, by the following roll call vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

\_\_\_\_\_  
John Green, President  
SMCSD Board of Directors

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Darrell Gentry, General Manager/  
Secretary to the Board

\_\_\_\_\_  
Doug White, District General Counsel

I, Darrell W Gentry, Secretary of the Board of Directors of the San Miguel Community Services District, hereby certify the foregoing to be a full, true and correct copy of the record of the action of the action as the same appears in the Official Minutes of Board of Directors at its meeting of December 22, 2016.